

# Annual Report and Accounts

For the year ended 31 December 2023

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Ecofin U.S. Renewables  
Infrastructure Trust PLC

# About the Company

Ecofin U.S. Renewables Infrastructure Trust PLC ("RNEW" or the "Company") is a closed ended investment company incorporated in England and Wales. The Company's ordinary shares ("Shares") were admitted to the Official List of the Financial Conduct Authority ("FCA") and to trading on the premium listing segment of the main market of the London Stock Exchange ("LSE") on 22 December 2020. The Company's Shares are traded in USD (ticker: RNEW), or in GBP (ticker: RNEP). The Company has been awarded the London Stock Exchange's Green Economy Mark. 

RNEW operates with Environmental, Social and Governance ("ESG") considerations and criteria analysis integrated in its Investment Manager's investment process to optimise its impact and mitigate risk. Its activities seek to directly contribute to decarbonising the power sector predominantly through long-term sustainable energy investments in wind, solar, and other types of renewable and sustainable infrastructure.

## Objective

The Company's investment objective is to provide Shareholders with an attractive level of current distributions by investing in a diversified portfolio of mixed renewable energy and sustainable infrastructure assets ("Renewable Assets") predominantly located in the U.S. with prospects for modest capital appreciation over the long term.

## Investment Manager

RNEW is managed by Ecofin Advisors, LLC (the "Investment Manager") which is Securities and Exchange Commission ("SEC") registered and is the Company's alternative investment fund manager ("AIFM"). Ecofin Investments, LLC is the parent of registered investment advisers Ecofin Advisors, LLC and Ecofin Advisors Limited (collectively "Ecofin") with operations in the U.S. and London. Ecofin is a sustainable investment firm dedicated to uniting ecology and finance. Its mission is to generate strong risk-adjusted returns while optimising investors' impact on society and aligning with UN Sustainable Development Goals. Ecofin's teams are socially-minded, ESG-attentive investors, harnessing years of expertise investing in sustainable infrastructure, energy transition, clean water, environmental and social impact companies and real assets.

## Why RNEW?

RNEW targets attractive risk-adjusted returns and an attractive dividend yield through a differentiated investment strategy focused on the middle market of U.S. renewable energy:

- **Fully invested portfolio:** Geographically diversified portfolio of high-quality U.S. Renewable Assets which offer the opportunity for both capital growth and inflation protection;
- **Stable income:** Long-term power purchase agreements ("PPAs") generating 100% contracted revenues and an attractive income stream;
- **Positive sector outlook:** The prospects for growth in the U.S. renewables industry are attractive, boosted by federal legislation (including the Inflation Reduction Act) supportive of the U.S. power sector's 2035 carbon-free goal; and
- **Investment market expertise:** Ecofin has the industry relationships and experience to identify and pursue attractive projects for RNEW.

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For more information please visit the Company's web pages at

[www.ecofininvest.com/rnew](http://www.ecofininvest.com/rnew)

## Highlights

### Financial

As at 31 December 2023

Net Asset Value ("NAV") per share	NAV	Share price
<b>85.2 cents</b> <b>66.8 pence<sup>1</sup></b>	<b>\$117.7 million</b> <b>£92.2 million<sup>1</sup></b>	<b>56.5 cents<sup>2</sup></b> <b>44.3 pence<sup>2</sup></b>

### Leverage

**38.6%<sup>3</sup>**

Year ended 31 December 2023 ("Year")

NAV total return	Share price total return	Dividends per share declared
<b>(5.5)%<sup>4</sup></b>	<b>(28.0)%<sup>4</sup></b>	<b>3.5 cents</b>

### Operational

Assets	Equivalent number of households supplied in 2023	Portfolio generating capacity
<b>65</b>	<b>~22,200</b>	<b>177 MW<sup>5</sup></b>

### CO<sub>2</sub>e avoided in 2023

**~141,800 tonnes<sup>6</sup>**

### Clean energy generated in 2023

**248 GWh<sup>5</sup>**

Figures reported either as at the referenced date or over the year ended 31 December 2023. All references to cents and dollars (\$) are to the currency of the U.S., unless stated otherwise.

1. 31 December 2023 exchange rate of £0.7835 = \$1.00
2. RNEW & RNEP LSE closing price as at 31 December 2023
3. Calculated based on Gross Asset Value ("GAV") and aggregate debt. Additional information can be found in the financing section of the Investment Manager's Report on page 8.
4. These are alternative performance measures ("APMs"). Definitions of how these APMs and other performance measures used by the Company have been calculated can be found on page 93.
5. Represents the Company's share of portfolio generating capacity.
6. CO<sub>2</sub>e based on the Company's proportionate ownership interest in the assets. CO<sub>2</sub>e calculations are derived using the U.S. Environmental Protection Agency's ("EPA") Emissions & Generation Resources Integrated Database.



Whirlwind 60 MW wind project in Texas

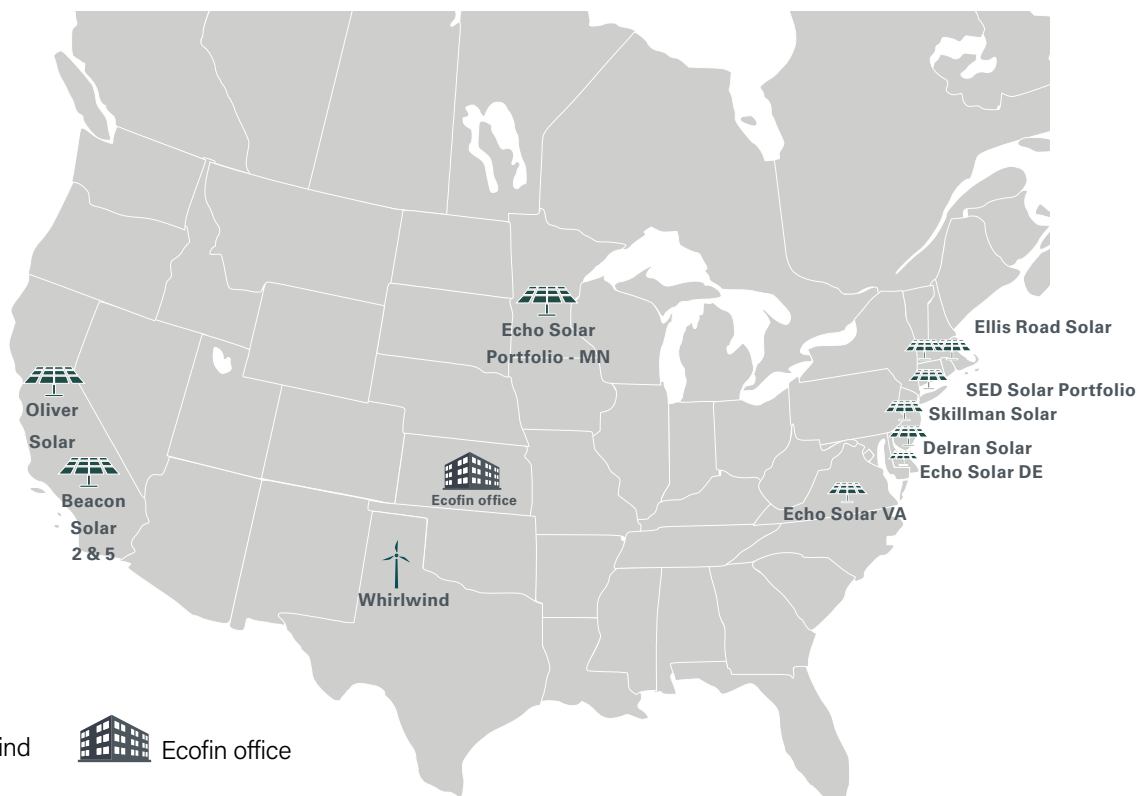
# Portfolio

Total number of assets closed

**65**

Total capacity (MW) closed

**177**



Investment Name	Sector	Capacity (MW) <sup>1</sup>	Number of assets	State	Ownership <sup>2</sup>	Phase	Acquisition Status	Remaining revenue contract term (years) <sup>3</sup>
SED Solar Portfolio	Commercial Solar	11.3	52	Massachusetts, Connecticut	100%	Operational	Completed Dec. 2020	12.6
Ellis Road Solar	Commercial Solar	7.1	1	Massachusetts	100%	Operational	Completed Dec. 2020	17.5
Oliver Solar	Commercial Solar	4.8	1	California	100%	Operational	Completed Dec. 2020	11.9
Beacon 2	Utility-Scale Solar	29.5	1	California	49.5%	Operational	Completed Feb. 2021	19.0
Beacon 5	Utility-Scale Solar	23.9	1	California	49.5%	Operational	Completed Feb. 2021	19.0
Skillman Solar	Commercial Solar	2.6	1	New Jersey	100%	Operational	Completed Sept. 2021	13.6
Delran Solar	Commercial Solar	2.0	1	New Jersey	100%	Operational	Completed Oct. 2021	11.5
Whirlwind	Wind	59.8	1	Texas	100%	Operational	Completed Oct. 2021	4.0
Echo Solar - MN	Commercial Solar	13.7	1	Minnesota	100%	Operational	Completed Oct. 2021	24.0
Echo Solar - VA 1	Commercial Solar	2.7	1	Virginia	100%	Operational	Completed Jun. 2022	24.0
Echo Solar - VA 2	Commercial Solar	4.2	1	Virginia	100%	Operational	Completed Jun. 2022	25.0
Echo Solar - VA 3	Commercial Solar	6.5	1	Virginia	100%	Operational	Completed Aug. 2022	24.7



Investment Name	Sector	Capacity (MW) <sup>1</sup>	Number of assets	State	Ownership <sup>2</sup>	Phase	Acquisition Status	Remaining revenue contract term (years) <sup>3</sup>
Echo Solar – VA 4	Commercial Solar	2.9	1	Virginia	100%	Operational	Completed Aug. 2022	25.0
Echo Solar – DE 1	Commercial Solar	5.9	1	Delaware	100%	Operational	Completed Aug. 2022	25.0
Total <sup>3</sup>		176.9	65					13.7 <sup>3</sup>

1. Capacity reflects RNEW’s proportionate ownership interest in the assets.

2. Cash equity ownership.

3. Average remaining revenue contract term (years).



Rooftop solar system at a community rowing facility in Massachusetts, part of SED Solar Portfolio



SED Solar Portfolio - rooftop solar system installed at an industrial facility in Massachusetts

## Our Business Model

### Investment Objective

The Company's investment objective is to provide Shareholders with an attractive level of current distributions by investing in a diversified portfolio of Renewable Assets predominantly located in the U.S. with prospects for modest capital appreciation over the long term.

### Structure

The Company's business model follows that of an externally managed investment trust. As such, the Company does not have any employees and outsources its activities to third party service providers, including the Investment Manager and the Administrator who are the principal service providers. The Company's structure, including management structure and key service providers, is illustrated overleaf.

The Company makes its investments through a wholly-owned U.S. holding company, RNEW Holdco LLC ("Holdco"), other intermediate holding companies and underlying special purpose vehicles ("SPVs", organised as U.S. limited liability companies or LLCs) that hold the Renewable Assets. The Company has the ability to use short and long-term debt at the Company, Holdco and SPV levels subject to limits defined in its gearing policy.

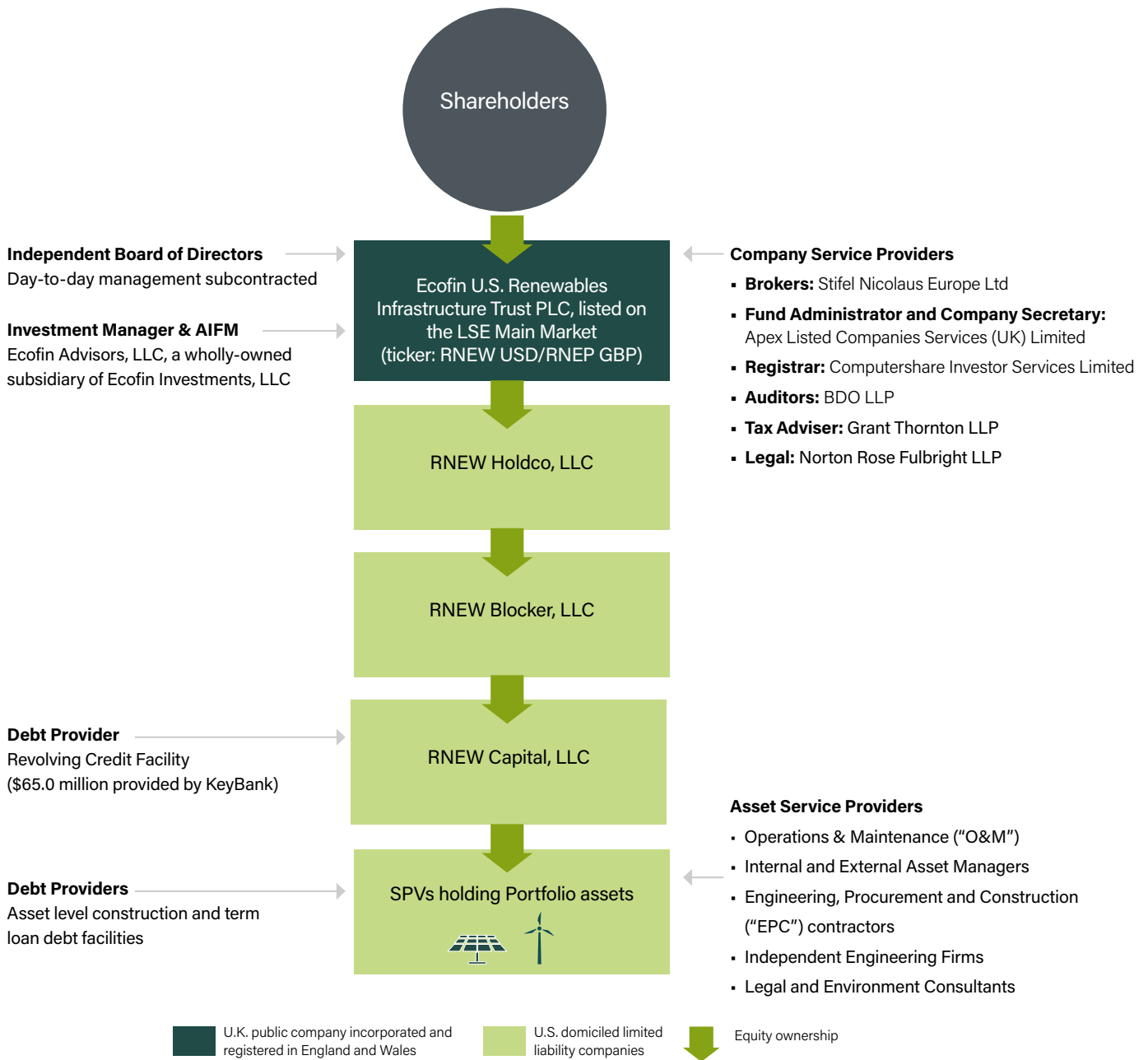
The Company, through a wholly-owned U.S. subsidiary, RNEW Capital, LLC, has a \$65 million secured Revolving Credit Facility ("RCF") with KeyBank, one of the premier lenders to the U.S. renewable energy industry. The RCF comprises a \$50 million,

two-year tranche priced at Secured Overnight Financing Rate ("SOFR") plus 2.13% and a \$15 million, three-year tranche priced at SOFR plus 2.38%. Both tranches were extended by 12 months in 2023 to October 2024 and October 2025, respectively. The RCF also includes an accordion option for an additional \$20 million of capital which can be accessed subject to certain conditions. The RCF is structured to provide RNEW with operational flexibility and liquidity to advance its pipeline and continue to grow.

Through the Company's acquisition of a 49.5% stake in the Beacon 2 and 5 operating solar assets, it assumed its share of non-recourse amortising project term loans secured on those projects that totalled \$44.7 million as at 31 December 2023. In addition, in October 2023, a wholly-owned U.S. subsidiary of RNEW, TC Renewable Holdco V, LLC, entered into a \$4.3 million amortising project term loan secured on Echo Solar Portfolio projects.

The Company has a 31 December financial year end and announces half-year results in September and full-year results in April. The Company pays dividends quarterly.

Figure 1: Company operating model



## Management of the Company

The Company has an independent board of four non-executive Directors (details of whom can be found in the Directors' Experience and Contribution section of the Corporate Governance Statement). The Board's role is to manage the governance of the Company in the interests of Shareholders and other stakeholders. In particular, the Board monitors adherence to the Investment Policy and gearing policy limits, determines the risk appetite, sets Company policies and monitors the performance of the Investment Manager and other key service providers. The Board meets a minimum of six times a year for regular Board meetings, with additional ad hoc meetings taking place dependent upon the requirements of the business. The Board reviews the performance of all key service providers on an annual basis through its Management Engagement Committee.

The Company has appointed Ecofin as its AIFM and Investment Manager to provide portfolio and risk management services to the Company. The Board takes advice from the Investment Manager on matters concerning the market, the portfolio and

new investment opportunities. Day-to-day management of the Company's portfolio is delegated to the Investment Manager, with investment decisions in line with the Company's Investment Policy delegated to an Investment Committee consisting of senior members of the Investment Manager. Further information on the Investment Manager is provided in the Investment Manager's Report.

As an investment trust, the Company does not have any employees and is reliant on third party service providers for its operational requirements. Likewise, the SPVs which hold the portfolio assets do not have any employees and services are provided through third party providers. The Board has delegated administration, fund accounting and company secretarial services to Apex Listed Companies Services (UK). Each service provider has an established track record and has in place suitable policies and procedures to ensure it maintains high standards of business conduct and corporate governance.

## Investment Manager

- Manages the portfolio of Renewable Assets to achieve the Company's Investment Objective
- Sources, evaluates and implements the pipeline of new investments
- Monitors financial performance against Company targets and forecasts
- Advises the Board on investment strategy and portfolio composition to achieve the desired target returns within the agreed risk appetite
- Manages the process and analysis for semi-annual valuations (March/September) and coordinates the process with the independent valuer (June/December)
- Ensures good financial and cash management of the Company and its assets having regard to accounting, tax and debt usage and covenants
- Manages the Company's investor reporting and investor relations activities

The Ecofin logo features the word "ecofin" in a lowercase, sans-serif font. The letter "o" is stylized with a green leaf-like shape integrated into its right side. The logo is positioned to the right of a large, light green curved graphic that sweeps across the bottom half of the page.



## Chairman's Statement



### Introduction

**On behalf of the Board, I am pleased to present the annual report for Ecofin U.S. Renewables Infrastructure Trust PLC for the year ended 31 December 2023 (the "Annual Report").**

This was a difficult year for your fund. RNEW's share price has continued to trade at a discount to Net Asset Value (NAV), in common with much of the UK investment trust sector, as I noted in the Company's interim results to 30 June 2023. The sector has been out of favour with equity investors against a background of high inflation and increased interest rates, and it remains to be seen if market expectations of lower interest rates during 2024 result in a rerating of share prices. The Company has also had to address some challenging operational issues as described further below.

### Strategic review

At 31 December 2023, the share price represented a 33.7% discount to NAV. As previously mentioned, the Board is not content with this level of discount. During 2023, we considered initiating a share buy-back programme but the Board and its advisers did not believe such a programme would have a material impact on the discount and were concerned about the consequent reduction in liquidity in the Company's shares.

The last annual report noted that, consistent with good governance, the Board was open to exploring all options for the future of the Company. In line with this, approaches were made to another listed closed-ended investment company in the sector with a view to combining the Company and the other vehicle through a scheme of reconstruction to create a larger company with greater liquidity. However, the Company's proposal was not successful. The Company subsequently received interest from a different listed closed ended investment company within the wider renewable energy sector regarding a combination; however, the Board did not consider the proposal to be in the best interests of Shareholders for a variety of reasons.

The Company also interacted with Shareholders during the year, both through the Investment Manager and through the Board. As part of these interactions, and in particular, meetings held in May 2023 following the annual results, feedback was received from several major Shareholders that the Company should consider a sale of its assets.

Against this background and given the wide discount to NAV and the unfavourable short-term prospects to raise new equity, on 8 September 2023 the Board announced a review of the Company's strategy to maximise value for Shareholders. The review would focus on a sale of the Company's assets. If successful, and subject to the terms of such disposal, cash is expected to be returned to Shareholders in connection with a winding up of the Company or similar transaction and Marathon Capital ("Marathon") was appointed accordingly.

The review is ongoing and has taken longer than expected. As part of the review, Marathon has conducted a comprehensive and wide-ranging exercise to identify potential buyers' appetite for the Company's portfolio of assets. This process has resulted in specific discussions and negotiations taking place which, hopefully, will soon be drawing to a conclusion.

Given the discount to NAV, it is perhaps inevitable that, in arriving at their views on valuation of the Company's portfolio as a whole, buyers would take account of both RNEW's prevailing share price as well as its reported NAV, the latter being derived on an asset by asset basis. Assuming a satisfactory transaction can be agreed, the Board expects a proposal to be set out in a circular and put to a general meeting, at which Shareholders will have the opportunity to vote.

### Portfolio management

As at 31 December 2023, RNEW's portfolio comprised 65 solar and wind assets with a combined capacity of 177MW across eight states: California, Connecticut, Delaware, Massachusetts, Minnesota, New Jersey, Texas and Virginia. As at the same date, 65 assets were in operation.

During 2023, the portfolio generated 248 GWh of clean electricity (2022: 335 GWh), equivalent to powering 22,200 households, from a fully-contracted portfolio of diversified solar and wind projects. The assets all benefit from long term PPAs with investment-grade utility, municipal or corporate off-takers with a weighted average PPA term remaining of 13.7 years (18.4 years excluding the Whirlwind windfarm). Total generation during the year was below budget as described further in the Portfolio

Production Update section of the Investment Manager's Report.

Toward the end of the first half of 2023, certain of the Company's assets suffered unforeseen operational issues which had a negative impact on the overall performance and valuation of the portfolio. Principal among these were:

- a tornado on 21 June in Matador, Texas which destroyed the substation through which the Company's Whirlwind windfarm asset (located approximately 20 miles west-northwest of Matador) transmitted its power;
- damage to DC wiring at the Ellis Road solar project caused by a rodent infestation which forced 40% of the total system capacity to be de-energised; and
- voltage issues on the electricity network where the Skillman project is located causing the project to be automatically tripped offline, an issue which was rectified and power restored on 7 July.

In December 2023, the Company announced that an agreement had been reached with American Electric Power ("AEP"), the owner of the Matador substation, to restore generation from Whirlwind through a new transmission line to Paducah, another substation owned by AEP. Re-energisation of Whirlwind took place on 8 December 2023 and the windfarm has been generating successfully, albeit at a reduced voltage. The first payment on the Company's business interruption insurance in respect of Whirlwind was received before year end and further payments are scheduled to follow in the first half of 2024, substantially mitigating lost revenue and expenses incurred because of the outage. In the same announcement in December, the Company also reported that the Ellis Road solar project was online.

During the year, progress continued in completing construction and financing of the Echo Solar Portfolio, a 36.0 MWdc commercial solar portfolio in Minnesota, Virginia, and Delaware, including the completion of several tax equity milestone funding and nearing completion on negotiation of a back leverage debt facility. Currently, three projects have achieved commercial operation, and the three remaining projects are mechanically complete and being commissioned for commercial operation.

## Results

The NAV as at 31 December 2023 was \$85.2 cents per Share (31 December 2022: \$94.3 cents per Share) or \$117.7 million (31 December 2022: \$130.2 million). During 2023, NAV per Share decreased by 9.7% as described further in the Portfolio Valuation section of the Investment Manager's Report.

The valuation of the portfolio as at 31 December 2023 is supported by an independent valuation firm, Marshall & Stevens. The basis of valuation is discounted cash flow, assuming a willing buyer and a willing seller on an asset by asset basis, and using appropriate discount rates for each asset. The valuation as at 31 December 2023 was based on an underlying blended weighted average pre-tax discount rate of 7.4%. This reflects a small decrease from 31 December 2022 due to the net effect of a 0.25% increase in discount rates applied to the majority of the assets more than offset by the impact of bringing the Echo Solar Portfolio to a discounted cash flow fair valuation from cost.

RNEW recorded a loss before tax for the year ended 31 December 2023 of (\$6.7) million (2022: \$1.2 million profit) and earnings (loss) per Share was (4.9) cents (2022: 0.89 cents per Share profit).

## Financing and gearing

In June 2023, the Company completed an amendment and extension to its \$65 million RCF with KeyBank. The RCF, which comprises two tranches, was extended by 12 months. The \$50 million tranche was extended to October 2024 and the \$15 million tranche to October 2025.

The Company's total gearing at 31 December 2023 was 38.6% (31 December 2022: 33.3%) based on a Gross Asset Value ("GAV") of \$196.6 million and aggregate debt of \$75.8 million. The Company had non-recourse debt at project level (\$44.7 million secured on the two Beacon solar projects in California, and \$4.3 million secured on certain of the Echo Solar assets) and debt at group level, consisting of \$26.8 million drawn under the RCF.

## Dividends

The Board declared a quarterly interim dividend of 1.4 cents per Share in respect of the quarter ended 31 March 2023, and further interim dividends of 0.7 cents per Share for each of the quarters ended 30 June 2023, 30 September 2023 and 31 December 2023. The reduction in dividend during the year was explained in our announcement on 29 June 2023 and reflected a decline in cash flows resulting from the operational issues described above and certain one-off costs. The total dividend for 2023 was 3.5 cents per Share.

## Board

The Board continues to work well together and with Ecofin. It comprises four directors – two women and two men. Together we have a good balance of sector, investment trust and wider financial investment experience, including significant experience

in the U.S. renewable energy sector. One of the directors is a U.S. citizen and is resident in the U.S.

As previously mentioned, the Board would like to appoint a further director to enhance its ethnic diversity base, recognising the benefits of having greater diversity on the Board. At present, given the Company's size, cost base and the stage of its development, the Directors do not feel it is appropriate to increase the size of the Board.

## Annual General Meeting

We look forward to welcoming Shareholders at the Company's Annual General Meeting ("AGM") to be held on 13 June 2024 at the offices of the Company Secretary located at 6<sup>th</sup> floor, 125 London Wall, London EC2Y 5AS. For more information, please see the enclosed AGM notice.

As set out above, it is hoped that the strategic review announced on 8 September 2023 will soon be drawing to a conclusion.

**Patrick O'D Bourke**

Chairman of the Board

26 April 2024

# Investment Manager's Report

## About Ecofin

Ecofin Investments, LLC, the parent company of the Investment Manager, is a sustainable investment firm with roots dating to the 1990s and an international footprint with offices in the U.S. and UK. As at 31 December 2023, Ecofin Investments, LLC had assets under management of \$1.9 billion across several listed U.S. and UK funds, private funds, and separately managed accounts.

Eileen Fargis joined Ecofin as the Group Lead for Ecofin's Private Equity Sustainable Infrastructure team in October 2022 and was appointed as the Ecofin group lead and portfolio manager for the Company. In her role, Eileen works closely with Ecofin's team of experienced professionals, originating and managing the firm's U.S. Renewable Assets. Eileen has over 20 years' industry experience, most recently as Head of Investments for InterEnergy Holdings (UK) Ltd, an independent developer, owner, and operator of energy generation assets and a utility in the Caribbean and Latin America.

The Finance and Asset Management team has extensive experience in the energy industry. The team works with Eileen to onboard new assets seamlessly and strives to attain operational excellence for each of the Renewable Assets to maximise profitability for Shareholders. The team interfaces with engineers and plant operators to ensure plant optimisation. Strong relationships and constant communication with our outsourced asset management and O&M service providers are key to smooth operations. Continuous process improvement is at the forefront for the team to steadily advance the effectiveness of data analytics. Additionally, the team is focused on keeping current with new accounting guidance and reporting requirements that impact the portfolio.

Ecofin is currently maintaining its focus on managing RNEW's existing assets and near-term funding obligations while assisting with the ongoing strategic review.

## Ecofin Group Lead and Portfolio Manager

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### Eileen Fargis

Eileen has over 20 years' industry experience, most recently as Head of Investments for InterEnergy Holdings (UK) Ltd, an independent developer, owner, and operator of energy generation assets and a utility in the Caribbean and Latin America. She is the former Co-Head of the \$1 billion IFC African, Latin American and Caribbean Fund LP, a private equity fund investing alongside the International Finance Corporation on behalf of the Fund's investors.

Eileen started her career in energy and infrastructure with Skadden Arps and spent nine years at GE Capital Markets, GE Energy Financial Services and GE Structured Finance with a focus on global energy and infrastructure assets. She has previously served on the boards of InterEnergy Holdings, CityExpress Hotels and SURA Asset Management. Eileen is a graduate of Hamilton College and the John Hopkins School of Advanced International Studies.

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### Investments - Summary of the year

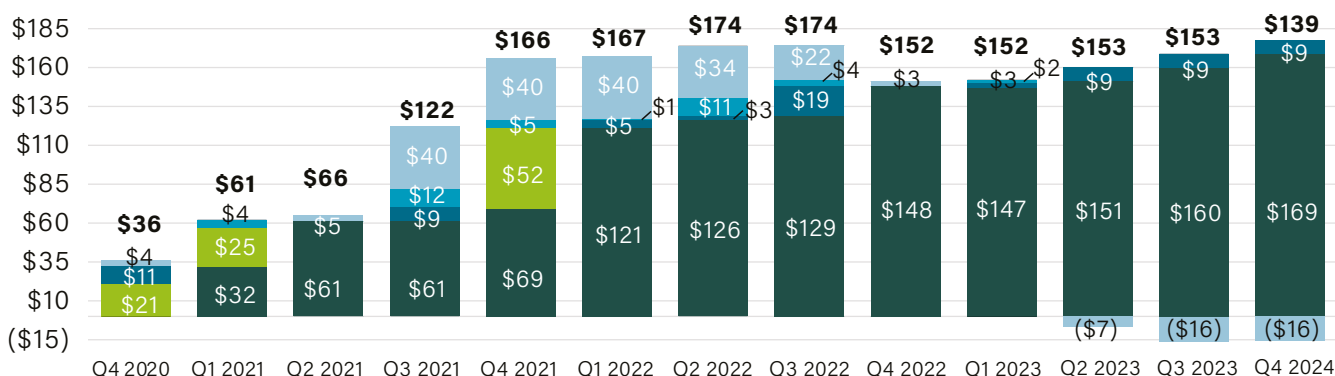
During the Year, the Investment Manager continued to focus on maximising the operating activity of the portfolio and dealing with unexpected operational issues, including primarily the tornado which affected the substation through which the Company's Whirlwind asset transmits electricity. The portfolio delivered 247.98 GWh of clean electricity to its offtakers. While this was 36.2% below budget, net cash flow generated was able to cover \$4.8 million of dividends, or 3.5 cents per Share. Largely due to the aforementioned tornado, the Company was unable to meet in 2023 its stated annual target<sup>1</sup> dividend range of 5.25% to 5.75%.

Significant funding activity took place during the Year, relating primarily to construction projects and tax equity financings.

The Investment Manager advanced on the Echo tax equity partnership, providing financing for the Echo Solar Portfolio. It is also in the final stages of completing the Oliver Solar tax equity partnership. Coinciding with these financings, the Investment Manager brought three new projects to commercial operation, Echo Solar Westside, Monroe and Hemings.

The Company successfully negotiated to extend its RCF an additional year to October 2024 and October 2025 for each respective tranche. The Company expects to be able to renew or extend on substantially similar terms in the second half of 2024, depending on the outcome of the strategic review.

### Cumulative Invested Capital and Commitments at Each Period Since IPO (million)<sup>2</sup>



- Closed/ Funded in Prior Periods
- Closed/ Funding in Operating Assets
- Closed/ Funding in Construction Assets
- Closed/ Remaining Commitments
- Signed/ Future Commitments

1. The target returns and dividends set out above are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns. The Company's ability to distribute dividends will be determined by the existence of sufficient distributable reserves, legislative requirements and available cash reserves. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Shares or assume that the Company will make any distributions at all.

2. Negative balances represent a net receivable due from tax equity in the Echo Solar Portfolio.

## Investment Activity

### 2023

4 April 2023 – the Company completed the first tax equity funding on the 6.5 MWdc Hemings Solar Partners, LLC in Virginia ("VA") (Echo Solar – VA 3) and the 5.9 MWdc Heimlich Solar Partners, LLC project in Delaware ("DE") (Echo Solar – DE 1).

21 June 2023 – the Company's 59.8 MW Whirlwind Energy wind farm, Whirlwind, in Floydada, Texas, ceased operations due to a tornado which damaged five project-owned transmission poles. Additionally, the AEP owned substation in neighbouring Matador, through which Whirlwind transmits electricity, was severely damaged during the incident. The Company re-gained interconnection during the fourth quarter of 2023 via an alternate route through a substation in Paducah, Texas. This alternate transmission arrangement now allows 80% capacity throughput relative to full capacity (50 MW versus the full capacity of 59.8 MW) on an interim basis, with a corresponding reduction in forecasted cash flows. AEP intends to build a new substation at Matador as quickly as possible and return Whirlwind to full capacity, which is estimated to take approximately 18 months, at which time Whirlwind will return to its prior interconnection route and to full capacity. The Company, its insurance broker, and a claims consultant have worked together to file claims for business interruption and necessary repairs to the damaged project-owned transmission poles. Negotiation of claims and final loss amounts with the insurers is ongoing; however, several interim payments have been received. It is expected that the Company's insurance policy ultimately will provide coverage for both the damaged transmission poles and for 120 days of business interruption losses that occur from outages (following a 45-day waiting period).

26 June 2023 – the Company completed an amendment to its RCF with KeyBank, extending the facility by twelve months on competitive terms:

- \$50 million tranche extended to October 2024 at SOFR +2.00% to 18 October 2023 and SOFR + 2.125% thereafter
- \$15 million tranche extended to October 2025 at SOFR + 2.25% to 18 October 2023 and SOFR + 2.375% thereafter

As at 31 December 2023, the Company had \$26.8 million drawn on the RCF and had approximately \$14.2 million<sup>1</sup> of outstanding net commitments (net receivables) from tax equity investors on closed assets.

5 July 2023 – the Company completed the first tax equity funding on the 2.9 MWdc Small Mouth Bass Solar Partners, LLC project (Echo Solar – VA 4) and the final tax equity funding on the 2.7 MWdc Monroe Solar Partners, LLC project (Echo Solar – VA 1).

4 August 2023 – the Company completed the first tax equity funding on the 4.2 MWdc Randolph Solar Partners, LLC project (Echo Solar – VA 2).

1 September 2023 – the Company completed the final tax equity funding on the 13.7 Echo Solar – MN project, allowing for a partial repayment on the RCF which had an outstanding balance of \$28.8 million as at 1 September 2023.

12 October 2023 – the Company completed the final tax equity funding on the 6.5 MWdc Hemings Solar Partners, LLC in Virginia ("VA") (Echo Solar – VA 3) which reached commercial operation on 15 September 2023.

8 December 2023 – Whirlwind repairs were completed and the plant was re-energised.

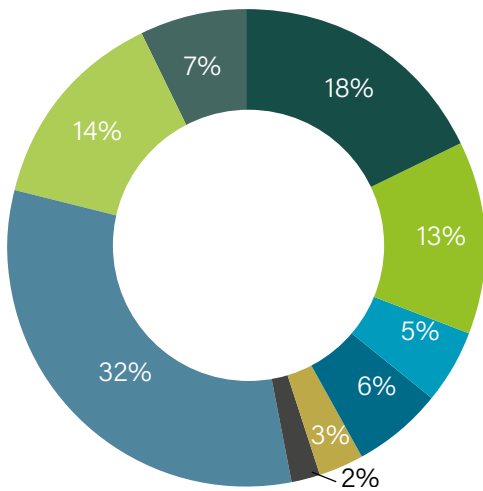
31 December 2023 – the last three of the six Echo portfolio assets were granted conditional permission to operate and were placed in service. Commercial operation should be reached and the completion of the tax equity fundings should wrap up in the first half of 2024.

As at 31 December 2023, the portfolio was heavily weighted towards operating assets with 93% of NAV invested in operating assets held at fair market value (“FMV”). The portfolio benefits from geographic diversification spanning eight U.S. states to provide risk mitigation against regulatory and resource exposures. Furthermore, RNEW’s portfolio reflects diversification across three renewable energy sectors: utility scale solar (18%) commercial solar (50%) and wind (32%), to mitigate resource, regulatory, technology and market risks. As at 31 December 2023, all assets in the portfolio had been placed in service, although not all have declared their Commercial Operation Date (“COD”).

**Portfolio Summary<sup>1</sup>**

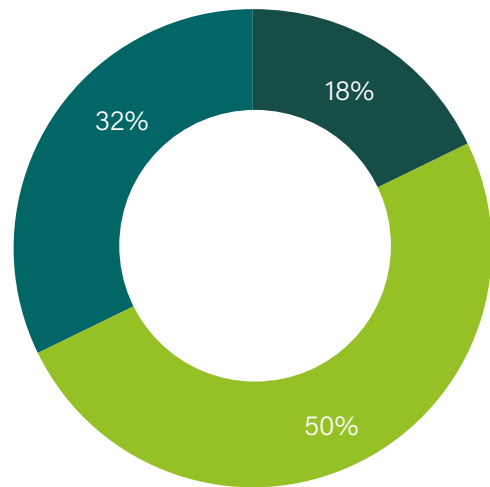
**FMV by asset name**

- Beacon 2&5      ● SED Solar Portfolio      ● Oliver Solar
- Ellis Road Solar      ● Skillman Solar      ● Delran Solar
- Whirlwind      ● Echo Solar – MN      ● Echo Solar – VA/DE



**FMV by sector**

- Utility Scale Solar      ● Commercial Solar      ● Wind



1. Includes closed and committed assets based on equity exposure at FMV.

## Summary of Investments

### 1. SED Solar Portfolio



The SED Solar Portfolio consists of 51 predominantly rooftop commercial solar projects in Massachusetts and 1 rooftop commercial solar project in Connecticut, totalling 11.3 MW. The projects' output is fully contracted to a variety of investment grade quality schools, universities, municipalities and corporations under long term fixed price PPAs. The transaction came about through a bilateral negotiation with a vendor which was considering monetising its interest in the portfolio which it had successfully developed and operated for several years. The Investment Manager represented an acquirer with the expertise to reliably execute an acquisition spanning 52 assets and dozens of counterparties. Ecofin closed the acquisition just days after completing RNEW's IPO in December 2020, after which Ecofin secured a fixed price revenue contract with an investment grade rated electric power company to hedge the price risk for 100% of SED Solar Portfolio's Solar Renewable Energy Credit ("SREC").

### 2. Ellis Road Solar



Ellis Road Solar is a 7.1 MW ground mount solar project in Massachusetts that commenced operations in 2021. This project sells 100% of its output to an investment grade utility on a fixed price basis for 20 years through the state of Massachusetts's renewable incentive program, Solar Massachusetts Renewable Target (SMART). Ellis Road was initially sourced bilaterally by Ecofin through its relationship with a commercial solar developer focused on Northeastern U.S. markets and became one of the four seed assets identified as part of RNEW's IPO. Following the closing of the acquisition in December 2020, Ecofin actively monitored the remaining construction process through to its successful completion and secured a tax equity investment on customary terms from a large U.S. corporate with which Ecofin has previously transacted.

### 3. Oliver Solar



Oliver Solar is a 4.8 MW commercial solar project in San Joaquin County, California that commenced operations in 2021. The project is strategically located on a major logistics and distribution centre owned by the world's largest global e-commerce company that also serves as the power purchaser under a long-term fixed price PPA. The project experienced construction delays due to Covid-19 related impacts and inspection delays. Shortly after energisation, the offtake/ building owner requested that the project be de-energised for further testing/ recommissioning, after they had experienced an arc event (small explosions due to disruptions on high voltage lines or equipment) and fire on another one of their facilities, leading to heightened scrutiny of their entire fleet of rooftop projects, including Oliver Solar. Re-energisation was delayed until further inspections could be completed. Since closing the acquisition, Ecofin has secured a tax equity investment on customary terms from a large U.S. corporate with which it has previously transacted. Despite delays, Ecofin has continued with billing and collecting revenue from the offtaker on modelled P50 production as agreed under the contract. Oliver Solar was finally re-energised on 15 November 2023.

### 4. Beacon Solar 2



Beacon Solar 2 is a 59.6 MW utility scale solar project in Kern County, California that has been operating since December 2017. The project's location in the Mojave desert of Southern California contributes to its strong solar resource. In addition, the project has in place a fixed price PPA with an investment grade rated utility for 100% of its output on an as-generated basis to provide long-term stable revenues. RNEW obtained a 49.5% ownership interest to align with the structuring objectives of the vendor. An equivalent 49.5% ownership interest was sold to an international infrastructure company. Since closing in December 2020, Ecofin has established a strong operating relationship with its partner through monthly operations meetings and quarterly Board meetings. Both parties share a mutual objective of optimising operations and cash flow. Of note, we have expanded the use of NextTracker's TrueCapture technology designed to increase project output through real-time tracker adjustments to reduce row-to-row shading that occurs at different points of the day. We have also collaborated with the operator to assess the level of equipment spares and procure an increased level of solar module spares to reduce downtime.



## 5. Beacon Solar 5



Beacon Solar 5 is a 48.2 MW utility scale solar project in Kern County, California that has been operating since December 2017. The project was developed in parallel with Beacon Solar 2 and shares an almost identical project ownership structure, with the same partner, and contractual structure, including a PPA with the same offtaker. The project is located in close proximity to Beacon Solar 2 which provides operating and maintenance synergies. For additional information, see the summary above on Beacon Solar 2.

## 6. Skillman Solar



Skillman Solar is a 2.6 MW commercial solar project in New Jersey that completed construction in Q1 2022 and achieved COD on 25 March 2022. The project provides power under a long-term fixed-price PPA to a corporate campus of a privately held financial, software, data, and media corporation that is a global leader in its respective segments. The project also generates substantial revenues through the state of New Jersey's fixed-price feed-in-tariff style renewable incentive program for a 15-year period. This project was originated bilaterally through a longstanding relationship with a commercial solar developer with which Ecofin has transacted in the past. While this project did experience some construction delays, Ecofin actively managed the process with the construction firm through its contractual rights to ensure RNEW was not adversely impacted.

## 7. Echo Solar Portfolio



As at 31 December 2022, the Company had closed on six solar projects in Minnesota, Virginia and Delaware totalling 35.9 MW within the Echo Solar Portfolio. As at 31 December 2023, three of these projects had declared commercial operation. The remaining three projects are expected to complete capacity testing and begin operations in the first half of 2024. The Echo Solar Portfolio sells 100% of its output to two investment grade rated utilities under long term fixed price PPAs.

## 8. Delran Solar



Delran Solar is a 2.0 MW commercial rooftop solar project in New Jersey that commenced operations in 2020. The project provides power under a long-term fixed-price PPA to a logistics centre owned by a large publicly traded U.S. media corporation. The project also generates substantial revenues through the state of New Jersey's fixed-price feed-in-tariff style renewable incentive program for a remaining 12.5-year period. This project was originated bilaterally through a longstanding relationship with a commercial solar developer with whom Ecofin had transacted in the past.

## 9. Whirlwind



Whirlwind is an operating wind asset, placed in service in December 2007, using 26 Siemens 2.3 MW wind turbine generators operated and maintained by Siemens Gamesa under a long-term O&M agreement. It benefits from a fixed-price PPA with an investment grade electric utility, providing predictable cash flow. Whirlwind is located in Texas, which is experiencing sustained growth in electricity demand due to population growth and corporations migrating to this business-friendly state. Whirlwind demonstrates Ecofin's sourcing network breadth beyond solar and was originated bilaterally with the vendor. As part of our portfolio management strategy, Ecofin continues to evaluate the potential to repower and recontract this asset at the appropriate time and/or develop co-located battery storage as battery costs decline and/or tax credits are expanded for batteries.

## Portfolio Production Update

During the twelve months ended 31 December 2023, the portfolio generated 247.8 GWh of clean energy, 36.2% below budget. Of the total, solar assets generated 163.9 GWh, 14.6% below budget (see project variances and explanations below) and the wind asset generated 83.9 GWh, 57.3% below budget principally due to the aforementioned tornado in Texas.

The performance of the underlying operating portfolio combined with its 100% contracted revenue structure generated revenues of \$7.3 million for the Company. Overall, cash flows were below budget by 40.4%.

Even before the June 2023 tornado, Whirlwind experienced lower than expected energy production in H1 2023 principally due to historically low wind resource during the quarter at Whirlwind, a phenomenon that was experienced across the U.S.

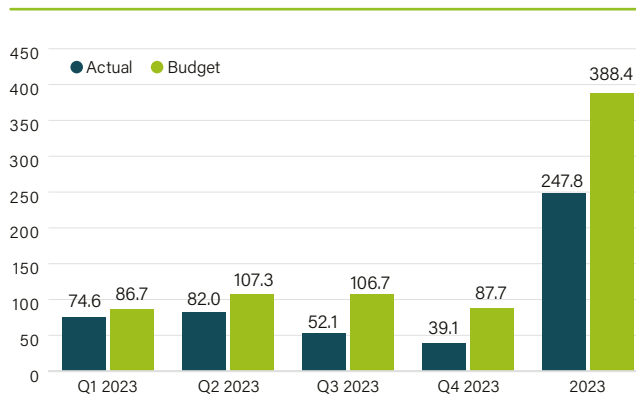
While Echo Solar - MN and Echo Solar - VA 1<sup>1</sup> achieved commercial operation in Q4 2022, Echo Solar - DE achieved commercial operation in Q3 2023 as the portfolio continued to experienced construction delays. Hemings ("Echo - VA3") overperformed versus budget by 7.8% for its first quarter in operation. Heimlich ("Echo - DE1"), Randolph ("Echo - VA2") and Small Mouth ("Echo - VA4") were all placed in service on 29 December 2023 and continue to work through final ("punchlist" or "snaglist") items with the developer in order to declare COD.

Ellis Road experienced a rodent infestation in the first quarter of 2023 which forced ~40% of the total system capacity to be de-energised. As a result, the project's DC wiring needed to be replaced and reinsulated in H2 2023.

Voltage issues at the office building on which the Skillman project is located causing the project to be tripped offline from the end of April to June 2023; this was rectified, and power restored on 7 July 2023.

The SED Portfolio performed well versus budget largely due to higher than expected insolation throughout 2023.

## Net Production Variance vs. Budget (GWh)



Investment Name <sup>2</sup>	Sector	State	Actual (GWh)	Budget (GWh)	GWh Above (Below) Budget	% Above (Below) Budget
Beacon 2 <sup>1</sup>	Utility-Scale Solar	California	59.3	65.5	(6.2)	(9.5%) <sup>a</sup>
Beacon 5 <sup>1</sup>	Utility-Scale Solar	California	48.1	50.9	(2.8)	(5.5%) <sup>b</sup>
SED Solar Portfolio	Commercial Solar	Massachusetts, Connecticut	11.7	12.3	(0.6)	(4.9%) <sup>c</sup>
Ellis Road Solar	Commercial Solar	Massachusetts	5.2	8.6	(3.4)	(39.5%) <sup>d</sup>
Oliver Solar <sup>2</sup>	Commercial Solar	California	7.2	7.5	(0.3)	(4.0%)
Delran Solar	Commercial Solar	New Jersey	2.4	2.4	-	-
Skillman Solar	Commercial Solar	New Jersey	2.5	3.4	(0.9)	(26.5%) <sup>e</sup>
Echo Solar - MN	Commercial Solar	Minnesota	17.4	21.8	(4.4)	(20.2%) <sup>f</sup>
Echo Solar - VA 1 <sup>1</sup>	Commercial Solar	Virginia	10	14.7	(4.7)	(32.0%) <sup>g</sup>
Echo Solar - DE	Commercial Solar	Delaware	0.1	4.9	(4.8)	(98.0%) <sup>f</sup>
<b>Solar Subtotal</b>			<b>163.9</b>	<b>192</b>	<b>(28.1)</b>	<b>(14.6%)</b>
Whirlwind	Wind	Texas	83.9	196.4	(112.5)	(57.3%) <sup>g</sup>
<b>Wind Subtotal</b>			<b>83.9</b>	<b>196.4</b>	<b>(112.5)</b>	<b>(57.3%)</b>
<b>Total</b>			<b>247.8</b>	<b>388.4</b>	<b>(140.6)</b>	<b>(36.2%)</b>

Values and totals have been rounded to the nearest decimal.

1. Reflects RNEW's pro forma share of production based on ownership.
2. Oliver Solar reached COD on 29 November 2021 and had been accruing PPA revenue based on P50 modelled production since that date. Following some commissioning and testing delays initiated by the offtaker, the system was energised again on 15 November 2023.

**Production variance summary:**

- a, b Underperformance due to overheating fuse holders. Corrective action taken.
- c Underperformance primarily due to lower than expected insolation.
- d Underperformance due to rodent infestation that caused the site to need rewiring and new insulation.
- e Underperformance primarily due to utility outages that caused breaker trips.
- f Variances due to construction delays and timing of obtaining commercial operation.
- g Underperformance due to the tornado that struck the Matador substation on 21 June 2023. Site was offline until 8 December 2023.

**Revenues**

As at 31 December 2023, RNEW's portfolio had 100% of its revenue contracted with a weighted average remaining term of 13.7 years. Approximately 99% of the portfolio benefits from fixed-price revenues, many with annual escalators of 1-2%, through PPAs, contracted SREC, and fixed rents under leases. These fixed price contracts mitigate market price risk for the term of the contracts.

Less than 1% of the portfolio has a variable form of revenue contract. These contracts are set at a discount to a defined Massachusetts utility electricity rate, which provides an ongoing economic benefit to the customer (i.e., the offtaker/rooftop owner), as opposed to receiving the higher utility electric rate when consuming electricity from the grid. While the variable rate contract introduces an element of price volatility, it also offers the potential to hedge inflation risk.

The anticipated revenue profile below<sup>1,2</sup> represents a projection of RNEW's existing revenue contracts as at 31 December 2023 and does not assume any replacement revenue contracts following the expiry of these contracts. With increased adoption of renewable energy in the US, Ecofin is confident that RNEW's prospects for

re-contracting individual assets at the end of revenue contract terms are positive.

**Active Management**

Ecofin maintains an active approach to managing RNEW's portfolio and is in the process of bringing certain previously outsourced asset management functions in-house. For operating assets, Ecofin's process involves actively monitoring production through direct, real-time system access, review of monthly O&M and asset management reports, and meeting at least monthly with project operators and asset managers to review and enhance performance. For construction stage assets, the process is appropriately structured for more frequent engagement with the relevant EPC contractor to review project milestones and troubleshooting issues, review and approve payments in accordance with contracts.

**RNEW Portfolio Revenue Breakdown**



1 The increase in uncontracted market revenue from 2028 onwards is due to the maturity of the Whirlwind PPA.  
 2 The decrease in uncontracted market revenue from 2038 onwards is due to Whirlwind reaching the conclusion of its technical useful life.

## Financing

As at 31 December 2023, the Company's U.S. subsidiaries at a project level had debt balances of \$49.0 million, with an additional \$26.8 million drawn down under the RCF. This total debt balance corresponds to approximately 38.6% of GAV, well below the maximum limit of 65% in the Company's Investment Policy, as further detailed in the table below. Given that the Company's portfolio primarily comprises operating assets that have long-term fixed-price revenue contracts with investment grade counterparties, construction and term loan financing opportunities at both a project and group level are widely available on attractive terms. With that in mind, the Company's Investment Manager and Board favour a measured approach to using leverage to mitigate interest rate and default risk. The Company has proactively and successfully put in place both an RCF and non-recourse construction loans at its U.S. subsidiaries as described below:

- On 19 October 2021, RNEW Capital, LLC, entered into a \$65.0 million secured RCF with KeyBank, one of the premier lenders to the U.S. renewable energy industry. The RCF comprised a \$50.0 million, two-year tranche and a \$15.0 million, three-year tranche. Both tranches were extended by 12 months in 2023, wherein the two-year tranche was priced at SOFR +2.13% and the three-year tranche was priced at SOFR +2.38%. The RCF is secured upon certain of the Company's investment assets

and offers the ability to substitute reference assets. The RCF also includes an accordion option which provides access to an additional \$20.0 million of capital which can be accessed subject to certain conditions. This substantial commitment with attractive pricing and terms reflects the high quality of RNEW's portfolio. Ecofin expects to be able to renew or extend on substantially similar terms in the second half of 2024, if necessary to do so considering the aforementioned strategic review focussing on a sale of the Company's assets.

- Through the 49.5% acquisition of the Beacon 2 and 5 operating solar assets, the Company assumed its share of amortising project term loans secured on those projects that totalled \$44.7 million as at 31 December 2023.
- In addition, on 31 October 2023, a wholly-owned U.S. subsidiary of RNEW, TC Renewable Holdco V, LLC, entered into a \$4.3 million amortising project term loan secured on certain Echo Solar projects.

On 31 December 2023, the Company had GAV of \$196.6 million, and total recourse and non-recourse debt of \$75.8 million, resulting in total leverage of 38.6%. The borrowing facilities available to the Company and its subsidiaries at 31 December 2023 are as set out in the table below:

Loan type	Provider	Borrower	Facility amount (\$m)	Amount drawn (\$m)	Maturity	Applicable rate (%)
Revolving credit facility	KeyBank	RNEW Capital, LLC	\$50.0	\$26.8	Oct-24	SOFR +2.13
Revolving credit facility	KeyBank	RNEW Capital, LLC	\$15.0	\$0.0	Oct-25	SOFR +2.38
Term loan	Fifth Third	TC Renewable Holdco V, LLC	\$4.3	\$4.3	July-31	SOFR +2.15
Term loan	KeyBank	Beacon Solar 2	\$24.7	\$24.7	May-26	SOFR +1.25
Term loan	KeyBank	Beacon Solar 5	\$20.0	\$20.0	May-26	SOFR +1.25
<b>Total Debt</b>			<b>\$114.0</b>	<b>\$75.8</b>		

## Portfolio Valuation

Valuation of the Company's portfolio is performed on a quarterly basis. A discounted cash flow ("DCF") valuation methodology is applied which is customary for valuing privately owned operating Renewable Assets. The valuation is performed by Ecofin at 31 March and 30 September, and by an independent third-party valuation firm at 30 June and 31 December.

Fair value for each investment is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues and operating costs, and an appropriate discount rate. More specifically, such assumptions include annual energy production, curtailment, merchant power prices, useful life of the assets, and various operating expenses and associated annual escalation rates often tied to inflation, including O&M, asset management,

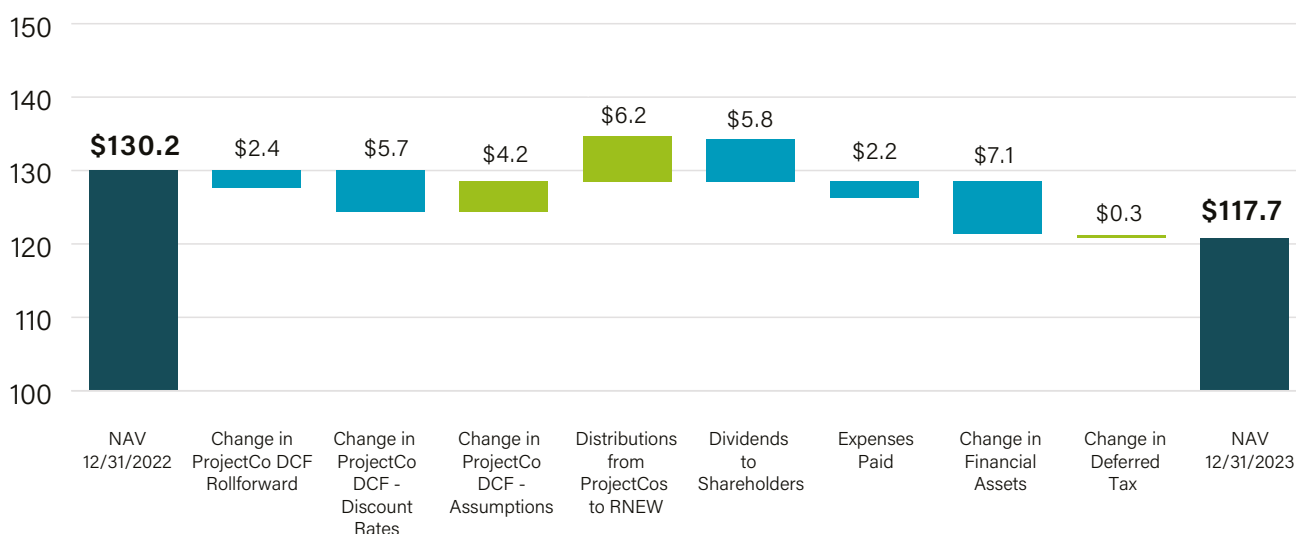


balance of plant, land leases, insurance, property and other taxes, and decommissioning bonds, among other items.

At IPO on 22 December 2020, the Company raised \$125.0 million (before costs) by issuing 125,000,000 Shares. Subsequently, on 10 May 2022, the Company announced a placing and retail offer

of new ordinary shares ("New Ordinary Shares") of \$0.01 each at an issue price of \$1.015 per New Ordinary Share. The Company raised \$13.1 million (before costs) by issuing a total of 12,927,617 New Ordinary Shares. Admission of these New Ordinary Shares to the LSE became effective on 24 May 2022.

## 2023 NAV Bridge (\$MM)



**Change in project company DCF:** Represents the impact on NAV from changes to DCF depreciation and quarterly cashflow roll-forward and change in project-level debt outstanding balances, including principal amortisation.

**Change in project company DCF Discount Rates:** Represents the impact on NAV from changes to the discount rates applied to the DCF models of each project company. As at 31 December 2023, the weighted average unlevered pre-tax discount rate was 7.4% (31 December 2022: 7.5%), which reflects a small decrease from 31 December 2022 due to the effect of a 0.25% increase in discount rates applied to the majority of the assets more than offset by the impact of bringing the Echo Solar Portfolio to a discounted cash flow fair valuation from cost.

**Change in project company DCF assumptions:** Represents the impact on RNEW NAV from changes to the forward merchant price curves used in the DCF models of each project company. The increase was principally due to the update to convert the merchant curves used in the DCF models from the U.S. Energy Information Administration ("EIA") to an independent third party provider, Leidos.

**Distributions from project companies to RNEW:** Represents cash generated by project companies, which was distributed up to RNEW during the Year.

**Dividends to Shareholders:** Dividends for Q4 2022, Q1 2023, Q2 2023, and Q3 2023 of \$5.8 million (4.2 cents per Share) were paid during the Year. After the Year end, the Company declared a further dividend of 0.7 cents per Share in respect of the quarter ended 31 December 2023.

**Expenses paid:** Represents the impact on RNEW NAV due to management fees and expenses paid during the Year.

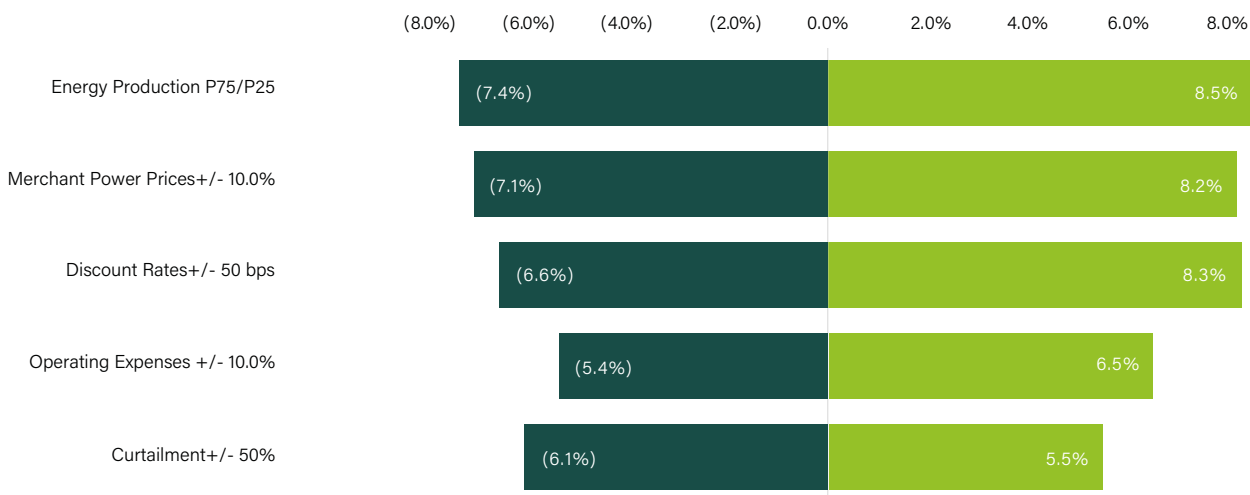
**Change in financial assets:** Represents the impact on RNEW NAV due to increases or decreases in cash, receivables, payables and other net working capital account balances.

**Deferred tax liability:** Represents the impact on RNEW NAV due to accruals arising from operations in the Year at RNEW Holdco, LLC, the Company's wholly-owned U.S. subsidiary, which is subject to U.S. income taxes.

## Portfolio Valuation Sensitivities

The figure below shows the impact on the portfolio valuation of changes to the key input valuation assumptions (“sensitivities”) with the horizontal x-axis reflecting the impact on NAV per Share. The valuation sensitivities are based on the portfolio of assets as at 31 December 2023. For each sensitivity illustrated, it is assumed that potential changes occur independently with no effect on any other assumption. It should be noted that the relatively moderate impact of a change in forecast merchant

power prices reflects the long-term fixed price contracted revenues of the Company’s portfolio, with a weighted average remaining contracted term of 13.7 years as at 31 December 2023. Similarly, the moderate impacts due to variations in operational expenses reflect a number of the Company’s assets having fixed price, long-term operating expenses including O&M, property leases and payments in lieu of taxes.



# ESG Integration and Impact



**The Company's and Ecofin's strategy is to allocate capital using an ESG integrated investment process to build and operate a diversified portfolio of Renewable Assets that achieves RNEW's investment objective.**

RNEW is focused on allocating capital using an investment process which integrates ESG considerations and analysis to build and operate a diversified portfolio of Renewable Assets consistent with RNEW's investment objective.

Ecofin is a signatory to the Principles for Responsible Investment (PRI) and incorporates ESG analysis into its investment and reporting process. Ecofin's investment strategies related to renewables infrastructure are designed to provide investors with attractive long-term returns and a level of impact that aligns with United Nations Sustainable Development Goals:

**This strategy seeks to achieve positive impacts that align with the following UN Sustainable Development Goals**

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**7** AFFORDABLE AND CLEAN ENERGY



**8** DECENT WORK AND ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



**11** SUSTAINABLE CITIES AND COMMUNITIES



**13** CLIMATE ACTION





Signatory of:  
 **PRI** Principles for Responsible Investment

**The Investment Manager's sustainability and impact policy is further described in the Sustainability & Impact section of its website [ecofininvest.com/sustainability-impact](https://ecofininvest.com/sustainability-impact).**



## ESG integration

The Company was established to offer investors direct exposure to renewable energy and sustainable infrastructure assets including solar, wind, and battery storage that reduce greenhouse gas (“GHG”) emissions and promote a positive environmental impact. The Investment Manager integrates analysis of ESG issues throughout the lifecycle of its investment activities spanning due diligence, investment approval, and ongoing portfolio management. Environmental criteria analysis considers how an investment performs as a steward of nature; social criteria analysis examines its impact and relationships with employees, suppliers, customers and the communities in which it operates; and governance criteria analysis examines internal controls, business ethics, compliance and regulatory status associated with each investment.

Ecofin has developed a proprietary ESG due diligence risk assessment framework (“ESG Risk Assessment”) that combines both qualitative and quantitative data. This ESG Risk Assessment is embedded in Ecofin’s investment memoranda and systematically applied by the investment team to all opportunities prior to investment authorisation by Ecofin’s Investment Committee. Each of the Company’s closed and committed investments spanning 65 assets was analysed using Ecofin’s ESG Risk Assessment prior to investment commitment. Ecofin believes this approach to assessing ESG issues serves to mitigate risk and enhance RNEW’s impact. Environmental factors affecting climate risk are reviewed to determine an investment’s impact and ability to reduce GHG emissions, air pollution and water consumption.

Analysis of environmental issues may also consider the impact that the investment will have on land use and considers mitigation plans when issues are identified. Analysis of social issues may encompass an investment’s impact on the local community and consider health and safety together with the counterparties to be engaged to construct and operate the assets. Governance is reviewed in partnership with qualified third-party legal counsel to ensure compliance with all laws and regulations, strong ongoing corporate governance through strict reporting protocols with

qualified operators, project asset managers and annual independent financial statement audits.

Ecofin applies a systematic approach to ESG monitoring once acquisitions are closed. Through Ecofin’s engagement with third party O&M and asset management service providers, Ecofin reviews asset level reporting on health and safety metrics, environmental matters and compliance. Issues identified are reviewed and addressed with service providers through periodic meetings such as monthly operations meetings.

Importantly, ESG factors are analysed then reported in a transparent manner so that investors and key stakeholders can measure their impact.

## Impact

RNEW’s portfolio produced approximately 248 GWh of clean electricity during 2023, enough to power approximately 22,200 homes, offsetting approximately 141,800 tonnes of CO<sub>2</sub>e and avoiding the consumption of approximately 29,700 million litres of water. RNEW focuses on investments that have a positive environmental impact by reducing GHG emissions, air pollution and water consumption. Ecofin seeks to analyse and report on ESG factors on a consistent basis to maximise the impact of its investment activities. To assess environmental impact, Ecofin goes beyond measuring CO<sub>2</sub> emissions avoided and quantifies other GHG emissions, such as methane and nitrous oxide, and also measures the contribution that investments make to save water consumption. Water is consumed by thermoelectric (i.e. coal and gas) power plants in the cooling process associated with steam turbine generators. Water savings occur in the same way that renewable energy generation offsets CO<sub>2</sub> emissions from thermoelectric generators. Ecofin calculates estimated water savings by reference to the EIA thermoelectric cooling water data by location and applies it to the production from RNEW’s portfolio.

Ecofin’s methodology for calculating the environmental impact of investments relies on trusted data sources including the U.S. EPA and the EIA.

### Portfolio impact

**~141,800**  
Tonnes of CO<sub>2</sub>e Reduction

**~22,200**  
Households supplied

**~29,700M**  
Litres of water savings

**~11,900**  
Olympic size swimming pools

## Task Force on Climate-related Financial Disclosures

Investment in renewables is considered an important component of climate change mitigation as replacing fossil fuel-based forms of electrical generation is key in helping the global energy sector transition to a lower carbon economy. While investment in renewables helps mitigate the effects of climate change, renewable investments are not exempt from the potential impacts of climate change. RNEW routinely identifies climate-related risks and opportunities that may have a material financial impact on the performance of its investments.

The Task Force on Climate-Related Financial Disclosures (“TCFD”) was established to develop voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders. The TCFD recommended that all organisations provide climate-related disclosures in their annual reports and accounts, providing a framework to help companies assess the risks and opportunities associated with climate change. However, concurrent with the release of its 2023 status report on 12 October, 2023, the TCFD has fulfilled its remit and disbanded.

The Financial Conduct Authority (“FCA”) issued a proposal at the start of 2020 that required all premium listed commercial companies with a financial year end from December 2021 to align their reporting to the TCFD framework. While RNEW, as a UK Investment Trust, is currently exempt from this reporting requirement, RNEW has decided to make specific disclosures on opportunities and risks the Company faces relating to climate change.

RNEW still plans to include TCFD-recommended disclosures and will evaluate the appropriate standards going forward. An outline of RNEW’s current approach to the recommendations suggested by TCFD is included below.

### TCFD Recommendation

### RNEW Disclosure

#### Governance

Disclose the organisation’s governance around climate-related risks and opportunities.

The Company has an independent board of four non-executive directors. The Board’s role is to oversee the governance of the Company in the interests of Shareholders and other stakeholders. In particular, the Board monitors adherence to the Investment Policy, determines the risk appetite, sets Company policies and monitors the performance of the Investment Manager and other key service providers. The Board is responsible for the ongoing identification, evaluation and management of the principal risks (including climate-related risks and opportunities) faced by the Company and the Board has established a process for the regular review of these risks and their mitigation. The Board meets a minimum of four times a year for scheduled Board meetings, with additional ad hoc meetings taking place dependent upon the requirements of the business. The Board reviews the performance of all key service providers on an annual basis through its Management Engagement Committee. Under their ongoing supervision, the Directors have delegated responsibility for managing the assets in the RNEW portfolio to Ecofin.

In managing the RNEW portfolio to achieve its investment objective, Ecofin employs an institutional level investment process to identify and mitigate risk (including climate-rated risks) covering sourcing, underwriting, due diligence and portfolio management.

#### Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.

Consideration of climate-related opportunities and risks is embedded throughout RNEW’s business and investment strategies, as implemented by Ecofin. Examples of areas considered include:

- Consideration of changing weather conditions that may positively or negatively impact renewable energy generation or cause issues related to the physical placement of assets.
- Political conditions that may or may not make a 2.0-degree centigrade rise in temperature more likely through increasing / impairing the value and pace of investment in Renewable Assets.
- Changes in technology or the cost of technology that could make a 2.0-degree centigrade rise in global temperature more or less likely and positively / negatively impact the value of existing and future Renewable Assets investments.
- How the deployment of renewable energy and future technology may impact commodity prices including the future price of electricity and have a positive or negative impact on existing and future Renewable Assets investments.

As these and other material or potentially material risks and opportunities are identified, Ecofin seeks to incorporate structuring mitigation (i.e. obtain insurance for those risks) and/or perform sensitivities on power price forecasts and adjust required returns on investment.

### Risk Management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

The Directors and Ecofin understand that climate change could impact RNEW's strategy and underlying assets and include the consideration of climate change opportunities and risks throughout the investment process. When conducting due diligence on new investment opportunities, Ecofin uses its ESG Risk Assessment framework to evaluate the impact of CO<sub>2</sub> and other GHG emissions / pollutants, assess the impact on the site (through review of a Phase I Environmental Site Assessment), and compliance with permits and regulations. Environmental factors are considered during both the initial screening process as well as during the project-focused due diligence stage in concert with specialist environmental consultants and legal advisors, as needed. These environmental factors and risks are documented in Ecofin's investment memoranda that are reviewed by its Investment Committee prior to investments being approved.

When a new asset is added to the portfolio, Ecofin establishes a monitoring plan that is aligned with mitigating the key risks and achieving RNEW's investment objective. Environmental factors are included in the ongoing analysis and reporting process for each asset in the portfolio.

### Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Due to the nature of the Renewable Assets in the portfolio, the Scope 1 & 2 emissions for RNEW are de minimis. The power generated from the Renewable Assets displaces electricity generated from marginal fossil fuel emitting sources. As part of the investment diligence and monitoring, Ecofin attempts to quantify the negative environmental factors avoided from the actual or anticipated generation of its assets.

Ecofin analyses and considers several environmental factors including GHG emissions from CO<sub>2</sub>, methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O), air pollutants such as sulphur dioxide (SO<sub>2</sub>) and nitrogen oxides (NOX) as well as the project's water consumption to provide a broad view of environmental impact. For calculating the emission reductions from Ecofin investments in Renewable Assets, non-baseload fossil fuel generation emission rates are appropriate. Non-baseload fossil fuel generation represents the generation most likely to be reduced or replaced by energy efficiency projects or renewable energy projects. Ecofin aggregates and evaluates data according to the EPA's eGrid sub-regions in the U.S. These sub-regions are defined by the EPA to establish an aggregated area where emission rates are anticipated to most accurately represent the generation and emissions from the power plants operating within that region. This allows the environmental impact from an Ecofin investment in Renewable Assets to be more accurately quantified from the asset's operation.

For reporting purposes, non-CO<sub>2</sub> GHG emissions are often converted to CO<sub>2</sub> equivalent and reported in aggregate as CO<sub>2</sub>e.

## Investment Objective and Investment Policy

The Company's investment objective and investment policy (including defined terms) below are as set out in its 2020 IPO prospectus.

### Investment objective

The Company's investment objective is to provide Shareholders with an attractive level of current distributions by investing in a diversified portfolio of mixed renewable energy and sustainable infrastructure assets ("Renewable Assets") predominantly located in the United States with prospects for modest capital appreciation over the long term.

### Investment policy and strategy

The Company intends to execute its investment objective by investing in a diversified portfolio of Renewable Assets predominantly in the United States, but it may also invest in other OECD countries.

Whilst the principal focus of the Company will be on investment in Renewable Assets that are solar and wind energy assets ("Solar Assets" and "Wind Assets" respectively), sectors eligible for investment by the Company will also include different types of renewable energy (including battery storage, biomass, hydroelectric and microgrids) as well as other sustainable infrastructure assets such as water and waste water.

The Company will seek to invest primarily through privately negotiated middle market acquisitions of long-life Renewable Assets which are construction-ready, in-construction and/or currently in operation with long-term PPAs or comparable offtake contracts with investment grade quality counterparties, including utilities, municipalities, universities, schools, hospitals, foundations, corporations and others. Long-life Renewable Assets are those which are typically expected by Ecofin to generate revenue from inception for at least 10 years.

The Company intends to hold the Portfolio over the long term, provided that it may dispose of individual Renewable Assets from time to time.

### Investment restrictions

The Company will invest in a diversified portfolio of Renewable Assets subject to the following investment limitations which, other than as specified below shall be measured at the time of the investment:

- once the Net Initial Proceeds are substantially fully invested, a minimum of 20 per cent. of Gross Assets will be invested in Solar Assets;
- once the Net Initial Proceeds are substantially fully invested, a minimum of 20 per cent. of Gross Assets will be invested in Wind Assets;

- a maximum of 10 per cent. of Gross Assets will be invested in Renewable Assets that are not Wind Assets or Solar Assets;
- exposure to any single Renewable Asset will not exceed 25 per cent. of Gross Assets;
- exposure to any single Offtaker will not exceed 25 per cent. of Gross Assets;
- once the Net Initial Proceeds are substantially fully invested, investment in Renewable Assets that are in the construction phase will not exceed 50 per cent. of Gross Assets, but prior to such time investment in such Renewable Assets will not exceed 75 per cent. of Gross Assets. The Company expects that construction will be primarily focused on Solar Assets in the shorter term until the Portfolio is more substantially invested and may thereafter include Wind Assets in the construction phase;
- exposure to Renewable Assets that are in the development (namely pre-construction) phase will not exceed 5 per cent. of Gross Assets;
- exposure to any single developer in the development phase will not exceed 2.5 per cent. of Gross Assets;
- the Company will not typically provide Forward Funding for development projects. Such Forward Funding will, in any event, not exceed 5 per cent. of Gross Assets in aggregate and 2.5 per cent. of Gross Assets per development project and would only be undertaken when supported by customary security;
- Future Commitments and Developer Liquidity Payments, when aggregated with Forward Funding (if any), will not exceed 25 per cent. of Gross Assets;
- once the Net Initial Proceeds are substantially fully invested, Renewable Assets in the United States will represent at least 85 per cent. of Gross Assets; and
- any Renewable Assets that are located outside of the United States will only be located in other OECD countries. Such Renewable Assets will represent not more than 15 per cent. of Gross Assets.

References in the investment restrictions detailed above to "investments in" or "exposure to" shall relate to the Company's interests held through its Investment Interests.

For the purposes of the 2020 IPO Prospectus, the Net Initial Proceeds will be deemed to have been substantially fully invested when at least 75 per cent. of the Net Initial Proceeds have been invested in (or have been committed in accordance with binding agreements to investments in) Renewable Assets.

The Company will not be required to dispose of any investment or to rebalance the Portfolio as a result of a change in the

respective valuations of its assets. The investment limits detailed above will apply to the Group as a whole on a look-through basis, namely, where assets are held through a Project SPV or other intermediate holding entities or special purpose vehicles, and the Company will look through the holding vehicle to the underlying assets when applying the investment limits.

### **Gearing policy**

The Group primarily intends to use long-term debt to provide leverage for investment in Renewable Assets and may utilise short-term debt, including, but not limited to, a revolving credit facility, to assist with the acquisition of investments.

Long-term debt shall not exceed 50 per cent. of Gross Assets and short-term debt shall not exceed 25 per cent. of Gross Assets, provided that total debt of the Group shall not exceed 65 per cent. of Gross Assets, in each case, measured at the point of entry into or acquiring such debt.

The Company may employ gearing either at the level of the relevant Project SPV or at the level of any intermediate subsidiary of the Company. Gearing may also be employed at the Company level, and any limits set out in this Prospectus shall apply on a consolidated basis across the Company, the Project SPVs and any such intermediate holding entities (but will not count any intra-Group debt). The Company expects debt to be denominated primarily in U.S. dollars.

For the avoidance of doubt, financing provided by tax equity investors and any investments by the Company in its Project SPVs or intermediate holding companies which are structured as debt are not considered gearing for this purpose and are not subject to the restrictions in the Company's gearing policy.

### **Currency and hedging policy**

The Group may use derivatives for the purposes of hedging, partially or fully:

- electricity price risk relating to any electricity or other benefit including renewable energy credits or incentives, generated from Renewable Assets not sold under a PPA, as further described below;
- currency risk in relation to any Sterling (or other non-U.S. Dollar) denominated operational expenses of the Company;
- other project risks that can be cost-effectively managed through derivatives (including, without limitation, weather risk); and
- interest rate risk associated with the Company's debt facilities.

In order to hedge electricity price risk, the Company may enter into specialised derivatives, such as contracts for difference or other hedging arrangements, which may be part of a tripartite or other PPA arrangement in certain wholesale markets where such arrangements are required to provide an effective fixed price under the PPA.

Members of the Group will only enter into hedging or other derivative contracts when they reasonably expect to have an exposure to a price or rate risk that is the subject of the hedge.

### **Cash management policy**

Until the Company is fully invested the Company will invest in cash, cash equivalents, near cash instruments and money market instruments and treasury notes ("Near Cash Instruments"). Pending re-investment or distribution of cash receipts, the Company may also invest in Near Cash Instruments as well as Investment Grade Bonds and exchange traded funds or similar ("Liquid Securities"), provided that the Company's aggregate holding in Liquid Securities shall not exceed 10 per cent. of Gross Assets measured at the point of time of acquiring such securities.

### **Amendments to the investment objective, policy and investment restrictions**

If the Board considers it appropriate to amend materially the investment objective, investment policy or investment restrictions of the Company, Shareholder approval to any such amendment will be sought by way of an ordinary resolution proposed at an annual or other general meeting of the Company.



## Risk Management

### Principal Risks

The Board is responsible for the ongoing identification, evaluation and management of the principal risks faced by the Company. On behalf of the Board, the Risk Committee has established a process for the regular review of these risks and their mitigation. This process principally involves a semi-annual review of the Company's risk matrix and accords with the UK Corporate Governance Code 2018 (the "UK Code") and the Financial Reporting Council's ("FRC") Guidance on Risk Management, Internal Control and Related Financial and Business Reporting. The Directors have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity. The following sections detail the risks the Board considers to be the most significant to the Company:

Risk	Possible Consequences	Change in risk assessment during the year	Risk Mitigation and Controls	Current Year Risk Scores
<b>Electricity Price</b>	Lower electricity prices in the U.S. could negatively impact the Company's returns and/or the value of its investments.	No change	The Company's policy is to reduce its exposure to electricity price risk by investing in Renewable Assets which sell their output under long term offtake arrangements with credit worthy counterparties. As at 31 December 2023, the portfolio benefited from a weighted average revenue contract term of 13.7 years. In its asset valuations, the Company uses long-term electricity price forecasts prepared by an independent third party.	Medium
<b>Interest Rate, Currency and Inflation</b>	The Company may be adversely affected by changes in interest, currency exchange and inflation rates. Rising interest rates may lead to higher discount rates.	No change	Interest, currency and inflation rates are monitored regularly by the Company. The Company may implement interest and currency rate hedging by fixing a portion of the Company's exposure to any floating rate obligation using interest or currency rate swaps or other means.  Where possible, the Company enters into medium to long term contracts to fix costs. Inflation risk can also be partly mitigated where projects' revenue offtake arrangements are subject to indexation.  Discount rates are reviewed regularly by the Investment Manager, and on a semi-annual basis by the independent valuer.	Medium
<b>Investment Performance</b>	The Company may not achieve its investment objective;  The Company may fail to deliver its dividend target;  The Company may not be able to acquire suitable Renewable Assets consistent with its investment policy; and  The Company's revenue can vary due to variations in the amount of power that can be generated and sold.  *The increased risk assessment reflects the Company's negative NAV and Share price returns, and level of discount during the year.	Increased*	Ecofin has a well-defined investment strategy and processes in place which are regularly reviewed and monitored by the Board. Ecofin has significant experience originating, underwriting, and managing Renewable Assets and applies its experience to mitigate risks and achieve the Company's investment objective. The Board reviews the portfolio quarterly and discusses new investments, the investment rationale, and the performance of the Company at each Board meeting.  By their nature, solar irradiation and wind speed are outside the Company's control, albeit some projects' returns are neither wholly nor directly linked to the volume of power produced.	Medium

Risk	Possible Consequences	Change in risk assessment during the year	Risk Mitigation and Controls	Current Year Risk Scores
Operational Performance	Renewable Assets may encounter operational difficulties that cause them to perform at lower levels than expected.	New	All major operating assumptions underpinning the valuation are reviewed by an independent engineer.  Ecofin appoints experienced O&M contractors and monitors their ongoing performance. Ecofin also provides in-house asset management for each asset.  Insurance programmes are in place for each asset.	Medium
Investment Valuation	The valuation of assets is inherently subjective and uncertain.  Projections are based on the independent valuer's and the Investment Manager's assessment at the date of valuation and are only estimates of future results. Actual results may vary significantly from projected amounts.	No change	Ecofin has significant experience in the valuation of Renewable Assets and through its investment activities is continually exposed to the prices paid for Renewable Assets in the U.S. market. The Board and Ecofin review asset valuations quarterly. An independent valuer conducts a valuation of the Company's assets, including a review of discount rates, on a semi-annual basis.	Medium
Political and Regulatory	Future investment opportunities and/or the value of existing investments may be impacted by changes in government policy (e.g. increased property taxes, lower tax credits), in government policy incentives or in U.S. tax laws.	No change	Both the current U.S. Administration and individual states are supportive of renewable energy. Ecofin has significant experience investing in Renewable Assets and undertakes due diligence at purchase with support from its legal advisers and performs ongoing monitoring of political and regulatory risks. When incentive programs are changed, the changes typically affect projects that have yet to be built. Existing projects are usually grandfathered and retain the benefits associated with the incentive scheme in place when they were constructed. Ecofin seeks to reduce exposure to political and regulatory risk by entering into long term contracts to fix both revenue streams associated with incentives and costs (e.g. property taxes). Ecofin also actively monitors potential changes in policy that could affect RNEW's portfolio.	Low
Discount Management	The Shares have been trading at a discount to NAV, which may make it more difficult for the Company to raise new equity for future investments.	Increased	The Company's Broker monitors the market for the Company's Shares and reports at quarterly Board meetings. The Board regularly reviews the relative level of discount against the sector. The Board has authority to buy back Shares.  In September 2023, the Company announced a strategy review in order to maximise value for Shareholders.	Medium
Cyber	Ecofin's information and technology systems and those of other service providers to the Company may be vulnerable to cyber security breaches and identity theft which could adversely impact the Company's ability to continue to operate without interruption.	No change	The Company relies on the systems of its service providers. Cyber security policies and procedures are maintained by key service providers and are reported to the Board periodically. Ecofin, the Administrator and the Board include cyber risk in their reviews of counterparties.	Medium

Risk	Possible Consequences	Change in risk assessment during the year	Risk Mitigation and Controls	Current Year Risk Scores
<b>Service Provider Reliance</b>	The Company has no employees and is reliant on the performance of third-party service providers. Service Providers may be unable to complete their role or may not perform well, which could leave to a deterioration in shareholder value.	Increased	<p>The Board meets with Ecofin and the Administrator on a quarterly basis to review their work and monitor their performance. Following the announcement of the strategic review the Board is paying close attention to service providers to ensure that they are adequately resourced and performing in accordance with the Board's expectations and requirements.</p> <p>Through its Management Engagement Committee, the Board conducts a formal assessment of each key service provider's performance once a year. To assist its ability to properly oversee the Company's service providers, the Board requires them to notify it as soon as reasonably practicable following any material breach of their contracts with the Company.</p>	Medium
<b>Counterparty</b>	There is the potential for losses to be incurred due to default by an offtaker or other counterparty.	No change	<p>A fundamental part of the Investment Manager's due diligence process involves reviewing the most recent credit rating of the offtaker provided by a third party credit rating agency or performing an independent credit review of the offtaker's credit status.</p> <p>The credit status of other counterparties (e.g. banks) is also assessed and monitored.</p>	Medium
<b>Climate</b>	The Company is exposed to the impacts of climate change i.e. risks relating to weather conditions and performance of equipment.	No change	When conducting due diligence on potential investments, the Investment Manager considers the potential impact the weather may have on electricity production. Ecofin also considers the impact of storms and other weather conditions when determining the appropriate level of insurance coverage for an asset. Investing in diverse projects spread across the U.S. mitigates the impact of any localised, potentially unfavourable weather conditions.	Medium
<b>ESG</b>	Risks such as health and safety, respect for human rights, bribery, corruption, environmental management practices, duty of care and compliance with relevant laws and regulations, may also arise.	No change	<p>ESG is embedded in Ecofin's investment process via a formal ESG rating matrix. The Company monitors the portfolio and quantifies the ESG impact of its investments.</p> <p>Each service provider has, and is responsible for, its own health and safety policies and procedures.</p>	Medium
<b>Financing</b>	The Company may be unable to obtain debt financing on acceptable terms, either at a project or at a holding company level.	No change	<p>The Company has access to a wide range of debt providers and has to date successfully raised debt finance both for asset construction and for general purposes.</p> <p>The Investment Manager monitors the Company's finance requirements on a regular basis.</p> <p>Portfolio allocations and debt limits are monitored by Ecofin and reviewed by the Board.</p>	Medium

Risks are managed and mitigated by the Board through continual review, policy setting, and regular reviews of the Company's risk matrix by the Risk Committee to ensure that procedures are in place with the intention of minimising the impact of the above-mentioned risks.

Members of the Risk Committee bring a diversity of external knowledge, including of the renewable energy and investment trust (and financial services generally) marketplaces, trends, threats etc. as well as macro/strategic insight. The Risk Committee carries out a formal risk assessment at each of its meetings (minimum twice a year).

The Investment Manager advises the Board at quarterly Board meetings on industry trends, providing insight on the political and regulatory environment in which the Company's assets operate, and future challenges in these markets. The Company's Broker regularly reports to the Board on markets, the investment company sector and the Company's peer group. The Investment Manager works with reputable EPC firms to reduce the risk that any materials sourced from vendors employing the use of forced labour end up in the Company's projects and actively monitors developments on this issue. The Company is not aware of any such materials having been used in the Company's projects.

The Company Secretary briefs the Board on forthcoming legislation/regulatory change in the UK that might impact the Company. The Auditor also provides an annual update on regulatory changes relevant to the Company.

The Company is a member of the Association of Investment Companies ("AIC"), which provides regular technical updates as well as drawing members' attention to forthcoming industry/regulatory issues and advising on compliance obligations.

When required, experts are employed to provide information and technical advice, including legal and tax.

## Key Performance Indicators

The Company's Board of Directors meets regularly and at each meeting reviews performance against a number of key performance indicators which include the following:

- Performance;
- Dividends;
- Premium/discount of share price to NAV per Share; and
- Ongoing charges ratio.

## Performance

As the Company's objective is to seek to provide Shareholders with an attractive level of distributions with prospects of modest capital growth over the long term, performance is best measured in terms of total return. The Company's NAV and share price total

returns for the Year were (5.5)% and (28.0)% respectively, these are APMs found on page 93. There is no single index against which the Company's performance may be meaningfully assessed. Therefore, the Board refers to a variety of relevant data and this is reflected in both the Chairman's Statement and the Investment Manager's Report on pages 10 to 20.

As explained in the Chairman's Statement, the Board launched a strategy review in September 2023.

The Company's NAV per Share is shown on the Statement of Financial Position on page 65.

## Dividends

Dividends form a key component of the Company's investment objective. The Company declared four interim dividends in respect of the Year (total of 3.5 cents per Share), in line with the Company's revised dividend target of 3.5 cents per Share for the Year.

The Board's Dividend Payment Policy is to pay dividends on a quarterly basis in May, August, November and February in respect of each accounting year. The timing of these regular three-monthly payments means that Shareholders do not have an opportunity to vote on a final dividend. Recognising the importance of shareholder engagement, although not required by any regulation, Shareholders will be given an opportunity to vote on this policy at the forthcoming AGM.

## Premium/discount of share price to NAV per Share

The Board monitors the price of the Company's Shares in relation to NAV and the premium/discount at which the Shares trade. The Company has Shareholder authority to issue and buy back Shares, which could assist short term management of premium and discount respectively. However, the level of discount or premium is mostly a function of investor sentiment and associated demand for the Shares, over which the Board may have limited influence. The share price stood at a 38.1% discount to NAV as at 31 December 2023. Further details are provided in the Chairman's Statement on pages 10 to 20.

## Ongoing charges ratio

The expenses of managing the Company are carefully monitored by the Board. The standard performance measure of these is the ongoing charges ratio ("OCR"), which is calculated by dividing the sum of such expenses over the course of the year, including those charged to capital, by the average NAV over the year. This ratio provides a guide to the effect on performance of annual operating costs. The Company's OCR for the year to 31 December 2023 was 1.78% (year ended 31 December 2022: 1.80%).

## Business Review

The Strategic Report on pages 1 to 36 has been prepared to provide information to Shareholders to assess how the Directors have performed their duty to promote the success of the Company.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The Company is an alternative investment fund ("AIF") under the European Union's alternative investment fund managers' directive ("AIFMD") and has appointed Ecofin Advisors, LLC as its AIFM.

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles and have overall responsibility for the Company's activities including the review of investment activity and performance and the overall supervision of the Company. The Directors may delegate certain functions to other parties such as the Investment Manager, the Administrator and the Registrar. In particular, the Directors have delegated responsibility for managing the portfolio to the Investment Manager.

All the Directors are non-executive. All the Directors were considered by the Board to be independent of the Investment Manager upon and since appointment.

A description of the role of the Board can be found in the Corporate Governance Statement.



## Section 172 Statement

In accordance with section 172 of the Companies Act 2006 (the "Act"), the Board has a duty to promote the long-term success of the Company for the benefit of its Shareholders as a whole and, in doing so, the Board is required to consider the likely consequences of its actions over the long-term and on other stakeholders and the environment.

The Directors are required to describe how they have had regard to matters set out in section 172 of the Act.

### Key Board Decisions

Key decisions are those that are either material to the Company or are significant to any of the Company's key stakeholders, as identified in the two diagrams below. The Company's engagement with its key stakeholders, including the Investment Manager, is discussed further in the Corporate Governance Report. The key decisions detailed below were made or approved by the Directors during the Year, with the overall aim of promoting the success of the Company while considering the impact on its members and wider stakeholders:

#### Dividend Declarations

Dividends form a key component of the Company's investment objective. The Board declared four interim dividends in respect of the Year, in line with the Company's revised dividend target of 3.5 cents for the Year as announced on 14 September 2023 (Half-yearly Report).

#### Launch of strategic review

On 8 September 2023, the Company announced the Board's decision to undertake a review of the Company's strategy to maximise value for Shareholders. The review is focussed on a sale of the Company's assets. If successful, and subject to the terms of such disposal, it is expected to return cash to Shareholders in connection with a winding up of the Company or similar transaction.

#### Review of ongoing costs

During the Year, as part of its review of ongoing costs and within the context of the strategic review, the Board reduced certain costs, namely Financial PR, Research Analysis and the appointment of a second Broker.

#### Shareholders and Potential Investors

The Board considers its Shareholders and potential Shareholders to be essential in all decision-making. Shareholders' views are considered by the Board at quarterly Board meetings and assist in the Board's decision-making process. To help the Board in its aim to act fairly between the Company's members, it seeks to ensure effective communication is provided to all Shareholders. It does so by publishing Company updates via RNS announcements and the Company's website ([www.ecofin.com/rnew](http://www.ecofin.com/rnew)) where the Company's annual reports, half-yearly accounts, factsheets and press releases can be found.

The Board encourages Shareholders to attend the annual general meeting ("AGM") at which the Board and representatives of the Investment Manager will be available to meet Shareholders in person and to answer questions.

Shareholders wishing to contact the Chairman, or any other member of the Board, may do so at any time by writing to the Company Secretary (at [RNEWMBX@apexfs.group](mailto:RNEWMBX@apexfs.group)). This Annual Report has been issued to Shareholders and will also be available to view on the Company's website ([www.ecofin.com/rnew](http://www.ecofin.com/rnew)).

#### Employees and Stakeholders

As an externally managed investment company, the Company does not have any employees. Its main stakeholders are as set out in the diagram below which explains the relationship between the Company and each of its stakeholders.



## Engagement with Key Stakeholders

### Company Level



\* Services reduced from January 2024 onwards.

To ensure strong working relationships, most of the Company's key stakeholders as identified above attend regular Board meetings to present their respective reports. The Board seeks to maintain constructive relationships with the Company's key stakeholders through regular communications, the provision of relevant information and update meetings. This enables the Board to exercise effective oversight of the Company's activities.

The Investment Manager is the most significant service provider to the Company and a description of its role can be found on page 6. The Board receives regular reports from the Investment Manager, discusses the investment portfolio at each Board meeting and maintains a constructive dialogue between meetings. The Investment Manager's remuneration is based on the NAV of the Company and part of its management fee is paid in Shares which aligns the Investment Manager's interests with those of Shareholders.

The Board receives reports by the Company Secretary and the Investment Manager for key stakeholders who do not attend regular Board meetings such as the Registrar and PR Advisers.

## Company's Operating Model

The Company was listed on the main market of the LSE on 22 December 2020. All investments are held via its sole direct subsidiary Holdco, which in turn holds the investment portfolio via intermediate holding companies and a number of special purpose vehicles ("SPVs").

### Holdco Level



Other than the valuation provider, the Board does not have direct exposure to key stakeholders at the Holdco level. Accordingly, the responsibility to foster and maintain relationships with these stakeholders is delegated to the Investment Manager who provides regular reports to the Board including updates on stakeholders.

## Other Information

### Anti-bribery, corruption and tax evasion

It is the Company's policy to conduct all its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. The Company does not tolerate the criminal facilitation of tax evasion. The Company's Investment Manager, Company Secretary and Administrator have confirmed that they have anti-bribery policies and procedures in place and that they do not tolerate bribery. The Company's policy and the procedures that implement it are designed to support that commitment.

### Modern Slavery Act Disclosure

Due to the nature of the Company's business, being a company that does not offer goods or services to consumers, the Board considers that it is not within the scope of modern slavery. The Board considers the Company's supply chains, predominantly professional advisers and service providers in the financial services industry, to be low risk in this regard.

Notwithstanding, the Company is committed to ethical business practices and is against any form of slavery and forced labour. The Investment Manager seeks to mitigate any exposure to modern slavery through direct inquiries to, and due diligence on, the SPVs' equipment, construction and O&M contractors. The Company is conscious that the concerns of forced labour (e.g. in China) can only be fully investigated and eradicated through industry collaboration, which it continues to support.

### Continuation Vote

A continuation resolution will be proposed at every fifth AGM, beginning with the first AGM to be held after the fifth anniversary of Admission (June 2026). If any such resolution is not passed, the Directors shall draw up proposals for the voluntary liquidation, reconstruction or reorganisation of the Company.

### Directors' Conflicts of Interest

As required by law, a Director must avoid a situation where he or she has an interest that conflicts with the Company's interests. The Company's Articles of Association provide the Directors with the ability to authorise potential conflicts of interest. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate. The procedure observed by the Board in dealing with conflicted matters is as follows:

- Any Board member so conflicted must recuse himself or herself from the discussion involving the relevant conflict;

- Only Directors who have no interest in the matter being considered are able to debate the matter and take the relevant decision; and
- In taking the decision, the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success.

The Directors have declared any potential conflicts of interest to the Company. These are entered into the Company's register of potential conflicts, which is reviewed regularly by the Board. The Directors are obliged to advise the Company Secretary as soon as they become aware of any new potential conflicts of interest.

### Interested Parties' Conflicts of interest

The Directors are responsible for establishing and regularly reviewing procedures to identify, manage, monitor and disclose conflicts of interests relating to the activities of the Company.

The Company's service providers may have material potential conflicts of interest between their duty to the Company and the duties owed by them to third parties and their other interests. Ecofin, the Administrator, the Registrar, and the Broker and any of their members, directors, officers, employees, agents and connected persons and any person or company with whom they are affiliated or by whom they are employed ("Interested Parties") may be involved in other financial, investment or other professional activities which may cause potential conflicts of interest with the Company and its investments and which may affect the amount of time allocated by such persons to the Company's business.

These Interested Parties may, without limitation: provide services similar to those provided to the Company to other entities; buy, sell or deal with assets on their own account (including dealings with the Company); and/or take on engagements for profit to provide services including but not limited to origination, development, financial advice, transaction execution, asset and SPV management with respect to assets that are or may be owned directly or indirectly by the Company or could be suitable for ownership by the Company, but will not in any such circumstances be liable to account for any profit earned from any such services.

In particular, Ecofin and its respective affiliates may serve as alternative investment fund manager, investment manager and/or investment adviser to other clients and/or for their own account, including funds and managed accounts that have similar investment objectives and policies to those of the Company.

Ecofin is entitled to carry on business similar to or in competition with the Company or to provide similar services to, or in competition with, the Company or to provide similar services or any other services whatsoever to any other client without being

liable to account to the Company for its profits, provided that it will take all reasonable steps to ensure that such business is effected on terms which are not materially less favourable to the Company.

Ecofin has policies and procedures in place to deal with identified conflicts which specify the procedures that it should follow and the measures that it has adopted in order to take all appropriate steps to identify and then prevent or manage such conflicts.

## Employees

The Company has no employees. As at 31 December 2023 the Company had four Directors, two of whom are female and two are male. The Board's policy on diversity is contained in the Corporate Governance Statement (see page 46).

## Outlook

The outlook for the Company, including the future development and performance of the Company, is discussed in the Investment Manager's Report on pages 10 to 20.

## Strategic Report

The Strategic Report as set out on pages 1 to 36 of this Annual Report was approved on 26 April 2024.

### **Patrick O'D Bourke**

Chairman of the Board

For and on behalf of the Board  
26 April 2024

## Directors' Report

### The Directors present their report and audited financial statements for the year ended 31 December 2023.

#### Strategic Report

The Directors' Report should be read in conjunction with the Strategic Report on pages 1 to 36. A review of the business and future outlook and the principal risks and uncertainties of the Company have not been included in this report as they are disclosed in the Strategic Report.

#### Corporate Governance Statement

The Corporate Governance Statement on pages 37 to 63 forms part of this report.

#### Principal risks and Risk Management

Principal risks and Risk Management are described on pages 28 to 31. The management and monitoring of certain risks the Company is exposed to, including price risk, interest rate risk, credit risk and liquidity risk, are also detailed in note 17 to the financial statements.

#### Viability Statement

The Viability Statement is on pages 40 to 41.

#### Legal and Taxation Status

The Company is registered as a public limited company and is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company conducts its affairs in order to meet the requirements for approval as an investment trust under section 1158 of the Corporation Tax Act 2010.

The Company has received approval as an investment trust from His Majesty's Revenue and Customs ("HMRC"). The Company must meet eligibility conditions and ongoing requirements for investment trust status to be maintained. In the opinion of the Directors and the Company Secretary, the Company met the conditions and requirements for approval.

#### Market Information

The Company's Shares are listed on the LSE. The NAV per Share is published quarterly through a regulatory information service.

#### Retail distribution of Investment Company Shares via financial advisers and other third-party promoters

As a result of FCA rules determining which investment products can be promoted to retail investors, certain investment products are classified as 'non-mainstream pooled investment products'

and face restrictions on their promotion to retail investors. The Company has concluded that the distribution of its Shares, being Shares in an investment trust, is not restricted as a result of the FCA rules described above. The Company currently conducts its affairs so that the Shares issued by the Company can be recommended by financial advisers to retail investors and intends to continue to do so for the foreseeable future.

#### Articles of Association

Amendments to the Company's Articles of Association require a Special Resolution to be passed by Shareholders.

#### Board of Directors

The Board is responsible to Shareholders for the overall management of the Company. The Board has adopted a Schedule of Matters Reserved for the Board, which can be found on the Company's website. Through its Committees and the use of service providers and external independent advisers, the Board manages the risk and governance of the Company.

The Company's conflict of interest policy and procedures (see page 35) apply to the Board when the Directors are discharging their duties. The decision-making process outlines the checks and balances established by the Board.

The names and biographies of the Directors can be found at pages 43 to 44.

#### Appointment and Replacement of Directors

The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association which require that a Director shall be subject to election at the first AGM after appointment and re-election at least every three years thereafter. However, in accordance with the UK Code, the Board has resolved that all Directors shall stand for annual re-election at each AGM. Further details of the Board's process for the appointment and replacement of Board members can be found on page 47.

#### Investment Manager and Alternative Investment Fund Manager

The Company has appointed Ecofin Advisors LLC as the Company's Investment Manager and AIFM pursuant to the Investment Management Agreement under which Ecofin is responsible for overall portfolio management and compliance with the Company's investment policy, undertaking risk management and providing other typical alternative investment fund manager services.

Ecofin is a limited liability company registered with the SEC as an investment adviser under the U.S. Investment Advisors Act. Ecofin is an indirectly wholly-owned subsidiary of Tortoise Ecofin Investments LLC (the "Parent Company"). Ecofin and the Parent



Company are each indirectly controlled by Lovell Minnick Partners LLC, a private equity firm focused on investments in, amongst others, financial services. The Parent Company indirectly wholly owns several other essential asset-focused SEC-registered investment advisers.

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee as set out below:

- 1% per annum of NAV up to and equal to US\$500 million;
- 0.9% per annum of NAV between US\$500m and US\$1 billion; and
- 0.8% per annum of NAV in excess of US\$1 billion.

Ecofin reinvests 15% of its annual management fee in Shares, subject to a rolling lock-up of 12 months, and subject to certain limited exceptions. The Investment Management Agreement may be terminated by either party giving notice of not less than 12 months, such notice not to expire less than 36 months from 11 November 2020.

### **Administrator and Company Secretary**

Apex Listed Companies Services (UK) Limited, provides company secretarial and administration services to the Company pursuant to the Administration Agreement.

### **Registrar**

Computershare Investor Services PLC acts as Registrar to the Company pursuant to the Registrar Agreement.

### **Broker**

Stifel Nicolaus Europe Limited acts as Broker to the Company. During the Year, Peel Hunt LLP also acted as Broker to the Company until 1 December 2023.

### **Continuing Appointment of the Investment Manager**

The performance of the Investment Manager is subject to continual review by the Board. The Investment Management Agreement is subject to regular review by the Management Engagement Committee.

In late 2023, the Board reviewed the Investment Manager's service provision and, taking into account the performance of the portfolio and the risk and governance environment in which the Company operates, considered that the continuing retention of the Investment Manager's services on the current terms was in the best interests of Shareholders.

### **Greenhouse Gas Emissions and Streamlined Energy and Carbon Reporting**

As the Company has outsourced its operations to third parties, there are no significant GHG emissions to report in relation to the operation of the Company. In relation to the Company's investments, the level of GHG emissions arising from the low volume of electricity imports and from O&M activity is not considered material for disclosure purposes. As described in the Investment Manager's Report, the Company's investments are renewable energy generators and therefore reduce CO<sub>2</sub> emissions on a net basis. As a low user (< 40,000 kWh), the Company falls below the threshold to produce an energy and carbon report.

### **Results and dividend**

The net revenue return for the Year after expenses, interest and taxation was \$3.9 million, equivalent to a return of 2.79 cents per Share. Interim dividends totalling 3.5 cents per Share were declared during the Year. The revenue reserve as at 31 December 2023 was \$1,000 (31 December 2022: \$1.9 million) and the Special distributable reserve (which can also be used to pay dividends) was \$121.3 million (31 December 2022: \$121.3 million). After the Year end, the Company declared an interim dividend of 0.7 cents per Share for the period 1 October 2023 to 31 December 2023, which was paid on 15 March 2024 to Shareholders on the register at 23 February 2024.

The Company made a capital loss after expenses, interest and taxation of \$10.6 million (Year to 31 December 2022: \$6.4 million) equivalent to a loss of 7.66 cents per Share (Year to 31 December 2022: loss of 4.79 cents per Share). The total return after expenses, interest and taxation was \$(6.7 million) (Year to 31 December 2022: \$1.2 million), equivalent to earnings per share of (4.87) cents (Year to 31 December 2022: 0.89 cents per Share).

## Notifiable Interests in the Company

As at 31 December 2023 and 25 April 2024 (the latest practicable date before publication of this Annual Report), so far as is known to the Company, the following persons held, directly or indirectly, the percentage of the Company's voting rights referred to below which are notifiable holdings (over 3%) pursuant to the Disclosure Guidance and Transparency Rules ("DTR"):

Shareholder Name	Shareholding on date of notification	Notification Date	Percentage of voting rights*
Sustainable Investors Fund, LP	22,500,000	24/12/2020	16.30
Rathbone Investment Management International Ltd	13,155,215	16/07/2021	9.53
Insight Investment Management (Global) Limited	11,250,000	23/12/2020	8.15
Ecofin Advisors LLC	8,585,051	02/11/2021	6.22
J.M Finn & Co Ltd	7,606,470	24/12/2020	5.51
Almitas Capital LLC	7,151,666	18/12/2023	5.18
Stichting Juridisch Eigendom Privium Sustainable Impact Fund	7,000,000	22/12/2020	5.07
Davis Investment Holdings, LLC.	6,000,000	23/12/2020	4.35
South Yorkshire Pensions Authority	5,000,000	22/12/2020	3.62

\* Total shares as at the date of this Report 138,078,496.

Following the year-end the notifications below were received:

TortoiseEcofin Borrower LLC #	8,780,378	6.36%	01/02/2024
Almitas Capital LLC	8,376,966	6.07%	07/02/2024
Almitas Capital LLC	10,334,768	7.36%	15/02/2024
Almitas Capital LLC	10,726,989	7.77%	25/03/2024
J. M. Finn & Co	6,850,307	4.96%	26/03/2024

# As part of a routine corporate reorganisation, Ecofin Advisors, LLC transferred the entirety of its holdings in Ecofin U.S. Renewables Infrastructure Trust PLC to a wholly owned affiliate, TortoiseEcofin Borrower LLC on 1 February 2024.

## Settlement of Share transactions

Share transactions in the Company are settled through the CREST share settlement system.

## Shareholder Engagement

The Board is mindful of the importance of engaging with the Company's Shareholders to gauge their views on topics affecting the Company. The Chairman met with certain Shareholders during the year. Shareholders wishing to contact the Chairman, or any other member of the Board, may do so at any time by writing to the Company Secretary (on page 102).

The Company's AGM will be held at 3 pm on 13 June 2024 at the Company's registered office at 6th Floor, 125 London Wall, London EC2Y 5AS. Shareholders are encouraged to attend that meeting. Shareholders are also encouraged to vote their holdings electronically using the instructions contained in the notes to the Notice of AGM. Proxy voting figures will be made available shortly after the AGM on the Company's website where Shareholders can also find the Company's quarterly factsheets, dividend history and other relevant information.

## Appointment of Auditor

The Company's Auditor, BDO LLP, having expressed its willingness to continue in office as Auditor, will be put forward for re-appointment at the Company's AGM and the Audit Committee will seek authority to determine its remuneration for the forthcoming year.

## Going concern

The Directors have adopted the going concern basis in preparing the financial statements. In reaching their conclusion, the Directors considered the Company's cash flow forecasts, cash and net debt position, and the financial covenants in its borrowing facilities. The Company's net assets as at 31 December 2023 were \$117.7 million (31 December 2022: \$130.2 million). As at 31 December 2023, the Company held \$1.6 million in cash (31 December 2022: \$3.4 million) and had borrowings of \$75.8 million (31 December 2022: \$64.4 million) and \$38 million headroom on its RCF (31 December 2022: \$46 million). Both tranches of the Company's RCF were extended by 12 months during the second half of 2023 to October 2024 and October 2025 respectively.

Ecofin expects to renew or extend the RCF on substantially similar terms in the second half of 2024. This is contingent on the need to do so, taking into account the strategic review that is

currently focused on a sale of the Company's assets. The Directors have a reasonable expectation that the RCF would be extended as required (or that alternative lenders would be obtained), until such facilities are formally renewed there can be no certainty that the required funding will be in place within the required time frame.

The Company's holds 100% of the share capital of Holdco which in turn holds investments in renewable energy project companies through SPVs. Underlying SPV revenues are derived from the sale of electricity by project companies under PPAs in place with creditworthy utilities, municipalities, and corporations. Most of these PPAs are contracted over a long period with a weighted average remaining life as at 31 December 2023 of 13.7 years (31 December 2022: 14.6 years).

The Company continues to meet its day-to-day liquidity needs through its cash resources. Total expenses for the year ended 31 December 2023 were \$2.4 million (31 December 2022: \$2.3 million), which represented approximately 1.9% of average net assets during the Year (31 December 2022: 1.8%).

At the date of approval of this Annual Report, based on the ability of its investments to generate cash, and cash held and the headroom on its RCF, the Company had substantial cover for its operating expenses. However, as previously noted, the Company assumes the ability to renew or extend the RCF on substantially similar terms in the second half of 2024, depending on the outcome of the strategic review. Informal discussions have been held with KeyBank in this respect.

The major cash outflows of the Company are the acquisition of new investments and the payment of dividends. The Directors review financial reporting and forecasts at each quarterly Audit Committee meeting, which includes reporting related to indebtedness, compliance with borrowing covenants and fund investment limits. The Directors are confident that the Company has sufficient cash balances, borrowing headroom and anticipated tax equity arrangements to fund the commitments detailed in note 19 to the financial statements, should they become payable, assuming the ability to renew or extend the RCF.

The Directors have fully considered each of the Company's investments against the backdrop of the current macro-economic situation. The Directors do not foresee any immediate material risk to the Company's investment portfolio and/or the income it receives from underlying SPVs. A prolonged and deep market decline could lead to falling values in the underlying investments or interruptions to cashflow, however the Company currently has sufficient liquidity available to meet its future obligations. The Directors are also satisfied that the Company would continue to remain viable under downside scenarios, including decreasing U.S. government regulated tax credits and a decline in long term power price forecasts.

As announced on 8 September 2023, the Board is undertaking a strategic review of the Company centred on a sale of the Company's assets. Marathon Capital was appointed to advise the Company, and the review is ongoing. If the disposal is successful and adheres to its terms, it is anticipated that cash will be distributed to Shareholders during the Company's dissolution or a similar event.

Accordingly, the Directors acknowledge that the strategic review, and the need to renew or extend a portion of the RCF in October 2024 if a sale does not occur, indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. As a result, the Company might face challenges in realising its assets and settling its liabilities in the usual course of business. Based on the assessment and considerations above, the Directors have concluded that the financial statements should be prepared on a going concern basis. The financial statements do not include any adjustments which would result if the Company was unable to continue on a going concern basis.

### Viability statement

In accordance with the UK Code and the Listing Rules, the Directors have also assessed the prospects of the Company over a longer period than required by the going concern assessment. The Board is currently conducting a strategic review and has appointed Marathon as financial adviser in relation to a potential sale process for the Company's assets which, if successful, would result in an expected return of cash to Shareholders, in connection with a winding up of the Company or similar transaction. There can be no certainty as to the outcome of the strategic review or any asset sale process, nor whether any potential transaction or transactions arising could be successfully completed or the valuation at which it or they could be completed. In addition, should a transaction arise that would involve the sale of the Company's assets, it is expected that the implementation of such transaction will be conditional upon shareholder approval at a general meeting of the Company.

Therefore, the Board has assessed the viability of the Company over the period to 31 December 2026 (the "Look-forward Period"). The Board believes that the Look-forward Period, being approximately three years, is an appropriate time horizon over which to assess the viability of the Company, when considering the potential outcomes of the strategic review along-side the long-term nature of the Company's investment strategy and the principal risks outlined above. Both tranches of the Company's RCF were extended by 12 months during the second half of 2023 to October 2024 and October 2025, respectively. Depending on the outcome of the strategic review, it is expected that the RCF will be further extended. Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue to operate and to meet its liabilities as they fall due over the Look-forward Period.

In considering the prospects of the Company, the Directors looked at the key risks facing the Company focusing on the likelihood and impact of each risk as well as any key contracts, future events or timescales that may be assigned to each key risk. The Directors are satisfied that the Company would continue to remain viable under various scenarios, including decreasing U.S. government regulated tax credits and a decline in long-term power price forecasts. As a sector-focused renewable energy investment company, the Company aims to produce stable dividends while preserving the capital value of its investment portfolio. The Directors believe that the Company is well placed to manage its business risks successfully over both the short and long-term and accordingly, the Board has a reasonable expectation that the Company will be able to continue in operation and to meet its liabilities as they fall due in the Look-forward Period.

The Company's available cash, income from investments and available headroom on its RCF, assuming the ability to renew or extend the RCF in the second half of 2024, provide substantial cover for the Company's operating expenses and any other costs likely to be faced by the Company over the Look-forward Period, and proceeds from the sale of the Company's investments could be used to repay the Company's borrowings which as at 31 December 2023 represented, in aggregate, 38.6% of the Company's GAV (31 December 2022: 33.3%).

### **Auditor information**

Each of the Directors at the date of the approval of this report confirms that:

- i. so far as the Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- ii. the Director has taken all steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant information and to establish that the Company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Act.

### **Annual General Meeting**

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM to be held at 3pm on 13 June 2024 at the Company Secretary's offices located at 6th Floor, 125 London Wall, London, EC2Y 5AS.

#### **Resolution 3 Dividend Policy**

Shareholders will be asked to approve the Company's policy with respect to the payment of dividends. The Directors' policy is to pay dividends on a quarterly basis in May, August, November, and February in respect of each financial accounting year.

The timing means that Shareholders do not have the opportunity to vote on a final dividend recommended by the Directors. The Directors recognise the importance of shareholder engagement, and even though not required by any regulation, Shareholders are being given the opportunity to vote on the proposed dividend policy.

#### **Resolution 10 renewal of authority to allot Shares, and Resolution 11 authority to dis-apply pre-emption rights**

At the AGM, the Board will seek authority to allot up to a maximum of 10% of the Company's Shares in issue as at the date of the Notice of AGM (equating to 13,807,849 Shares) pursuant to resolution 10, and to dis-apply pre-emption rights in respect of any Shares issued pursuant to resolution 11. Authority granted under both resolutions will expire at the conclusion of the AGM to be held in 2025 unless renewed prior to this date at a General Meeting. The full text of resolutions 10 and 11, respectively, is set out in the Notice of AGM.

The authority to be granted by Shareholders to issue Shares will provide flexibility to grow the Company and further expand the Company's portfolio of assets. Shares will only be issued at a premium to NAV (cum income) after the costs of issue. Share issues are at the discretion of the Board.

#### **Resolution 12 renewal of authority to purchase own Shares**

The Directors recommend that an authority to purchase up to 20,697,966 Shares (subject to the condition that not more than 14.99% of the Shares in issue, excluding treasury shares, at the date of the AGM can be purchased) be granted and a resolution to that effect will be put to the AGM. Any Shares purchased will either be cancelled or, if the Directors so determine, held in treasury.

The Act permits companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This provides the Company with the ability to re-issue Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Shares will be sold from treasury at a price less than the (cum-income) NAV per existing Share at the time of their sale unless they are first offered pro rata to existing Shareholders. At the Year end the Company did not hold any Shares in treasury.

Unless otherwise authorised by Shareholders, Shares will not be issued at less than NAV and Shares held in treasury will not be sold at less than NAV.

### **Resolution 13 Notice of general meetings**

The Board believes that it is in the best interests of Shareholders of the Company to have the ability to call meetings on 14 days' clear notice on matters requiring urgent approval. The Board will therefore propose resolution 13 at the AGM to approve a reduction in the minimum notice period from 21 to 14 clear days for all general meetings other than annual general meetings.

Once approval is granted, the approval would be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. In accordance with the Shareholders' Rights Directive, the Company will offer Shareholders the ability to vote by electronic means. This facility will be accessible to all Shareholders, should the Board call a general meeting at 14 clear days' notice. Short notice will only be used by the Board under appropriate circumstances.

### **Regulatory Disclosures – Information to be disclosed in accordance with Listing Rule (“LR”) 9.8.4.**

The Listing Rules require listed companies to report certain information in a single identifiable section of their annual financial reports. The Company confirms that only LR 9.8.4(7) (issue of Shares in satisfaction of a portion of the investment management fee) was applicable during the Year.

### **Subsequent events**

As disclosed in note 20, the strategic review announced on 8 September 2023 remains ongoing with specific discussions and negotiations taking place with buyers since the date of the balance sheet, and to the date of this report.

By order of the Board

#### **Mimi Ajibadé**

Company Secretary

For and on behalf of  
Apex Listed Companies Services (UK) Limited  
26 April 2024



## Corporate Governance Statement

### Introduction

This Corporate Governance statement forms part of the Directors' Report.

The Board has considered the principles and provisions of the AIC Code of Corporate Governance issued in February 2019 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the AIC Code, which has been endorsed by the FRC, provides more relevant information to Shareholders.

The AIC Code is available on the AIC website ([www.theaic.co.uk](http://www.theaic.co.uk)) and the UK Code can be found on the FRC's website ([www.frc.org.uk](http://www.frc.org.uk)). The AIC Code includes an explanation of how it adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

### Compliance

Throughout the Year, the Company complied with the recommendations of the AIC Code except, as explained below, where the Company does not believe it appropriate to comply.

The Board has decided not to nominate a Senior Independent Director. Given the size and composition of the Board, it is not felt necessary to appoint a Senior Independent Director.

The UK Code includes provisions relating to the role of a company's chief executive, executive Directors' remuneration and the need for an internal audit function. For reasons set out in the AIC Code, the Board considers these provisions are not relevant to the Company as it is an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive Directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

### Board Composition

At the date of this report, the Board consists of four independent non-executive Directors including the Chairman.

The Board believes that during the Year its composition was appropriate for an investment company of the Company's nature and size. All the Directors are independent of the Investment Manager and are able to allocate sufficient time to the Company to discharge their responsibilities effectively.

The Directors have a broad range of relevant experience to meet the Company's requirements and their biographies are shown below.

In line with the AIC Code, the Board has decided that each Director should be subject to annual re-election by Shareholders, although this is not required by the Company's Articles of Association.

The Board recommends that all the Directors should be re-elected for the reasons highlighted below (Directors' Experience and Contribution).

The Directors have appointment letters which provide for an initial term of three years. Copies of the Directors' appointment letters are available on request from the Company Secretary. Upon joining the Board, any new director will receive an induction and relevant training is available to Directors on an ongoing basis.

A procedure has been adopted for Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company.

### Directors' Indemnity

Directors' and Officers' liability insurance cover is in place in respect of the Directors. The Company's Articles of Association provide for, subject to the provisions of UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court.

Except for such indemnity provisions in the Company's Articles of Association and in the Directors' letters of appointment, there are no qualifying third-party indemnity provisions in place.

### Directors' Experience and Contribution

#### Patrick O'D Bourke (Chairman of the Board)

Mr. Patrick O'D Bourke is an experienced board member with more than 28 years' experience in energy and infrastructure, especially renewable energy. He also has significant international investment experience, particularly in Europe, the U.S. and Australia.

Patrick qualified as a chartered accountant with Peat Marwick (now KPMG). After that he held a variety of investment banking positions at Hill Samuel and Barclays de Zoete Wedd. In 1995, he joined Powergen plc, where he was responsible for mergers and acquisitions before becoming Group Treasurer.

In 2000, Patrick joined Viridian Group plc as Group Finance Director and later became Chief Executive, following take-over by private equity in 2006. In 2011, he joined John Laing Group, a specialist international investor in, and manager of, greenfield infrastructure assets, where he served as CFO until 2019. While at John Laing, he was part of the team which launched John Laing Environmental Assets Group on the LSE in 2014.

From 2013 to 2020, Patrick served as Chair of the Audit Committee at Affinity Water, the UK’s largest water-only company. He also served as Chair of the Audit and Risk Committee at Calisen plc, an owner and operator of smart meters in the UK, from February 2020 until Calisen was taken private in March 2021. Since November 2020, he has served as Chair of the Audit Committee of Harworth Group plc, a leading regenerator of land and property for development and investment and since November 2021 as Chair of the Audit Committee of Pantheon Infrastructure plc.

Patrick is a graduate of Cambridge University.

**Louisa Vincent (Management Engagement Committee Chair)**

Ms. Louisa Vincent has had a 35-year career in financial services working globally in institutional, wholesale and retail financial services, most recently at Lazard Asset Management Limited where she was Managing Director, Head of Institutions, with overall responsibility for the firm’s institutional clients.

Prior to that, she was with State Street Global Advisors in both its Sydney and London offices. Until recently, she chaired Fight For Sight, the UK’s leading eye research charity. She is particularly committed to clear communication, bringing the customer’s voice to the boardroom and ensuring business sustainability through ESG.

Louisa began working in the investment field in 1988 in Sydney, Australia and has an MBA (Exec) from the Australian Graduate School of Management.

**David Fletcher (Audit Committee Chair)**

Mr. David Fletcher was most recently Group Finance Director of Stonehage Fleming Family & Partners, a leading independently owned multi-family office, having joined in 2002.

Prior to that, he spent 20 years in investment banking with JPMorgan Chase, Robert Fleming & Co. and Baring Brothers & Co Limited, latterly focused on financial services in the UK (asset management and life insurance). He started his career with Price Waterhouse and is a chartered accountant. He is the Chair of JP Morgan Claverhouse Investment Trust plc. In addition, he is an independent non-executive director of Aquila Energy Efficiency Trust plc, where he is the Chair of both the Audit & Risk Committee and the Remuneration Committee.

David is a graduate of Oxford University.

**Tammy Richards (Risk Committee Chair)**

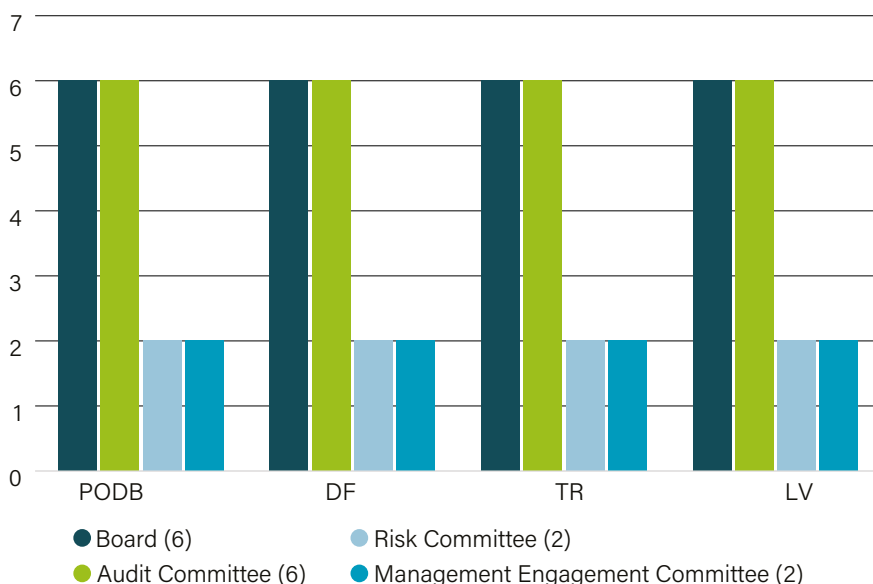
Ms. Tammy Richards is an experienced risk management professional with expertise in structured finance and a history of leadership in a global financial services business. She spent over 30 years at GE Capital in the risk management function, with more than 10 years in the energy sector.

While at GE Capital, Tammy held an array of risk leadership roles both in the U.S. and in Europe serving as the European risk leader for the Structured Finance and Capital Markets units. She served as the Deputy Chief Credit Officer of the energy finance unit, a global US\$15 billion business focused on complex debt and equity investments in the energy sector. Most recently, she moved to the GE Capital headquarters unit as Managing Director, Credit Risk and Portfolio Analytics where she provided risk oversight of GE Capital’s aviation leasing and energy financial services units developing risk appetite, credit delegations and governance and reporting frameworks.

Tammy holds a B.S. degree in Economics from Cornell University and an M.B.A from the Amos Tuck School at Dartmouth College

All Directors are members of each Committee.

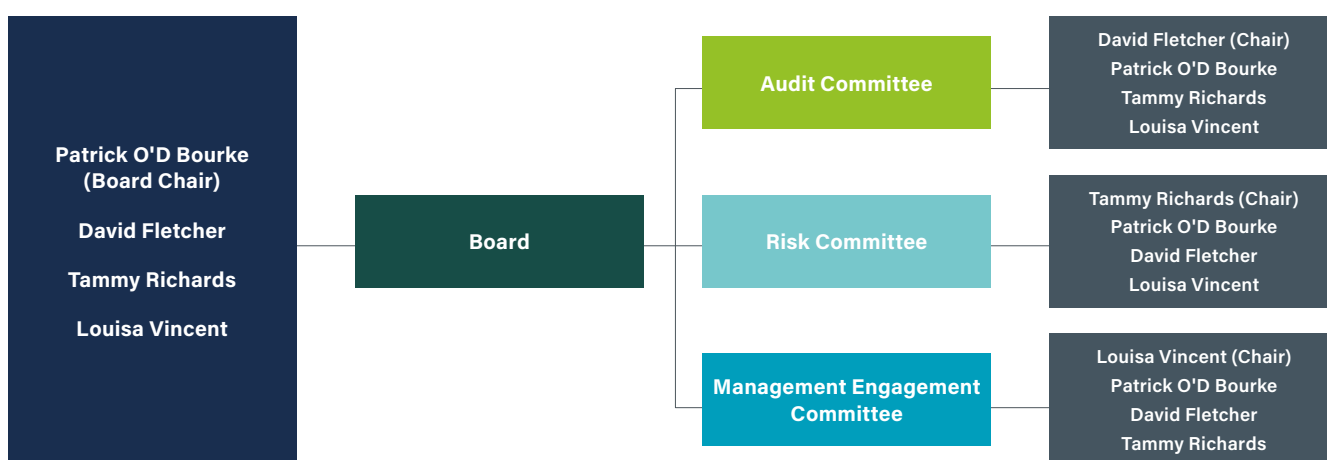
**Meeting Attendance**



In addition to the meetings recorded in the above table, a number of ad hoc Board and Committee meetings were held during the Year to deal with administrative matters and the formal approval of documents, investment proposals and to consider the valuation of the Company's investment portfolio which were considered time critical.

### Board Committees

The Board decides upon the membership and chairmanship of its committees. Each Committee has adopted formal terms of reference, which are reviewed at least annually, and copies of these are available on the Company's website or on request from the Company Secretary.



*Due to the small size of the Board, the Board decided to fulfil the responsibilities typically undertaken by a nomination committee and a remuneration committee.*

### Audit Committee

The Board has established an audit committee (the "Audit Committee"). The chair of the Audit Committee is David Fletcher. A report on pages 52 to 54 provides details of the role and composition of the Audit Committee together with a description of the work carried out in discharging its responsibilities. In accordance with the AIC Code, the Chairman of the Board is a member of the Audit Committee. The Board decided that this was appropriate due to its small size (four directors).

### Risk Committee

The Board has established a Risk Committee (the "Risk Committee"). The chair of the Risk Committee is Tammy Richards. A report on page 55 provides details of the role and composition of the Committee together with a description of its work in discharging its responsibilities.

### Management Engagement Committee

The Board has established a Management Engagement Committee (the "MEC"). The chair of the MEC is Louisa Vincent. A report on page 56 provides details of the role and composition of the MEC together with a description of its work in discharging its responsibilities.

### Decision Making

Matters reserved for the Board, together with the terms of reference of its Committees, can be found on the Company's website. Decision making on investments is delegated to the Investment Manager.

### Division of Responsibilities

The following sets out the division of responsibilities between the Chairman, the Board and a Committee chair.

#### Role of the Chairman includes:

- Leadership of the Board;
- Ensuring the Board is provided with sufficient information in order to ensure it is able to discharge its duties;
- Ensuring each Board member's views are considered;
- Ensuring that each Committee has the support required to fulfil its duties;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors;

- Supporting the AIFM, Investment Manager and other service providers;
- Seeking regular engagement with major Shareholders in order to understand their views on governance and performance against the Company's investment objective and investment policy;
- Ensuring that the Board as a whole has a clear understanding of the views of Shareholders; and
- Ensuring regular engagement with each service provider and keeping up to date with key developments.

**Role of the Board includes:**

- Reviewing Board papers ahead of each meeting;
- Providing appropriate opinion, advice and guidance to the Chairman and fellow Board members;
- Appointment and removal of the Company Secretary;
- Supporting the Board, Chairman and service providers in fulfilling their roles; and
- Providing appropriate support at the AGM.

**Role of Committee Chair includes:**

- Ensuring appropriate papers are considered at the meeting; ensuring committee members' views and opinions are appropriately considered;
- Seeking engagement with Shareholders on significant matters related to his or her areas of responsibility;
- Maintaining relationships with advisers;
- Considering obtaining independent professional advice where deemed appropriate.

**Directors' Independence**

The Board consists of four non-executive Directors, each of whom is independent of the Investment Manager. No member of the Board is a Director of another investment company managed by the Investment Manager, nor has any Board member been an employee of the Company, Investment Manager or any of its service providers. Accordingly, the Board considers that all the Directors are independent and there are no relationships or circumstances which are likely to affect or could appear to affect their judgement.

**Board Diversity**

The Board is committed to delivering long term, sustainable returns to investors and also aims to build long term relationships with stakeholders. The Board recognises the value of diversity, including gender and ethnic diversity, and remains committed to ensuring that the Company's Directors bring a wide range of skills,

knowledge, experience, backgrounds and perspectives. One of the Directors is a U.S. citizen and is based in the U.S. The appointment of a new Director will always be made based on a candidate's merits and the skills/experience identified by the Board as being desirable to complement those of the existing Directors.

The Board is satisfied that its current composition comprises an appropriate balance of skills, perspectives and experience, but is cognisant of the lack of ethnic diversity and is mindful of the AIC Code alongside the Hampton-Alexander and Parker Reviews.

Appropriate endeavours will be made to address this in future recruitment whilst ensuring appointments are made on merit and are subject to a formal, rigorous and transparent procedure. The Board appraises its collective set of strengths, independence and diversity on an annual basis so as to ensure it is aligned with the Company's near-term objectives, shown below. Summaries of the biographical details of the Directors are set out on pages 43 to 44.

The Board does not currently have plans to recruit an additional director in the next accounting period. A summary of the metrics underlying the Board's decision can be found below.

<b>Size of the Board</b>	Four (small size in comparison to trading companies but in line with most investment trusts' boards)
<b>Skills gap</b>	None identified (assessment conducted when the Board's performance and succession plan were reviewed in October 2023)
<b>Average director tenure</b>	Three years (since IPO in December 2020)
<b>Age of the company</b>	Three years (IPO in December 2020)
<b>Near-term objectives</b>	Lead the Strategic Review announced on 8 September 2023

The Board has considered the targets set out in the FCA's Listing Rules and has resolved that the Company's Year end date is the most appropriate date for disclosure purposes.

As an externally managed investment company, the Board employs no executive staff, and therefore does not have a chief executive officer or a chief financial officer, both of which are deemed senior board positions by the FCA, nor does the Board have a Senior Independent Director. Given the size of the Board and the fact that all directors are non-executive, the Board considers all board positions, including all of the Chairs of the permanent Committees of the Board, to be senior and the following disclosure is made on this basis. The information has been provided by each Director directly and there have been no changes since 31 December 2023.

Board as at 31 December 2023

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
Men	2	50%	2
Women	2	50%	2

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
White British or Other White (including minority-white groups)	4	100%	4
Minority ethnic background*	-	-	-

\* Based on classification per Listing Rule 9.8.6R(9)(a).

### Statement

The Board's composition currently does not meet one of the FCA's new targets, namely that one individual on the board should be from a minority ethnic background.

### Tenure Policy

It is the Board's policy that all Directors, including the Chairman, shall normally have tenure limited to nine years from their first appointment to the Board, except that the Board may determine otherwise if it is considered that the continued participation on the Board of an individual Director, or the Chairman, is in the best interests of the Company and its Shareholders. This is also subject to the Director's re-election annually by Shareholders.

The Board considers that this policy encourages regular refreshment and is conducive to fostering diversity.

All the Directors were appointed on 22 October 2020. As a result, the Board will all reach their ninth anniversary simultaneously in October 2029. The Board has formulated a succession plan which promotes refreshment and diversity, whilst maintaining stability and continuity of skills and knowledge on the Board.

### Board and Committee Evaluation

A formal annual Board evaluation process is performed on the Board, the Committees, the individual Directors and the Company's main service providers. During the Year, the performance appraisal was overseen by the Company Secretary. A programme consisting of open and closed ended questions was used as the basis for the appraisal. The results were discussed with the Directors and the implementation of the actions arising was agreed with the Chairman. A separate appraisal of the Chairman was carried out. The results of the performance evaluation were positive and demonstrated that the Directors showed the necessary commitment for the effective fulfilment of their duties.

### Share Capital

As at 31 December 2023 the Company's issued share capital comprised 138,078,496 Shares (31 December 2022: 138,078,496 Shares).

### Voting rights

Each Share held entitles the holder to one vote. All Shares carry equal voting rights and there are no restrictions on those voting rights. Voting deadlines are stated in the Notice of Meeting and Form of Proxy and are in accordance with the Act.

### Restrictions

There are no restrictions on the transfer of Shares, nor are there any limitations or special rights associated with regard to control attached to the Shares. There are no agreements between holders regarding their transfer known to the Company, no restrictions on the distribution of dividends and the repayment of capital, and no agreements to which the Company is a party that might affect its control following a successful takeover bid.

### Power to Issue Shares

At the last AGM held on 1 June 2023, the Board was granted authority to issue up to a total maximum of 13,807,849 Shares without pre-emption rights. This authority will expire at the 2024 AGM.

### Internal control

On 22 January 2024, the UK's FRC announced revisions to the UK Corporate Governance Code to enhance transparency and accountability for listed companies (the "2024 Code"). The 2024 Code will apply to financial years beginning on or after 1 January 2025 other than a new provision 29 (relating to risk management and internal controls) which will apply to financial years beginning on or after 1 January 2026. The AIC is reviewing its 2019 Code of Corporate Governance to align with the UK 2024 Code.

The current regime of the AIC Code requires the Board to review the effectiveness of the Company's system of internal controls. The Board recognises its ultimate responsibility for the Company's system of internal controls and for monitoring its effectiveness. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. It can provide only reasonable assurance against material misstatement or loss. The Board, through the Audit Committee, regularly reviews the effectiveness of internal controls to identify, evaluate and manage the Company's significant risks. If any significant failings or weaknesses are identified, the Board, and where required the Investment Manager, ensure that necessary remedial action is taken. The Board, through the Risk Committee, has undertaken a comprehensive review of the Company's risk management framework and controls. This identified four main risk categories and resulted in enhanced risk documentation and reporting to the Board, Audit Committee and/or Risk Committee as appropriate. The Board believes that the existing arrangements, set out below, represent an appropriate framework to meet the internal control requirements. The Directors review the effectiveness of the internal control system throughout the Year.

### ***Financial aspects of internal control***

These are detailed in the Report of the Audit Committee on pages 52 to 54.

### ***Other aspects of internal control***

The Board holds at least six regular meetings each year, plus additional meetings as required. Between these meetings there is regular contact with the AIFM, Investment Manager and the Company Secretary and Administrator.

The Administrator, Apex Listed Companies Services (UK) Limited, reports separately in writing to the Board concerning risks and internal control matters within its remit, including internal financial control procedures and company secretarial matters. Additional ad hoc reports are received as required and Directors have access at all times to the advice and services of the Company Secretary, which is responsible to the Board for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. Contact with the Investment Manager, the AIFM and the Administrator enables the Board to monitor the Company's progress towards its objectives and encompasses an analysis of the risks involved.

The effectiveness of the Company's risk management and internal controls systems is monitored regularly and a formal review, utilising a detailed risk assessment programme, takes place at least annually. This includes review of internal control reports from the Administrator, the AIFM and the Registrar.

### **Principal risks**

The Directors confirm that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency, or liquidity. The principal risks and how they are being managed are set out in the Strategic Report on pages 1 to 36.



# Directors' Remuneration Report

## Introduction

I am pleased to present the Remuneration Report for the Year.

The Board is responsible for (i) agreeing the policy for the remuneration of the Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering any ad hoc payment to the Directors in relation to duties undertaken over and above normal business; and (iii) if required, appointing independent professional remuneration advisers.

## Annual Chair's Statement

The Remuneration Report for the Year has been prepared in accordance with sections 420-422 of the Act. Company law requires the Company's Auditor to audit certain sections of the Remuneration Report; where this is the case, the relevant section has been indicated as such.

## Directors' Remuneration

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Each Director currently receives a fee payable by the Company at the rate of £40,000 per annum. The Chairman of the Board receives an additional £10,000 per annum. The Chair of the Audit Committee, the Chair of the Management Engagement Committee, and the Chair of the Risk Committee each receive an additional £6,000 per annum.

In late 2023, the Board considered the remuneration of the Directors and each key role and took into consideration the expected time commitment of each Board member, together with their experience and skills and the market expectation of the remuneration paid to the Company's Board. No change in the Directors' remuneration was proposed as a result of its review and the remuneration remains consistent with the disclosures contained in the Company's prospectus dated 11 November 2020.

## AGM approval of the Remuneration Policy and Remuneration Implementation Report

The Company's Remuneration Policy was put forward for approval by Shareholders at the Company's first AGM on

22 June 2022 and will be put forward at the Company's AGM to be held in 2025. In accordance with the requirements of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended (the "Regulations"), the Remuneration Policy is required to be put to Shareholders for approval every three years, unless a material variation to the Remuneration Policy is proposed and in which case Shareholder approval will be sought to amend the policy.

The Directors' Remuneration Policy was last put forward at the AGM held on 22 June 2022. The resolution was passed with 99.99% of the Shares voted (representing 83,415,514 Shares) being in favour, against 0.01% (representing 11,158 Shares) and votes withheld 15,064. When approval is sought, the Remuneration Policy is usually included in the Remuneration Report.

At the AGM held on 1 June 2023, the resolution to approve the Remuneration Report (excluding the Directors' Remuneration Policy) contained in the Annual Report for the year ended 31 December 2022 was put forward. The resolution was passed with 92.15% of the Shares voted (representing 84,025,493 Shares) being in favour of the resolution, 7.85% against (representing 7,157,844 Shares) and 1,224 votes withheld.

## Remuneration Consultants

Remuneration consultants were not engaged by the Company during the Year under review and/or in respect of the Remuneration Report.

## Loss of Office

There are no agreements in place to compensate the Board for loss of office.

## Remuneration Policy

All the Directors are non-executive and the Company has no other employees. The components of the remuneration package for non-executive Directors, which are contained in the Remuneration Policy, are as detailed below:

Component	Director	Purpose of interest	Operation
Annual fee	Chairman of the Board	For services as Chairman of a PLC	Determined by the Board
Annual fee	Other Directors	For services as non-executive director of a PLC	Determined by the Board
Additional fee	Chair of committee	For additional responsibility and time commitment	Determined by the Board
Expenses	All Directors	Reimbursement of expenses incurred in the performance of duties	Submission of appropriate supporting documentation

Directors' fees in aggregate cannot exceed GBP 400,000 per annum, unless Shareholders approve via an Ordinary resolution at a general meeting such other sum.

### Current and future policy

In November 2023, the Board voted not to change the Remuneration Policy or the annual Directors' fees for the 2024 financial year.

### Directors' service contracts

The Directors do not have service contracts with the Company. The Directors have appointment letters which provide for an initial term of three years. In accordance with the AIC Code, each Director will seek annual re-election.

### Fees payable on recruitment

The Board does not pay any incentive fees to any person to encourage him or her to become a director of the Company. The Board may, however, pay fees to external agencies to assist the Board in the search and selection of Directors. No such external agency has been engaged since the Company's IPO.

### Effective date

The Remuneration Policy became effective on 22 June 2022, when it was approved by Shareholders.

## Remuneration Implementation Report (Audited)

The table below provides a single figure for the total remuneration of each Director for the last two financial years.

	Date of appointment to the Board	Percentage change 2021 to 2022*	Percentage change 2022 to 2023*	Fees for the year ended 31 December 2023 £	Fees for the year ended 31 December 2022 £
Patrick O'Donnell Bourke	22 October 2020	Nil	Nil	50,000	50,000
David Fletcher	22 October 2020	Nil	Nil	46,000	46,000
Tammy Richards	22 October 2020	Nil	Nil	46,000	46,000
Louisa Vincent	22 October 2020	Nil	Nil	46,000	46,000
<b>Total</b>				<b>188,000</b>	<b>188,000</b>

Directors receive fixed fees and do not receive bonuses or other performance-related remuneration, share options, pension contributions or other benefits apart from the reimbursement of allowable expenses.

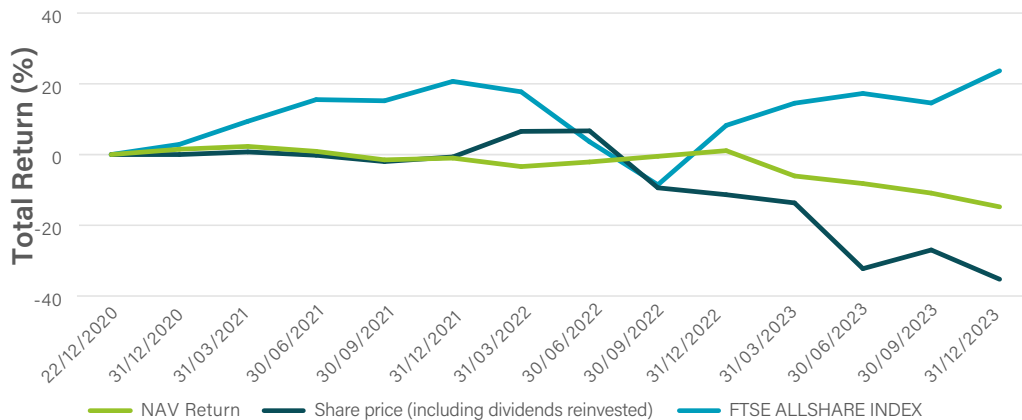
No Director has waived or agreed to waive any emoluments from the Company or any subsidiary undertaking.

### Directors' indemnities

Subject to the provisions of the Act, the Company has agreed to indemnify each Director against all liabilities which any Director may suffer or incur arising out of or in connection with any claim made or proceedings taken against him or her, or any application made by him or her, on the grounds of his or her negligence, default, breach of duty or breach of trust in relation to the Company or any Associated Company.

### Performance

The following chart shows the performance of the Company's NAV and share price (total return) in the period since IPO, assuming US\$1 was invested at the point the Company was listed. The Company does not have a specific benchmark but has deemed the FTSE All Share index to be the most appropriate comparator for its performance.



### Relative importance of spend on pay

The following table sets out the total level of Directors' remuneration compared to the distributions to Shareholders by way of dividends and share buybacks, the Investment Manager's fees and operating expenses incurred by the Company.

	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Directors' fees	235	228
Investment Manager's fees	1,246	1,300
Dividends paid	5,800	7,550
Other operating expenses	1,184	1,033

The disclosure of the information in the table above is required under the Regulations except for the Investment Manager's fees and operating expenses which have been included to show the total expenses of the Company.

### Directors' holdings (Audited)

As at 31 December 2023 and at the date of this report, the Directors had the following shareholdings in the Company. There is no requirement for Directors to hold Shares in the Company. All holdings were beneficially owned.

	As at 25 April 2024	As at 31 December 2023	As at 31 December 2022
Patrick O'Donnell Bourke	104,436	104,436	104,436
David Fletcher	63,639	62,894	59,406
Tammy Richards	25,000	25,000	25,000
Louisa Vincent	36,076	36,076	34,435

### Shareholders views

The Board is not currently aware of any views from Shareholders on the Company's Remuneration Policy.

### Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Regulations, I confirm that the above Remuneration Report summarises, as applicable, for the year:

- The major decisions on Directors' remuneration;
- Any substantial changes relating to Directors' remuneration made; and
- The context in which the changes occurred and decisions were taken.

**Patrick O'D Bourke**  
Chairman of the Board

26 April 2024

## Report of the Audit Committee

### Introduction

I am pleased to present the Audit Committee (the "Committee") report for the Year.

### Role

The role of the Committee is to ensure that Shareholder interests are properly protected in relation to the application of financial reporting and internal control principles and to assess the effectiveness of the audit. The Committee's role and responsibilities are set out in full in its terms of reference which are available on request from the Company Secretary and can be found on the Company's website ([www.ecofininvest.com/rnew](http://www.ecofininvest.com/rnew)). A summary of the Committee's main responsibilities and how it has fulfilled them is set out below.

### Composition

The Committee comprises all the Directors whose biographies are set out on pages 43 to 44. David Fletcher chairs the Committee and has recent accounting and financial experience. The Committee, as a whole, has experience relevant to the renewable energy and investment trust industries. In accordance with the AIC Code, the Chairman of the Board is a member of the Committee as he was independent on appointment and remains so. The Board decided that this was appropriate due to its small size (four directors). A separate Risk Committee was established and its report can be found on page 55.

### Main Activities of the Committee

The Committee met formally six times during the Year and twice following the Year end. BDO LLP, the external Auditor, attended two meetings during the Year and two following the Year-end.

The matters considered, monitored and reviewed by the Committee during the course of the Year included the following:

- a detailed analysis of the Company's quarterly NAVs, factsheets and underlying assumptions used in calculating the FMV of each renewable energy asset;
- monitored the integrity of the financial statements of the Company, including its annual and half-yearly reports, and any other formal announcements relating to its financial performance, and reviewed and reported to the Board on significant financial reporting issues and judgements contained within them;
- reviewed the Company's internal financial controls and internal control and risk management systems;
- considered the ongoing assessment of the Company as a going concern;
- considered the appointment, independence, objectivity and remuneration of the Auditor;
- reviewed the audit plan and scope; and
- considered the financial and other implications for the independence of the Auditor arising from the provision of non-audit services.

### Internal Audit

The Committee has considered the need for an internal audit function and considers that this is not appropriate given the nature, size and circumstances of the Company as an externally managed investment company with external service providers. The Committee keeps the need for an internal audit function under periodic review.

### Financial aspects of internal control

The Directors are responsible for the internal financial control systems of the Company and for reviewing their effectiveness. The aim of the internal financial control systems is to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication, and that the assets of the Company are safeguarded.

The Board has contractually delegated to external providers the services the Company requires, but is kept informed of the internal control framework established by each relevant service provider, each of which in turn provides reasonable assurance on the effectiveness of internal financial controls.

The Statement of Directors' Responsibilities in respect of the financial statements is on page 57 and Going Concern statement is on pages 39 to 40.

The Report of the Auditor is on pages 58 to 63.

### Financial statements and significant accounting matters

The Committee reviewed the financial statements and considered the following significant accounting issues in relation to the Company's financial statements for the Year.

### Valuation and existence of investments

The Company's accounting policy is to designate investments at fair value through profit or loss. Therefore, the most significant risk in the Company's financial statements is whether its investments are fairly valued due to the uncertainty involved in determining investment valuations. The Committee reviewed the procedures in place for ensuring the accurate valuation and existence of investments and approved the valuation of the Company's investments and their existence at the Year end with the Investment Manager, the AIFM and other service providers.

The Board has approved a Valuation Policy which sets out the valuation process. The process includes a valuation by the

Investment Manager using FMVs of the investments in RNEW's portfolio on a quarterly basis. Valuations are carried out at 30 June and 31 December by an independent valuation firm, Marshall and Stevens. The valuation principles used to calculate the fair value of the assets are based on International Private Equity and Venture Capital Valuation Guidelines.

Fair value for each investment is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues and operating costs, and an appropriate discount rate.

The Audit Committee has satisfied itself that the key estimates and assumptions used in the valuation are appropriate and that the investments have been fairly valued. The key estimates and assumptions include discount rates, annual energy production, curtailment, merchant power prices, useful life of the assets, and various operating expenses and associated annual escalation rates often tied to inflation, including O&M, asset management, balance of plant, land leases, insurance, property and other taxes and decommissioning bonds among other items. The information gathered during the strategic review has also been taken into account when assessing the appropriateness of the fair value.

### Recognition of income

There is a risk that income may not be accounted for in the correct accounting period. The Committee reviewed the Administrator's procedures for recognition of income and reviewed the treatment of income receivable in the Year.

### Tax status

The Company may suffer tax on gains on the realisation of investments if investment trust status is not maintained. The Committee reviewed the compliance of the Company during the Year with the eligibility conditions in order for investment trust status to be maintained.

### Going concern

The Committee reviewed the Company's going concern assessment and concluded that it is appropriate for the Company's financial statements to be prepared on a going concern basis noting current conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern as described in the Directors' Report on pages 39 to 40.

### Calculation of the Investment Manager's fees

The Committee reviewed the Investment Manager's fees and concluded that they have been correctly calculated. Details of the fees can be found in note 6 to the financial statements.

## Conclusion with respect to the Annual Report

The production and audit of the Company's Annual Report is a comprehensive process requiring input from different contributors. To reach the conclusion that the Annual Report when taken as a whole is fair, balanced and understandable, the Board has requested that the Committee advise on whether it considers these criteria were satisfied. In so doing, the Committee has considered the following:

- the comprehensive control framework around the production of the Annual Report;
- the extensive levels of review undertaken in the production process by the Investment Manager and the Committee;
- the internal control environment as operated by the Investment Manager and other service providers including any checks and balances within those systems; and
- the unqualified audit report from the Auditor confirming its work based on substantive testing of the financial statements.

As a result of the work performed, the Committee has concluded that the Annual Report for the Year, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy, and it has reported on these findings and provided such conclusion to the Board.

### Internal controls

The Committee also considered the internal control reports of the Investment Manager, Administrator and Registrar. The Committee reviewed these reports and concluded that there were no significant control weaknesses or other issues that needed to be brought to the Board's attention.

### Audit Arrangements

BDO LLP ("BDO") was selected as the Company's Auditor at the time of the Company's IPO following a competitive process and review of the Auditor's credentials. The Auditor was formally engaged in November 2021. This is the second year for Elizabeth Hooper, the current audit partner. The appointment of the Auditor is reviewed annually by the Committee and the Board and is subject to approval by Shareholders. In accordance with the FRC's guidance, the audit will be put out to tender within ten years of the initial appointment of BDO. Additionally, the audit partner must be rotated every five years and is next required to rotate at the latest in 2027.

The audit plan was presented to the Committee at its November 2023 meeting, ahead of the commencement of the Company's Year-end audit. The audit plan set out the audit process including materiality, scope significant risk and planned audit approach.

### **Auditors' Independence**

The Committee considered the independence of the Auditor and the objectivity of the audit process and is satisfied that BDO has fulfilled its obligations to Shareholders and as independent Auditor to the Company for the Year. After due consideration, the Committee recommends the re-appointment of BDO and the re-appointment will be put forward to the Company's Shareholders at the AGM.

The Committee is satisfied that there are no issues in respect of the independence of the Auditor.

### **Effectiveness of external audit**

The Committee is responsible for reviewing the effectiveness of the external audit process. The Committee received a presentation of the audit plan from the Auditor prior to the commencement of the audit and a presentation of the results of the audit following completion of the main audit testing.

Additionally, the Committee received feedback from the Company Secretary, Administrator and Investment Manager regarding the effectiveness of the external audit process.

Following the above review, the Committee has agreed that the appointment of the Auditor should be recommended to the Board and the Shareholders of the Company.

### **Provision of non-audit services**

The Audit Committee has reviewed the FRC's Revised Ethical Standard 2019 Guidance on Audit Committees and has formulated a policy on the provision of non-audit services by the Company's Auditor. The Audit Committee has determined that the Company's Auditor will not be considered for the provision of any services not on the permitted services list per the Revised Ethical Standards 2019 issued by the FRC. The Auditor may, if required, provide other non-audit services however, and this will be judged on a case-by-case basis.

The Auditor did not provide non-audit services during the Year.

### **Committee Evaluation**

The Committee's activities were considered as part of the annual performance evaluation which was completed during the Year. Further details can be found on page 47. The evaluation process concluded that the Committee was operating effectively and had the appropriate balance of skills and experience.

#### **David Fletcher**

Audit Committee Chair

26 April 2024



## Report of the Risk Committee

### Introduction

I am pleased to present the Risk Committee (the "Committee") report for the Year. The Company's approach to risk and risk management together with detail on the principal risks that face the Company is explained within the risk management section of this Annual Report.

### Role

The main purpose of the Committee is to assist the Board in its oversight of risk, with a focus on compliance, operational and market risks.

The Committee's role and responsibilities are set out in full in its terms of reference which are available on request from the Company Secretary and can be found on the Company's website ([www.ecofininvest.com/rnew](http://www.ecofininvest.com/rnew)). A summary of the Committee's main responsibilities and how it fulfilled them is set out below.

### Composition

The Committee comprises all the Directors. Details of members' experience, qualifications and attendance at Committee meetings during the Year are shown within the Directors' and Corporate Governance Reports. Tammy Richards chairs the Committee and has recent and relevant experience.

### Main Activities of the Committee

The Committee met formally twice during the Year and once following the Year-end.

The matters considered, monitored and reviewed by the Committee during the course of the Year included the following:

- (a) advised the Board on the Company's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment;
- (b) reviewed the Company's risk matrix to oversee and advise the Board on the current and emerging risk exposures of the Company and future risk strategy;
- (c) assessed and monitored the principal and emerging risks faced by the Company;
- (d) reviewed the Company's capability to identify and manage new risk types in conjunction with the Audit Committee;
- (e) reviewed reports on compliance with the Company's investment restrictions and guidelines; and
- (f) reviewed and approved statements in the Company's interim and annual reports regarding risk assessments, including a description of its principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated.

### Risk Management

During the Year, the Committee together with the AIFM and other service providers carefully considered the Company's matrix of risks and uncertainties (including emerging risks) and appropriate mitigating actions. The procedure for identifying emerging risks and the Company's principal risks can be found on pages 28 to 39.

### Committee Evaluation

The Committee's activities were considered as part of the annual performance evaluation which was completed during the Year. Further details can be found on page 50. The evaluation process concluded that the Committee was operating effectively and had the appropriate balance of skills and experience.

### Tammy Richards

Risk Committee Chair

26 April 2024

## Report of the Management Engagement Committee

### Introduction

I am pleased to present the Management Engagement Committee (the "Committee") report for the Year.

### Role

The main purpose of the Committee is the regular review of the terms of the Investment Management Agreement, the Administration Agreement and other service providers' agreements and the performance of Ecofin, the Administrator and the Company's other service providers.

The Committee's role and responsibilities are set out in full in its terms of reference which are available on request from the Company Secretary and can be found on the Company's website ([www.ecofininvest.com/rnew](http://www.ecofininvest.com/rnew)). A summary of the Committee's main responsibilities and how it fulfilled them is set out below.

### Composition

The Committee comprises all the Directors. Details of members' experience, qualifications and attendance at Committee meetings during the Year are shown within the Directors' and Corporate Governance Reports. Louisa Vincent chairs the Committee.

### Main Activities of the Committee

The Committee met formally twice during the Year.

The matters considered, monitored and reviewed by the Committee during the course of the Year included the following:

- a) reviewed the main terms of the Investment Management Agreement, the Administration Agreement and other service providers' agreements to ensure that the terms remained competitive, fair and reasonable for Shareholders; and
- b) reviewed the performance of the AIFM, the Administrator and the Company's other service providers to ensure that they remain suitable to manage the portfolio and undertake their duties and that the continued appointments of the AIFM, the Administrator and the Company's other service providers are in the best interests of Shareholders.

### Continued Appointment of Key Service Providers

The Management Engagement Committee met in the Year and reviewed the continuing appointment of the Investment Manager and other key service providers. It was concluded that their appointment on the terms agreed remained in the best interests of Shareholders as a whole.

### Committee Evaluation

The Committee's activities were considered as part of the annual performance evaluation which was completed during the Year. Further details can be on page 50. The evaluation process concluded that the Committee was operating effectively and had the appropriate balance of skills and experience.

#### Louisa Vincent

Management Engagement Committee Chair

26 April 2024

# Statement of Directors' Responsibilities in Respect of the Financial Statements

## Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with international accounting standards in conformity with the requirements of the Act and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year and the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the Company for that period. The Directors are also required to prepare financial statements in accordance with UK adopted international accounting standards.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Act, subject to any material departures disclosed and explained in the financial statements;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Directors' Report, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Act.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Act and, as regards the financial statements, Article 4 of the IAS Regulation.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for Shareholders to assess the Company's performance, business model and strategy.

## Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Investment Manager and the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards and Article 4 of the IAS Regulation and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company; and
- The Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that it faces.

**Patrick O'D Bourke**  
Chairman of the Board

26 April 2024

# Independent Auditor's Report to the Members of Ecofin US Renewables Infrastructure Trust Plc

## Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Ecofin US Renewables Infrastructure Trust plc (the 'Company') for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit Committee.

## Independence

Following the recommendation of the Audit Committee, we were appointed by the Board of Directors in the year of incorporation to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement including tenders and reappointments is 3 years, covering the years ended 31 December 2021 to 31 December 2023. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

## Material uncertainty related to going concern

We draw attention to Note 2 of the Financial Statements under the Going Concern statement, which states that the Board is undertaking a strategic review of the Company centred on a sale of the Company's assets. If successful, and subject to the terms of such disposal, cash is expected to be returned to shareholders in connection with a winding up of the Company. Furthermore the Company has assumed the ability to renew or extend its revolving credit facility on substantially similar terms in the second half of 2024, if necessary to do so considering the

strategic review focussing on a sale of the Company's assets. Until such facilities are formally renewed there can be no certainty that the required funding will be in place within the required time frame.

Accordingly, these events, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Given the conditions and uncertainties disclosed in note 2, we considered going concern to be a Key Audit Matter. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting and in response to the Key Audit Matter included:

- Assessing and corroborating the status of the strategic review and the impact that has on the going concern status of the Company;
- Considering the status of financing facilities including assessment of the likelihood of renewal of such facilities and contingencies in the event that was not the case;
- Assessing and challenging the inputs in the cashflow forecast prepared by the Directors against existing contractual commitments, including performing stress testing considering downside scenarios and assessing the impact on the Company's liquidity position;
- Assessing assumptions used within the valuation models to supporting documentation per the key audit matter noted below and considering how these impact on the ability of the portfolio companies to make distributions to the Company and therefore on the Company's ability to meet its commitments as they fall due;
- Reviewing the future commitments of the Company and checking they have been appropriately incorporated into the forecast; and
- Reviewing the amount of headroom in the forecasts of both the base case and downside scenarios.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

In relation to the reporting on how the entity has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to:

- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting; and
- the directors' identification in the financial statements of the material uncertainty related to the entity's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.

## Overview

Key audit matter	2023	2022
Valuation of investments	Yes	Yes
Going concern	Yes	No
Going concern is a key audit matter in 2023 due to the ongoing strategic review outlined above		
<b>Materiality</b>	<i>Company financial statements as a whole</i> \$1,764,000 (2022:\$1,952,000) based on 1.5% (2022: 1.5%) of net assets  <i>Lower testing threshold</i> Testing for items impacting on the realised revenue return was performed to a threshold of \$192,000 (2022:\$377,000) based on 5% of revenue return before tax	

## Scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company’s system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

### Key audit matters

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
<p><b>Valuation of investments</b></p> <p>See note 4 and 17 of the Financial Statements as well as the accounting policies on pages 72 to 74.</p> <p>100% of the underlying investment portfolio is represented by unquoted equity investments and all investments are individually material to the financial statements.</p> <p>The valuation of investments is calculated using discounted cash flow models. This is a highly subjective accounting estimate where there is an inherent risk of bias arising from the investment valuations being prepared by a 3rd party in conjunction with the Investment Manager, who is remunerated based on the net asset value of the Company. These estimates include judgements including discount rates, useful economic lives of assets, inflation, energy yield and power price.</p>	<p>In respect of the valuation of investments, we performed the following specific procedures:</p> <ul style="list-style-type: none"> <li>• We challenged the appropriateness of the basis for the valuation, approach, overall methodology as well as disclosures to ensure all relevant information arising as a result of the ongoing strategic review had been considered by management and the Board;</li> <li>• In respect of the underlying investments valued using discounted cash flow models we challenged the appropriateness of the selection and application of key assumptions in the models including the discount rate, asset life, inflation, energy yield and power prices applied by benchmarking to available industry data;</li> <li>• Considered the independence and credentials of management experts engaged to perform valuations of the renewable assets in the portfolio and held discussions with management’s experts regarding their key assumptions applied;</li> <li>• Used spreadsheet analysis tools to assess the integrity of the valuation models and tracked changes to inputs or structure from the valuation model in the prior year;</li> <li>• For all investments which became operational in the period we obtained and reviewed agreements and contracts and considered whether these were accurately reflected in the valuation model;</li> </ul>

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Investments at fair value through profit or loss is the most significant balance in the financial statements and is the key driver of performance therefore we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>▪ For all existing operating investments, we considered the asset performance and analysed changes in significant assumptions compared with assumptions audited in previous periods and vouched these to independent evidence including available industry data;</li> <li>▪ Assessed the appropriateness of current and deferred tax provisions within US registered Group entities included in the valuation;</li> <li>▪ Agreed cash and other net current assets to bank statements and investee company management accounts as appropriate.</li> <li>▪ Considered the accuracy of forecasting by comparing previous forecasts to actual results; and</li> <li>▪ For each of the key assumptions in the valuation models, we considered the appropriateness of the assumption and whether alternative reasonable assumptions could have been applied. We considered each assumption in isolation as well as in conjunction with other assumptions and the valuation as a whole. Where appropriate, we sensitised the valuations where other reasonable alternative assumptions could have been applied. We challenged the appropriateness of the sensitivity disclosures in the financial statements and considered whether these were appropriate given the ongoing strategic review.</li> </ul> <p><b>Key observations:</b> Based on our procedures performed we considered the methodology applied and the estimates and judgements made in the valuation of investments were within an appropriate range.</p>

### Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below this level will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2023 \$	2022 \$
<b>Materiality</b>	1,764,000	1,952,000
<b>Basis for determining materiality</b>	1.5% of net assets	
<b>Rationale for the benchmark applied</b>	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	
<b>Performance materiality</b>	1,235,000	1,366,000
<b>Basis for determining performance materiality</b>	70% of materiality	



<b>Rationale for the percentage applied for performance materiality</b>	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.
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### Lower testing threshold

We also determined that for items impacting realised return, a misstatement of less than materiality for the financial statements as a whole, could influence users of the financial statements. As a result, we determined a lower testing threshold of \$192,000 (2022: \$377,000) for those items impacting revenue return based on 5% (2022: 5%) of revenue return before tax.

### Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of \$37,000 (2022:\$39,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

<b>Going concern and longer-term viability</b>	<ul style="list-style-type: none"> <li>▪ The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 39 to 40; and</li> <li>▪ The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 40 to 41.</li> </ul>
<b>Other Code provisions</b>	<ul style="list-style-type: none"> <li>▪ Directors' statement on fair, balanced and understandable set out on page 57;</li> <li>▪ Board's confirmation that it has carried out a robust assessment of the emerging and principal risks on page 28;</li> <li>▪ The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 52; and</li> <li>▪ The section describing the work of the Audit Committee set out on page 52.</li> </ul>

## Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

<b>Strategic report and Directors' report</b>	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> <li>▪ the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and</li> <li>▪ the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.</li> </ul> <p>In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.</p>
<b>Directors' remuneration</b>	<p>In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.</p>
<b>Matters on which we are required to report by exception</b>	<p>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:</p> <ul style="list-style-type: none"> <li>▪ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or</li> <li>▪ the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or</li> <li>▪ certain disclosures of Directors' remuneration specified by law are not made; or</li> <li>▪ we have not received all the information and explanations we require for our audit.</li> </ul>

## Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities in respect of the Financial Statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, the FCA listing and DTR rules, the principles of the UK Corporate Governance Code, the requirements of s.1158 of the Corporation Tax Act, and applicable accounting standards.

Our tests included, but were not limited to:

- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management, the board and relevant Service Organisations regarding known or suspected instances of non-compliance with laws and regulation and fraud; and
- Review of minutes of Board meetings throughout the period regarding any instances of non-compliance with laws and regulations.

## Fraud

We assessed the susceptibility of the financial statements to material misstatement including fraud:

Our risk assessment procedures included:

- Enquiry of management, Audit Committee and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the valuation of investments and management override of controls.

Our procedures in response to the above included:

- The procedures set out in the Key Audit Matters section above;
- Review of estimates and judgements applied by management in the financial statement to assess their appropriateness and the existence of any systematic bias;
- Testing journals posted in the preparation of the financial statements and consideration of the appropriateness of adjustments made; and
- Review of unadjusted audit differences, if any, for indication of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

## Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Elizabeth Hooper (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor  
London, United Kingdom

26 April 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Statement of Comprehensive Income

### Year ended 31 December 2023

	Notes	Year ended 31 December 2023			Year ended 31 December 2022		
		Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Losses on investments	4	-	(10,577)	(10,577)	-	(6,368)	(6,368)
Net foreign exchange (losses)/gains		-	(5)	(5)	-	4	4
Income	5	6,284	-	6,284	9,878	-	9,878
Investment management fees	6	(1,246)	-	(1,246)	(1,300)	-	(1,300)
Other expenses	7	(1,184)	-	(1,184)	(1,033)	-	(1,033)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>3,854</b>	<b>(10,582)</b>	<b>(6,728)</b>	<b>7,545</b>	<b>(6,364)</b>	<b>1,181</b>
Taxation	9	-	-	-	-	-	-
<b>Profit/(loss) on ordinary activities after taxation</b>		<b>3,854</b>	<b>(10,582)</b>	<b>(6,728)</b>	<b>7,545</b>	<b>(6,364)</b>	<b>1,181</b>
Earnings/(losses) per Share – basic and diluted	8	2.79c	(7.66c)	(4.87c)	5.68c	(4.79c)	0.89c

The total column of the Statement of Comprehensive Income is the profit and loss account of the Company.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the Year.

Profit/(loss) on ordinary activities after taxation is also the total comprehensive Profit/(loss) for the Year.

The notes on pages 68 to 92 form part of these financial statements.

## Statement of Financial Position

### As at 31 December 2023

	Notes	As at 31 December 2023 \$'000	As at 31 December 2022 \$'000
<b>Non-current assets</b>			
Investments at fair value through profit or loss	4	116,798	127,375
<b>Current assets</b>			
Cash and cash equivalents		1,648	3,394
Trade and other receivables	10	8	11
		<b>1,656</b>	<b>3,405</b>
<b>Current liabilities: amounts falling due within one year</b>			
Trade and other payables	11	(795)	(593)
<b>Net current assets</b>		<b>861</b>	<b>2,812</b>
<b>Net assets</b>		<b>117,659</b>	<b>130,187</b>
<b>Capital and reserves: equity</b>			
Share capital	12	1,381	1,381
Share premium		12,732	12,732
Special distributable reserve	14	121,250	121,250
Capital reserve		(17,705)	(7,123)
Revenue reserve		1	1,947
<b>Total Shareholders' funds</b>		<b>117,659</b>	<b>130,187</b>
Net assets per Share (cents)	15	85.2c	94.3c

Approved and authorised by the Board of directors for issue on 26 April 2024.

**Patrick O'D Bourke**  
Chairman of the Board

The notes on pages 68 to 92 form part of these financial statements.

Ecofin U.S. Renewables Infrastructure Trust PLC is incorporated in England and Wales with registered number 12809472.

## Statement of Changes in Equity

### Year ended 31 December 2023

	Notes	Share capital \$'000	Share premium \$'000	Special distributable reserve \$'000	Capital reserve \$'000	Revenue reserve \$'000	Total \$'000
<b>Opening equity as at 1 January 2023</b>		<b>1,381</b>	<b>12,732</b>	<b>121,250</b>	<b>(7,123)</b>	<b>1,947</b>	<b>130,187</b>
<b>Transactions with Shareholders</b>							
Dividend distribution	13	-	-	-	-	(5,800)	(5,800)
<b>Total transactions with Shareholders</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,800)</b>	<b>(5,800)</b>
Profit/(loss) and total comprehensive income for the Year		-	-	-	(10,582)	3,854	(6,728)
<b>Closing equity as at 31 December 2023</b>		<b>1,381</b>	<b>12,732</b>	<b>121,250</b>	<b>(17,705)</b>	<b>1</b>	<b>117,659</b>

### Year ended 31 December 2022

	Notes	Share capital \$'000	Share premium \$'000	Special distributable reserve \$'000	Capital reserve \$'000	Revenue reserve \$'000	Total \$'000
<b>Opening equity as at 1 January 2022</b>		<b>1,251</b>	<b>29</b>	<b>121,250</b>	<b>(759)</b>	<b>1,952</b>	<b>123,723</b>
<b>Transactions with Shareholders</b>							
Shares issued during the Year	12	129	13,027	-	-	-	13,156
Shares issued to Investment Manager	12	1	94	-	-	-	95
Share issue costs		-	(418)	-	-	-	(418)
Dividend distribution	13	-	-	-	-	(7,550)	(7,550)
<b>Total transactions with Shareholders</b>		<b>130</b>	<b>12,703</b>	<b>-</b>	<b>-</b>	<b>(7,550)</b>	<b>5,283</b>
Profit/(loss) and total comprehensive income for the Year		-	-	-	(6,364)	7,545	1,181
<b>Closing equity as at 31 December 2022</b>		<b>1,381</b>	<b>12,732</b>	<b>121,250</b>	<b>(7,123)</b>	<b>1,947</b>	<b>130,187</b>

The notes on pages 68 to 92 form part of these financial statements.



## Statement of Cash Flows

### Year ended 31 December 2023

	Notes	Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
<b>Operating activities</b>			
(Loss)/profit on ordinary activities before taxation		(6,728)	1,181
Adjustment for unrealised losses on investments		10,577	6,368
Adjustment for non-cash investment management fee		-	95
Decrease/(increase) in trade and other receivables		3	(10)
Increase in trade and other payables		202	71
<b>Net cash flow from operating activities</b>		<b>4,054</b>	<b>7,705</b>
<b>Investing activities</b>			
Purchase of investments	4	-	(14,861)
<b>Net cash flow used in investing activities</b>		<b>-</b>	<b>(14,861)</b>
<b>Financing activities</b>			
Proceeds of share issues	12	-	12,897
Share issue costs		-	(159)
Dividends paid	13	(5,800)	(7,550)
<b>Net cash flow (used in)/from financing activities</b>		<b>(5,800)</b>	<b>5,188</b>
<b>Decrease in cash</b>		<b>(1,746)</b>	<b>(1,968)</b>
<b>Cash and cash equivalents at start of the Year</b>		<b>3,394</b>	<b>5,362</b>
<b>Cash and cash equivalents at end of the Year</b>		<b>1,648</b>	<b>3,394</b>
		As at 31 December 2023 \$'000	As at 31 December 2022 \$'000
<b>Cash and cash equivalents</b>			
Money market cash deposits		1,648	3,394
<b>Total cash and cash equivalents at end of the Year</b>		<b>1,648</b>	<b>3,394</b>

The notes on pages 68 to 92 form part of these financial statements.

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 1. General Information

Ecofin U.S. Renewables Infrastructure Trust PLC ("RNEW" or the "Company") is a public company limited by shares incorporated in England and Wales on 12 August 2020 with registered number 12809472. The Company is a closed-ended investment company with an indefinite life. The Company commenced operations on 22 December 2020 when its Shares were admitted to trading on the LSE. The Directors intend, at all times, to conduct the affairs of the Company so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010, as amended.

The registered office and principal place of business of the Company is 6th Floor, 125 London Wall, London, EC2Y 5AS.

The Company's investment objective is to provide Shareholders with an attractive level of current distributions, by investing in a diversified portfolio of mixed renewable energy and sustainable infrastructure assets predominantly located in the U.S. with prospects for modest capital appreciation over the long term.

The financial statements comprise only the results of the Company, as its investment in RNEW Holdco, LLC ("Holdco") is included at fair value through profit or loss ("FVTPL") as detailed in the key accounting policies below.

The Company's AIFM and Investment Manager is Ecofin Advisors, LLC.

Apex Listed Companies Services (UK) Limited, provides administrative and company secretarial services to the Company under the terms of an administration agreement between the Company and the Administrator.

### 2. Basis of Preparation

The financial statements have been prepared in accordance with applicable law and UK-adopted international accounting standards. The financial statements have been prepared on the historical cost basis, as modified for the measurement of certain financial instruments at FVTPL.

The financial statements have also been prepared as far as is relevant and applicable to the Company in accordance with the Statement of Recommended Practice ("SORP") issued by the AIC in July 2022.

The functional currency of the Company is U.S. dollars as this is the currency of the primary economic environment in which the Company operates and where its investments are located. The Company's investment in Holdco is denominated in U.S. dollars and a substantial majority of its income is receivable, and of its expenses is payable, in U.S. dollars. Also, a majority of the Company's cash and cash equivalent balances is retained in U.S. dollars. Accordingly, the financial statements are presented in U.S. dollars rounded to the nearest thousand dollars.

#### Basis of consolidation

The Company has adopted the amendments to IFRS 10 which state that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value.

The Company owns 100% of its subsidiary Holdco and invests in SPVs through its investment in Holdco. The Company and Holdco meet the definition of an investment entity as described by IFRS 10. Under IFRS 10, investment entities measure subsidiaries at fair value rather than consolidate them on a line-by-line basis, meaning Holdco's cash, debt and working capital balances are included in investments held at fair value rather than in the Company's current assets and liabilities. Holdco has one investor, which is the Company. In substance, Holdco is investing the funds of the investors in the Company on its behalf and is effectively performing investment management services on behalf of such unrelated beneficiary investors.

# Notes to the Financial Statements

## For the year ended 31 December 2023

### Characteristics of an investment entity

Under the definition of an investment entity, the Company should satisfy all three of the following tests:

- Company obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- Company commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Company measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether the Company meets the definition of an investment entity set out in IFRS 10, the Directors note that:

- the Company has multiple investors and obtains funds from a diverse group of Shareholders who would otherwise not have access individually to investing in renewable energy and sustainable infrastructure investments ("Renewable Assets") due to high barriers to entry and capital requirements;
- the Company intends to hold its Renewable Assets for the remainder of their useful lives for the purpose of investment income. The Renewable Assets are expected to generate renewable energy output for 25 to 30 years from their relevant COD and the Directors believe the Company is able to generate returns to investors during that period; and
- the Company measures and evaluates the performance of all of its investments on a fair value basis which is the most relevant for investors in the Company. Management uses fair value information as a primary measurement to evaluate the performance of all of the Company's investments and in decision making.

The Directors are of the opinion that the Company meets all the characteristics of an investment entity and therefore meets the definition set out in IFRS 10. The Directors are satisfied that investment entity accounting treatment appropriately reflects the Company's activities as an investment trust.

### Going concern

The Directors have adopted the going concern basis in preparing the financial statements. In reaching their conclusion, the Directors considered the Company's cash flow forecasts, cash and net debt position, and the financial covenants in its borrowing facilities. The Company's net assets as at 31 December 2023 were \$117.7 million (31 December 2022: \$130.2 million). As at 31 December 2023, the Company held \$1.6 million in cash (31 December 2022: \$3.4 million) and had borrowings of \$75.8 million (31 December 2022: \$64.4 million) and \$38 million headroom on its RCF (31 December 2022: \$46 million). Both tranches of the Company's RCF were extended by 12 months during the second half of 2023 to October 2024 and October 2025 respectively.

The Company assumes the ability to renew or extend the RCF on substantially similar terms in the second half of 2024, if necessary to do so considering the aforementioned strategic review mentioned in the Chairman's statement focussing on a sale of the Company's assets. The Directors have a reasonable expectation that the RCF would be extended as required (or that alternative lenders would be obtained), until such facilities are formally renewed there can be no certainty that the required funding will be in place within the required time frame.

The Company's holds 100% of the share capital of Holdco which in turn holds investments in renewable energy project companies through SPVs. Underlying SPV revenues are derived from the sale of electricity by project companies under PPAs in place with creditworthy utilities, municipalities, and corporations. Most of these PPAs are contracted over a long period with a weighted average remaining life as at 31 December 2023 of 13.7 years (31 December 2022: 14.6 years).

The Company continues to meet its day-to-day liquidity needs through its cash resources. Total expenses for the year ended 31 December 2023 were \$2.4 million (31 December 2022: \$2.3 million), which represented approximately 1.9% of average net assets during the Year (31 December 2022: 1.8%). At the date of approval of this Annual Report, based on the ability of its investments to generate cash, cash held and the headroom on its RCF, the Company had substantial cover for its operating expenses.

## Notes to the Financial Statements

### For the year ended 31 December 2023

The major cash outflows of the Company are the acquisition of new investments and the payment of dividends. The Directors review financial reporting and forecasts at each quarterly Audit Committee meeting, which includes reporting related to indebtedness, compliance with borrowing covenants and fund investment limits. The Directors are confident that the Company has sufficient cash balances, borrowing headroom and anticipated tax equity arrangements to fund the commitments detailed in note 19 to the financial statements, should they become payable.

The Directors have fully considered each of the Company's investments against the backdrop of the current macro-economic situation. The Directors do not foresee any immediate material risk to the Company's investment portfolio and/or the income it receives from underlying SPVs. A prolonged and deep market decline could lead to falling values in the underlying investments or interruptions to cashflow, however the Company currently has sufficient liquidity available to meet its future obligations. The Directors are also satisfied that the Company would continue to remain viable under downside scenarios, including decreasing U.S. government regulated tax credits and a decline in long term power price forecasts.

As announced on 8 September 2023, the Board is undertaking a strategic review of the Company centred on a sale of the Company's assets. Marathon Capital was appointed to advise the Company, and the review is ongoing. If the disposal is successful and adheres to its terms, it is anticipated that cash will be distributed to Shareholders during the Company's dissolution or a similar event.

Accordingly, the Directors acknowledge that the strategic review, and the need to renew or extend a portion of the RCF in October 2024 if a sale does not occur, indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. As a result, the Company might face challenges in realising its assets and settling its liabilities in the usual course of business. Based on the assessment and considerations above, the Directors have concluded that the financial statements should be prepared on a going concern basis. The financial statements do not include any adjustments which would result if the Company was unable to continue on a going concern basis.

#### Critical accounting judgements, estimates and assumptions

Preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates are, by their nature, based on judgement and available information, hence actual results may differ from these judgements, estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 4 to the financial statement.

#### Key judgements

As disclosed above, the Directors have concluded that both the Company and Holdco meet the definition of an investment entity as defined in IFRS 10. This conclusion involved a degree of judgement and assessment.

#### Key estimation and uncertainty: Investments at fair value through profit or loss

The Company's investments in unquoted investments are valued by reference to valuation techniques approved by the Directors and in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guidelines.

The Company uses discounted cash flow ("DCF") models and considers any other relevant information to determine the fair value of the underlying assets in Holdco. The value of Holdco includes any working capital not accounted for in the DCF models (deferred tax liabilities, cash plus any receivables or payables at the entity and not at the asset level). The fair value of each asset is derived by projecting its future cash flows, based on a range of operating assumptions for revenues and expenses, and discounting those future cash flows to the present using a discount rate appropriately calibrated to the risk profile of the asset and market dynamics. The key estimates and assumptions used within the DCF valuations include discount rates, annual energy production, curtailment, merchant power prices, useful life of the assets, and various operating expenses and associated annual escalation rates often tied to inflation, including O&M, asset management, balance of plant, land leases, insurance, property and other taxes and decommissioning bonds, among other items. An increase/(decrease) in the key valuation assumptions would lead to a corresponding decrease/(increase) in the

# Notes to the Financial Statements

## For the year ended 31 December 2023

fair value of the investments as described in note 4 to the financial statements. The Company's investments at fair value are not traded in active markets.

The estimates and assumptions used to determine the fair value of investments are disclosed in note 4 to the financial statements.

### Segmental reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Company is engaged in a single segment of business, being investment in renewable energy infrastructure assets to generate investment returns whilst preserving capital. The financial information used by the Chief Operating Decision Maker to manage the Company presents the business as a single segment.

All of the Company's income is generated within the U.S. All of the Group's non-current assets are located in the U.S.

### Adoption of new IFRS standards from 1 January 2023

A number of new standards, amendments to standards are effective for annual periods beginning after 1 January 2023. None of these have had a significant effect on the measurement of the amounts recognised in the financial statements of the Company.

### New Standards and Amendments issued but not yet effective

The relevant new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. These standards are not expected to have a material impact on the entity in future reporting periods and on foreseeable future transactions.

#### Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

#### Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date). The amendments are applied retrospectively for annual reporting periods beginning on or after 1 January 2024. Earlier application of the amendments is permitted.

#### Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 has been amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The amendments, which contain specific transition reliefs for the first annual reporting period in which an entity applies the amendments, are applicable for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 3. Material Accounting Policies

#### Financial Instruments

##### Financial assets

The Company's financial assets principally comprise an investment held at FVTPL (investment in Holdco) and trade and other receivables.

The Company's investment in Holdco, being classified as an investment entity under IFRS 10, is held at FVTPL in accordance with IFRS 9. Gains or losses resulting from movements in fair value are recognised in the Company's Statement of Comprehensive Income at each valuation point.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

##### Financial liabilities

The Company's financial liabilities include trade and other payables and other short term monetary liabilities which are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

#### Recognition, derecognition and measurement

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

A financial liability (in whole or in part) is derecognised when the Company has extinguished its contractual obligations, or when it expires or is cancelled.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Gains and losses resulting from movements in fair value are recognised in the Statement of Comprehensive Income.

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

#### Taxation

The following accounting policies for taxation and deferred tax are in respect of UK tax and deferred taxation.

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains. Shortly after listing the Company received approval as an investment trust by HMRC. Current tax is the expected tax payable on the taxable income for the Year, using tax rates that have been enacted or substantively enacted at the date of the Statement of Financial Position.



# Notes to the Financial Statements

## For the year ended 31 December 2023

### Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Statement of Comprehensive Income except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### Income

Income includes investment income from financial assets at FVTPL and finance income.

Dividend income is recognised when received and is reflected in the Statement of Comprehensive Income as Investment Income. Bank deposit interest income is earned on bank deposits on an accruals basis.

### Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the Statement of Comprehensive Income, all expenses, including the Investment Management fee, are presented in the revenue column of the Statement of Comprehensive income as they are directly attributable to the operations of the Company.

Details of the Company's fee payments to the Investment Manager are disclosed in note 6 to the financial statements.

### Foreign currency

Transactions denominated in foreign currencies are translated into U.S. dollars at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Year end are reported at the rates of exchange prevailing at the Year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Statement of Comprehensive Income within gains on investments.

### Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks and other short-term deposits with original maturities of three months or less.

# Notes to the Financial Statements

## For the year ended 31 December 2023

### Share capital and share premium

Shares are classified as equity. Costs directly attributable to the issue of new Shares (that would have been avoided if there had not been an issue of new Shares) are recognised against the value of the Share premium account.

Repurchases of the Company's own Shares are recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### Nature and purpose of equity and reserves:

Share capital represents the nominal value (1 cent per share) of the issued share capital. The Share premium account arose from the net proceeds of new Shares.

The Special distributable reserve, which can be utilised to fund distributions to the Company's Shareholders, was created following confirmation of the Court, through the cancellation and transfer of \$121.3 million in January 2021 from the Share premium account.

The capital reserve reflects any:

- gains or losses on the disposal of investments;
- exchange movements of a capital nature;
- the increases and decreases in the fair value of investments which have been recognised in the capital column of the Statement of Comprehensive Income; and
- expenses which are capital in nature.

The revenue reserve reflects all income and expenditure recognised in the revenue column of the Statement of Comprehensive Income and is distributable by way of dividend.

The Company's distributable reserves consist of the Special distributable reserve, the Capital reserve attributable to realised profits and the Revenue reserve.

### Dividend payable

Dividends payable are recognised as distributions in the financial statements when the Company's obligation to make payment has been established.

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 4. Investments at Fair Value Through Profit and Loss

As at 31 December 2023, the Company had one investment, being Holdco. The cost of the investment in Holdco was US\$134,065,000 (31 December 2022: US\$134,065,000).

	As at 31 December 2023	As at 31 December 2022
	\$'000	\$'000
<b>(a) Summary of valuation</b>		
Analysis of closing balance:		
Investments at fair value through profit or loss	116,798	127,375
<b>Total investments as at 31 December 2023</b>	<b>116,798</b>	<b>127,375</b>
<b>(b) Movements during the Year:</b>		
Opening balance of investments, at cost	134,065	119,204
Additions, at cost	-	14,861
<b>Cost of investments as at 31 December 2023</b>	<b>134,065</b>	<b>134,065</b>
Revaluation of investments to fair value:		
Unrealised movement in fair value of investments	(17,267)	(6,690)
<b>Fair value of investments as at 31 December 2023</b>	<b>116,798</b>	<b>127,375</b>
<b>(c) Losses on investment in the Year</b>		
Unrealised movement in fair value of investments brought forward	(6,690)	(322)
Unrealised movement in fair value of investments during the year	(10,577)	(6,368)
<b>Losses on Investments</b>	<b>(17,267)</b>	<b>(6,690)</b>

#### Fair value measurements

IFRS 13 requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the following 3 levels:

##### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

##### Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The classification of the Company's investments held at fair value is detailed in the table below:

	As at 31 December 2023			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Investments at fair value through profit and loss				
Equity investments in Holdco	-	-	116,798	116,798
<b>Total investments as at 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>116,798</b>	<b>116,798</b>

	As at 31 December 2022			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Investments at fair value through profit and loss				
Equity investments in Holdco	-	-	127,375	127,375
<b>Total investments as at 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>127,375</b>	<b>127,375</b>

Due to the nature of the underlying investments held by Holdco, the Company's investment in Holdco is always expected to be classified as Level 3. There have been no transfers between levels during the year ended 31 December 2023 (2022: none).

The movement on the Level 3 unquoted investments during the year is shown below:

	As at 31 December 2023 \$'000	As at 31 December 2022 \$'000
Opening balance	127,375	118,882
Additions during the year	-	14,861
Unrealised losses on investment	(10,577)	(6,368)
<b>Closing balance</b>	<b>116,798</b>	<b>127,375</b>

#### Valuation methodology

The Company owns 100% of its subsidiary Holdco through which the Company holds all its underlying investments in SPVs.

As discussed in Note 2, the Company meets the definition of an investment entity as described by IFRS 10, and as such the Company's investment in Holdco is valued at fair value. In accordance with Company policy, the Investment Manager has engaged an independent valuation firm, Marshall & Stevens, to carry out fair market valuations of the underlying investments as at 31 December 2023.

## Notes to the Financial Statements

### For the year ended 31 December 2023

Fair value of operating assets is derived using a DCF methodology, which follows IPEV Guidelines. DCF is deemed the most appropriate methodology when detailed projection of future cash flows is possible. The fair value of each asset is derived by projecting the future cash flows of an asset, based on a range of operating assumptions for revenues and expenses, and discounting those future cash flows to the present day with a pre-tax discount rate appropriately calibrated to the risk profile of the asset and market dynamics. Due to the asset class and available market data over the forecast horizon, a DCF valuation is typically the basis upon which renewable assets are traded in the market. Assets that are not yet operational and still under construction at the time of the valuation are held at cost as an estimate of fair value, provided no significant changes to key underlying economic considerations (such as major construction impediments or natural disasters) have arisen.

The Company measures the total fair value of Holdco by its net asset value, which is made up of cash, working capital balances and the aforementioned fair value of the underlying investments as determined using the DCF methodology.

The Directors have considered all relevant information and have satisfied themselves as to the methodology, the discount rates used, and key assumptions applied and the valuation.

#### Valuation Sensitivities

A sensitivity analysis is carried out to show the impact on NAV of changes to key assumptions. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other key assumption, and that the number of investments in the portfolio remains static throughout the modelled life. The resulting NAV per share impacts are discussed below.

##### (i) Discount rates

Pre-tax discount rates applied in the DCF valuations are determined by Marshall & Stevens using a multitude of factors, including pre-tax discount rates disclosed by the Company's global peers and comparable infrastructure asset classes as well as the internal rate of return inherent in the original purchase price when underwriting the asset. The DCF valuations utilise two classes of pre-tax discount rates:

- contracted discount rate applied to the contracted cash flows of each asset; and
- uncontracted discount rate (higher) applied to the uncontracted (or "merchant") cash flows of each investment which will occur after the initial PPA and/or other contract term.

The pre-tax discount rates used in the DCF valuation of the investments are considered the most significant observable input through which an increase or decrease would have a material impact on the fair value of the investments at FVTPL. As of 31 December 2023, the blended pre-tax discount rates (i.e., the implied discount rate of both the contracted and uncontracted discount rates of each investment) applied to the portfolio ranged from 6.2% to 8.4% (31 December 2022: 6.7% to 8.0%) with an overall weighted average of 7.4% (31 December 2022: 7.5%).

An increase or decrease of 0.5% in the discount rates would have the following impact on NAV:

Discount Rate	+50 bps	-50 bps
Increase/(decrease) in NAV (\$'000)	(7,824)	9,822
NAV per Share	79.5c	92.3c
NAV per Share Change	(5.7c)	7.1c
Change (%)	(6.6%)	8.3%

# Notes to the Financial Statements

## For the year ended 31 December 2023

### (ii) Energy Production

Solar and wind assets are subject to variation in energy production over time. An assumed "P75" level of energy yield (i.e. a level of energy production that is below "P50", with a 75% probability of being exceeded) would cause a decrease in the total portfolio valuation, while an assumed "P25" level of power output (i.e. a level of energy production that is above "P50", with a 25% probability of being achieved) would cause an increase in the total portfolio valuation.

Energy production, as measured in MWh per annum, assumed in the DCF valuations is based on a "P50" energy yield profile, representing a 50% probability that the energy production estimate will be met or exceeded over time. An independent engineer has derived this energy yield estimate for each asset by taking into account a range of irradiation, weather data, ground-based measurements and design/site-specific loss factors including module performance, module mismatch, inverter losses, and transformer losses, among others. The "P50" energy yield case includes a 0.5% annual degradation for solar assets and 1.0% annual degradation for wind assets through the entirety of the useful life. In addition, the P50 energy yield case includes an assumption of availability, which ranges from 98.5% to 99% for solar assets and 96.0% for wind assets, as determined reasonable by an independent engineer at the time of underwriting the asset.

The application of a P75 and a P25 energy yield case would have the following impact on NAV:

Energy Production	P75	P25
Increase/(decrease) in NAV (\$'000)	(8,702)	9,963
NAV per Share	78.9c	92.4c
NAV per Share change	(6.3c)	7.2c
Change (%)	(7.4%)	8.5%

### (iii) Curtailment

Curtailment is the deliberate reduction (by the transmission operator) in energy output of an asset below what could have been produced, in order to balance energy supply and demand or due to transmission constraints. Due to the contracted nature of energy production of its renewable energy investments held by Holdco and with a substantial share of its solar assets being behind-the-meter and directly connected to the energy consumer, the Company's NAV is subject to a low overall level of curtailment, which has been factored into NAV.

An increase or decrease of 50% from the assumed level of curtailment would have the following impact on NAV:

Curtailment	-50%	+50%
Increase/(decrease) in NAV (\$'000)	(7,173)	6,416
NAV per Share	80.0c	89.9c
NAV per Share change	(5.2c)	4.6c
Change (%)	(6.1%)	5.5%



## Notes to the Financial Statements

### For the year ended 31 December 2023

#### (iv) Merchant Power Prices

All of the Company's assets have long-term PPAs and incentive contracts in place with creditworthy energy purchasers, and thus are not impacted by fluctuations in regional market energy prices during the contract period. Future power price forecasts used in the DCF valuations are derived from regional market forward prices provided by the EIA, with a 10-50% discount applied based on the characteristics of the asset as reasonably determined by Marshall & Stevens. Inflationary pressures over the long-term could present a circumstance of variability and increase merchant power prices from previous forecasts.

An increase or decrease of 10% in future merchant power price assumptions would have the following impact on NAV:

<b>Merchant Power Prices</b>	<b>-10%</b>	<b>+10%</b>
Increase/(decrease) in NAV (\$'000)	(8,356)	9,601
NAV per Share	79.2c	92.2c
NAV per Share change	(6.1c)	7.0c
Change (%)	(7.1%)	8.2%

#### (v) Operating Expenses

Operating expenses include O&M, balance of plant, asset management, site leases and easements, insurance, property taxes, equipment reserves, decommissioning bonds and other costs. Most operating expenses for solar and wind assets are contracted with annual escalation rates, which typically range from 2-3% to account for normalised inflation. As such, there is typically little variation in annual operating expenses. However, there may be occasions when certain expenses may be recontracted. Inflationary pressures over the long term could also affect future operating expenses.

An increase or decrease of 10% in operating expenses would have the following impact on NAV:

<b>Operating Expenses</b>	<b>+10%</b>	<b>-10%</b>
Increase/(decrease) in NAV (\$'000)	(6,391)	7,627
NAV per Share	80.6c	90.7c
NAV per Share change	(4.6c)	5.5c
Change (%)	(5.4%)	6.5%

#### (vi) Overall Impact

The overall impact of the combined downside and upside sensitivities to each key assumption as noted above would have the following impact on NAV:

<b>Overall Impact</b>	<b>+10%</b>	<b>-10%</b>
Increase/(decrease) in NAV (\$'000)	(38,446)	43,429
NAV per Share	57.4c	116.7c
NAV per Share change	(27.8c)	31.5c
Change (%)	(32.7%)	36.9%

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 5. Income

	Year ended 31 December 2023	Year ended 31 December 2022
<b>Income from investments</b>	<b>\$'000</b>	<b>\$'000</b>
Dividends from Holdco	6,200	9,850
Deposit interest	84	28
<b>Total Income</b>	<b>6,284</b>	<b>9,878</b>

#### 6. Investment Management Fees

	Year ended 31 December 2023			Year ended 31 December 2022		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Investment management fees	1,246	-	1,246	1,300	-	1,300

The Investment Management Agreement ("IMA") dated 11 November 2020 between the Company and Ecofin Advisors, LLC ("the AIFM" or "Investment Manager"), appointed the AIFM to act as the Company's Investment Manager for the purposes of the AIFM Directive. Accordingly, the AIFM is responsible for providing portfolio management and risk management services to the Company.

Under the IMA, the Investment Manager receives a management fee of 1.00% per annum of NAV up to and including \$500 million; 0.90% per annum of NAV in excess of \$500 million up to and including \$1 billion; and 0.80% per annum of NAV in excess of \$1 billion, invoiced quarterly in arrears. Until such time as 90% of the Net Initial Proceeds of the Company's IPO had been committed to investments, the Investment Manager fee was only charged on the committed capital of the Company. No performance fee or asset level fees are payable to the AIFM under the IMA.

The Investment Manager reinvests 15% of its annual management fee in Shares (the "Management Fee Shares"), subject to a rolling lock-up of up to 2 years, subject to certain limited exceptions. The Management Fee Shares are issued on a quarterly basis. Where the Shares are trading at a premium to NAV, the Company issues new Shares to the Manager equivalent in value to the management fee reinvested. Where shares are trading at a discount to NAV, the Management Fee Shares are purchased by the Company's Broker at the prevailing market price.

The calculation of the number of Management Fee Shares to be issued is based upon the NAV as at the relevant quarter concerned. The Investment Manager is also entitled to be reimbursed for out-of-pocket expenses reasonably and properly incurred in respect of the Investment Manager's performance of its obligations under the IMA.

Unless otherwise agreed by the Company and the Investment Manager, the IMA may be terminated by the Company or the Investment Manager on not less than 12 months' notice to the other party, such notice not to expire earlier than 36 months from the Effective Date of the IMA (11 November 2020). The IMA may be terminated by the Company with immediate effect from the time at which notice of termination is given or, if later, the time at which such notice is expressed to take effect in accordance with the conditions set out in the IMA.

With respect to the first quarter of 2023, the Company issued or the Company's Broker purchased Shares to settle investment management fees as below. In the remaining three quarters of the Year, cash was paid in settlement of investment fees:

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### Year ended 31 December 2023:

Shares purchased	Investment management fee	Purchase price	Number of	Date of purchase
	(\$)	(cents)	Shares	
1 January 2023 to 31 March 2023	48,095	79.0	60,879	10 May 2023

#### Year ended 31 December 2022:

Shares issued	Investment management fee	Purchase price	Number of	Date of purchase
	(\$)	(cents)	Shares	
1 January 2022 to 31 March 2022	44,559	97.64	45,636	03 May 2022
1 April 2022 to 30 June 2022	50,359	97.32	51,745	28 July 2022

Shares purchased	Investment management fee	Purchase price	Number of	Date of purchase
	(\$)	(cents)	Shares	
1 July 2022 to 30 September 2022	49,916	86.50	57,705	01 November 2022
1 October 2022 to 31 December 2022	49,346	83.50	59,096	01 February 2023

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 7. Other Operating Expenses

	Year ended 31 December 2023			Year ended 31 December 2022		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Secretary and Administrator fees	197	-	197	175	-	175
Directors' fees	235	-	235	228	-	228
Directors' other employment costs	28	-	28	36	-	36
Broker retainer	141	-	141	115	-	115
Auditor's fees payable to the Company's auditor for statutory audit services*	183	-	183	160	-	160
FCA and listing fees	41	-	41	56	-	56
Research fees	39	-	39	51	-	51
Depository and custody fees	6	-	6	5	-	5
Registrar's fees	18	-	18	16	-	16
Marketing fees	10	-	10	9	-	9
Public relations fees	107	-	107	102	-	102
Printing and postage costs	26	-	26	45	-	45
Legal fees	128	-	128	-	-	-
Miscellaneous expenses	25	-	25	35	-	35
<b>Total other operating expenses</b>	<b>1,184</b>	<b>-</b>	<b>1,184</b>	<b>1,033</b>	<b>-</b>	<b>1,033</b>

\* The Auditor's fee for the Year is \$183,000 including VAT of \$30,600 (2022: \$160,000 including VAT of \$26,800).

#### 8. Earnings Per Share

Earnings per Share is based on the profit/(loss) in the Year ended 31 December 2023 of (\$6,728,000) (2022: \$1,181,000) attributable to the weighted average number of Shares in issue of 138,078,496 in the Year ended 31 December 2023 (2022: 132,933,277). Revenue and capital profit/(loss) were \$3,854,000 and (\$10,582,000) respectively (2022: \$7,545,000 and (\$6,364,000)).

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 9. Taxation

#### (a) Analysis of charge in the Year

	Year ended 31 December 2023			Year ended 31 December 2022		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Corporation tax	-	-	-	-	-	-
Taxation for the Year	-	-	-	-	-	-

#### (b) Factors affecting total tax charge for the Year:

The effective UK corporation tax rate applicable to the Company for the Year was 23.5% (2022: 19%). The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company.

The differences are explained below:

	Year ended 31 December 2023			Year ended 31 December 2022		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Profit/(loss) on ordinary activities before taxation	3,854	(10,582)	(6,728)	7,545	(6,364)	1,181
Corporation tax at 23.5% (2022: 19%)	906	(2,487)	(1,581)	1,434	(1,209)	225
<b>Effects of:</b>						
Dividends received (not subject to tax)	(1,477)	-	(1,477)	(1,877)	-	(1,877)
Loss on investments held at fair value not allowable	-	2,487	2,487	-	1,209	1,209
Unutilised management expenses	571	-	571	443	-	443
<b>Total tax charge for the Year</b>	-	-	-	-	-	-

Investment companies which have been approved by HMRC under section 1158 of the Corporation Tax Act 2010 are exempt from tax on capital gains. Due to the Company's status as an Investment Trust, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation of investments.

As at 31 December 2023, a deferred tax liability of \$2,870,000 (2022: \$3,149,000) representing U.S. Federal income taxes deferred had been accrued and reflected in the valuation of the Company's subsidiary, Holdco.

The Company has excess management expenses of \$6,504,000 (2022: \$4,158,000) that are available for offset against future profits. A deferred tax asset of \$1,626,000 (2022: \$1,039,500) has not been recognised in respect of these losses as they will be recoverable only to the extent that the Company has sufficient future taxable profits.

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### 10. Trade and Other Receivables

	As at 31 December 2023	As at 31 December 2022
	\$'000	\$'000
Other receivables	5	9
Bank interest receivables	3	2
<b>Total</b>	<b>8</b>	<b>11</b>

#### 11. Trade and Other Payables

	As at 31 December 2023	As at 31 December 2022
	\$'000	\$'000
Accrued expenses	795	593
<b>Total</b>	<b>795</b>	<b>593</b>

#### 12. Share Capital

	Year ended 31 December 2023		Year ended 31 December 2022	
	Nominal value		Nominal value	
<b>Allotted, issued and fully paid:</b>	No. of Shares	\$	No. of Shares	\$
<b>Opening balance</b>	<b>138,078,496</b>	<b>1,380,784.96</b>	<b>125,053,498</b>	<b>1,250,534.98</b>
<b>Placing and retail offer</b>				
Shares issued	-	-	12,927,617	129,276.17
<b>Share issue for management fee</b>				
Share issue	-	-	97,381	973.81
<b>Closing balance</b>	<b>138,078,496</b>	<b>1,380,784.96</b>	<b>138,078,496</b>	<b>1,380,784.96</b>

The Shares have attached to them full voting, dividend and capital distribution (including on winding-up) rights. They confer rights of redemption.



## Notes to the Financial Statements

### For the year ended 31 December 2023

During the Year, the Company issued no Shares (2022: 97,381 Shares) to the Company's Investment Manager, in relation to investment management fees payable for the year ended 31 December 2023. The Company's issued share capital at 31 December 2023 comprised 138,078,496 (31 December 2022: 138,078,496) Shares and this is the total number of Shares with voting rights in the Company.

### 13. Dividends

#### (a) Dividends paid in the Year

The Company paid the following interim dividends during the year

	Year ended 31 December 2023			
	Cents per Share	Special distributable reserve \$'000	Revenue reserve \$'000	Total \$'000
Quarter ended 31 December 2022	1.40c	-	1,933	1,933
Quarter ended 31 March 2023	1.40c	-	1,933	1,933
Quarter ended 30 June 2023	0.70c	-	967	967
Quarter ended 30 September 2023	0.70c	-	967	967
<b>Total</b>	<b>4.20c</b>	<b>-</b>	<b>5,800</b>	<b>5,800</b>

	Year ended 31 December 2022			
	Cents per Share	Special distributable reserve \$'000	Revenue reserve \$'000	Total \$'000
Quarter ended 31 December 2021	1.40c	-	1,751	1,751
Quarter ended 31 March 2022	1.40c	-	1,933	1,933
Quarter ended 30 June 2022	1.40c	-	1,933	1,933
Quarter ended 30 September 2022	1.40c	-	1,933	1,933
<b>Total</b>	<b>5.60c</b>	<b>-</b>	<b>7,550</b>	<b>7,550</b>

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### (b) Dividends paid and payable in respect of the financial year

The dividends paid and payable in respect of the financial years are the basis on which the requirements of s1158-s1159 of the Corporation Tax Act 2010 are considered.

	Year ended 31 December 2023			
	Cents per Share	Special distributable reserve \$'000	Revenue reserve \$'000	Total \$'000
Quarter ended 31 March 2023	1.40c	-	1,933	1,933
Quarter ended 30 June 2023	0.70c	-	967	967
Quarter ended 30 September 2023	0.70c	-	967	967
Quarter ended 31 December 2023	0.70c	-	967	967
<b>Total</b>	<b>3.50c</b>	<b>-</b>	<b>4,834</b>	<b>4,834</b>

	Year ended 31 December 2022			
	Cents per Share	Special distributable reserve \$'000	Revenue reserve \$'000	Total \$'000
Quarter ended 31 March 2023	1.40c	-	1,933	1,933
Quarter ended 30 June 2023	1.40c	-	1,933	1,933
Quarter ended 30 September 2023	1.40c	-	1,933	1,933
Quarter ended 31 December 2023	1.40c	-	1,933	1,933
<b>Total</b>	<b>5.60c</b>	<b>-</b>	<b>7,732</b>	<b>7,732</b>

After the Year end, the Company declared an interim dividend of 0.7 cents per Share for the period 1 October 2023 to 31 December 2023, which was paid on 15 March 2024 to Shareholders on the register at 23 February 2024.

#### 14. Special Distributable Reserve

Following the admission of the Company's Shares to trading on the LSE, the Directors applied to the Court and obtained a judgement on 29 January 2021 to cancel the amount standing to the credit of the share premium account of the Company. The amount of the share premium account cancelled and credited to the Company's Special distributable reserve was \$121,250,000 (2022: \$121,250,000), which can be utilised to fund distributions to the Company's Shareholders.

#### 15. Net Assets Per Share

Net assets per Share are based on \$117,659,000 (2022: \$130,187,000) of net assets of the Company as at 31 December 2023 attributable to the 138,078,496 Shares in issue as at the same date (2022: 138,078,496).

# Notes to the Financial Statements

## For the year ended 31 December 2023

### 16. Related Party Transactions

#### Investment Manager

Fees payable to the Investment Manager by the Company under the IMA are shown in the Statement of Comprehensive Income. As at 31 December 2023, the fee outstanding but not yet paid to the Investment Manager was \$297,000 (2022: \$329,000).

As at 31 December 2023, the Investment Manager's total holding of Shares in the Company was 8,780,378 (31 December 2022: 8,787,792).

#### Directors

The Company is governed by a Board of Directors, all of whom are non-executive, and it has no employees. Each of the Directors was appointed on 22 October 2020.

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Each Director receives a fee payable by the Company at the rate of £40,000 per annum.

The Chairman of the Board receives an additional £10,000 per annum. The Chair of the Audit Committee, the Chair of the Management Engagement Committee and the Chair of the Risk Committee each receive an additional £6,000 per annum.

The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting year ended 31 December 2023 which were paid out of the assets of the Company were \$235,150 (2022: \$228,293), which is the USD equivalent of £188,000 (2022: £188,000). The Directors are also entitled to the reimbursement of out-of-pocket expenses incurred in the proper performance of their duties.

The Directors had the following shareholdings in the Company, all of which were beneficially owned.

Director	Ordinary shares as at 31 December 2023	Ordinary shares as at 31 December 2022
Patrick O'D Bourke	104,436	104,436
Tammy Richards	25,000	25,000
Louisa Vincent	36,076	34,435
David Fletcher	62,894	59,406

### 17. Financial Risk Management

The Investment Manager, AIFM and the Administrator report to the Board on a quarterly basis and provide information to the Board which allows it to monitor and manage financial risks relating to the Company's operations. The Company's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk. These risks are monitored and managed by the AIFM. Each risk and its management is summarised below.

#### (i) Currency Risk

Foreign currency risk is defined as the risk that the fair values of future cash flows will fluctuate because of changes in foreign exchange rates. Based on current operations, the Company's financial assets and liabilities are denominated in U.S. dollars and substantially all of its revenues and expenses are in U.S. dollars, the Directors do not expect frequent transactions in foreign currencies and therefore currency risk is considered to be low and no sensitivity to currency risk is presented.

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### (ii) Interest Rate Risk

The Company's interest rate risk on interest bearing financial assets is limited to interest earned on money market cash deposits. The Board considers that, as project level debt bears interest at fixed rates, they do not carry any interest rate risk.

The Company's interest and non-interest bearing assets and liabilities as at 31 December 2023 are summarised below:

	31 December 2023		
	Interest bearing	Non-interest bearing	Total
	\$'000	\$'000	\$'000
<b>Assets</b>			
Cash and cash equivalents	1,648	-	1,648
Trade and other receivables	-	8	8
Investments at fair value through profit or loss	-	116,798	116,798
<b>Total assets</b>	<b>1,648</b>	<b>116,806</b>	<b>118,454</b>
<b>Liabilities</b>			
Trade and other payables	-	(795)	(795)
<b>Total liabilities</b>	<b>-</b>	<b>(795)</b>	<b>(795)</b>

	31 December 2022		
	Interest bearing	Non-interest bearing	Total
	\$'000	\$'000	\$'000
<b>Assets</b>			
Cash and cash equivalents	3,394	-	3,394
Trade and other receivables	-	11	11
Investments at fair value through profit or loss	-	127,375	127,375
<b>Total assets</b>	<b>3,394</b>	<b>127,386</b>	<b>130,780</b>
<b>Liabilities</b>			
Trade and other payables	-	(593)	(593)
<b>Total liabilities</b>	<b>-</b>	<b>(593)</b>	<b>(593)</b>

The money market cash deposits and bank accounts included within cash and cash equivalents bear interest at low or zero interest rates and therefore movements in interest rates will not materially affect the Company's income and as such a sensitivity analysis is not necessary.

The Company's subsidiary, Holdco, has interest rate risk through the RCF and through certain SPVs' project level loans which are priced by reference to SOFR plus a margin. The total exposure to debt through Holdco at 31 December 2023 was \$75.8 million (2022: \$64.4 million). An increase or decrease in interest rates of 0.5% would impact the net asset value of Holdco and the Company by \$379,000 (2022: \$322,000) negatively or positively respectively.

Changes in interest rates can affect the discount rates used. The sensitivity of the investment valuation to changes in discount rate is disclosed in note 4.

## Notes to the Financial Statements

### For the year ended 31 December 2023

#### (iii) Price Risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Company will fluctuate. As at 31 December 2023, the Company held one investment, being its shareholding in Holdco, which is measured at fair value. The value of the underlying renewable energy investments held by Holdco varies according to a number of factors, including discount rate, asset performance, solar irradiation, wind speeds, operating expenses and forecast power prices. The sensitivity of the investment valuation, due to changes to key assumptions valued on an asset by asset basis, is shown in note 4. The sensitivity shows the impact on the NAV, however, the impact on the profit and loss is the same. This does not consider price risk associated with the valuation of the portfolio as a whole. A 30% (decrease)/increase in the valuation of the investment portfolio as a whole would have a (\$35,298,000)/\$35,298,000 impact on the NAV.

As noted in the Chairman's statement a strategic review of the Company is currently ongoing. Marathon has conducted a comprehensive and wide-ranging exercise to identify potential for the Company's portfolio of assets. This process has resulted in specific discussions and negotiations taking place.

Given the discount to NAV, it is perhaps inevitable that, in arriving at a view on the valuation of the Company's portfolio as a whole, buyers would take account of both RNEW's prevailing share price as well as its reported NAV, the latter being derived on an asset by asset basis.

#### (iv) Credit Risk

Credit risk is the risk of loss due to the failure of a borrower or counterparty to fulfil its contractual obligations. The Company is exposed to credit risk in respect of trade and other receivables and cash at bank.

The Company's credit risk exposure as at 31 December is summarised below:

	As at 31 December 2023 \$'000	As at 31 December 2022 \$'000
Cash and cash equivalents	1,648	3,394
Trade and other receivables	8	11
<b>Total</b>	<b>1,656</b>	<b>3,405</b>

Cash and cash equivalents are held with U.S. Bank whose Standard & Poor's credit rating is AA-. The Company's credit risk exposure is minimised by dealing with financial institutions with investment grade credit ratings. No balances are past due or impaired.

#### Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet a demand for cash or fund an obligation when due. The Investment Manager and the Board continuously monitor forecast and actual cashflows from operating, financing and investing activities to consider payment of dividends, repayment of the Company's debt or further investing activities.

## Notes to the Financial Statements

### For the year ended 31 December 2023

The following tables detail the Company's expected maturity for its financial assets (excluding the equity investment in Holdco) and liabilities together with the contractual undiscounted cash flow amounts:

	Less than 1 year	1-2 years	2-5 years	As at 31 December 2023 Total
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Cash and cash equivalents	1,648	-	-	1,648
Trade and other receivables	8	-	-	8
<b>Liabilities</b>				
Trade and other payables	(795)	-	-	(795)
<b>Net financial assets</b>	<b>861</b>	<b>-</b>	<b>-</b>	<b>861</b>

	Less than 1 year	1-2 years	2-5 years	As at 31 December 2022 Total
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Cash and cash equivalents	3,394	-	-	3,394
Trade and other receivables	11	-	-	11
<b>Liabilities</b>				
Trade and other payables	(593)	-	-	(593)
<b>Net financial assets</b>	<b>2,812</b>	<b>-</b>	<b>-</b>	<b>2,812</b>

### Capital management

The Company considers its capital to comprise Share capital, distributable reserves and retained earnings. The Company is not subject to any externally imposed capital requirements. The Company's share capital and reserves are shown in the Statement of Financial Position at a total of \$117,659,000 (2022: \$130,187,000).

The Company's primary capital management objectives are to ensure the sustainability of its capital to support continuing operations, meet its financial obligations and allow for growth opportunities. Generally, acquisitions are anticipated to be funded with a combination of current cash, borrowings and equity.



# Notes to the Financial Statements

## For the year ended 31 December 2023

### 18. Unconsolidated Subsidiaries and Associates

The following table shows subsidiaries and associates of the Company. As the Company is regarded as an Investment Entity as referred to in note 2, these subsidiaries and associates have not been consolidated in the preparation of the financial statements. The ultimate parent undertaking is Ecofin U.S. Renewables Infrastructure Trust PLC.

Name	Ownership Interest	Investment Category	Country of incorporation	Registered address
RNEW Holdco, LLC	100%	Holdco Subsidiary entity, owns RNEW Blocker, LLC	United States	1209 Orange Street, Wilmington, DE 19801
RNEW Blocker, LLC	100%	Holdco Subsidiary entity, owns RNEW Capital, LLC	United States	1209 Orange Street, Wilmington, DE 19801
RNEW Capital, LLC	100%	Holdco Subsidiary entity, owns underlying SPV Entities	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco I, LLC	100%	Holdco Subsidiary entity, owns CD Global Solar CA Beacon 2 Borrower, LLC and CD Global Solar CA Beacon 5 Borrower, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco II, LLC	100%	Holdco Subsidiary entity, owns TCA IBKR 2020 Holdco, LLC and TCA IBKR 2021 Holdco	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco III, LLC	100%	Holdco Subsidiary entity, owns UCCT Solar Group, LLC, Milford Industrial Solar, LLC, SED Three, LLC, SED Four, LLC, and Solar Energy Partners 1, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco IV, LLC	100%	Subsidiary entity	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco V, LLC	100%	Holdco Subsidiary entity, owns Echo Solar 2022 Holdco, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco VI, LLC	100%	Holdco Subsidiary entity, owns ESNJ-CB-DELRAN, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TC Renewable Holdco VII, LLC	100%	Holdco Subsidiary entity, owns Whirlwind Energy, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TCA IBKR 2020 Holdco, LLC	100% <sup>1</sup>	Holdco Subsidiary entity, owns Ellis Road Solar, LLC and Oliver Solar 1, LLC	United States	1209 Orange Street, Wilmington, DE 19801
TCA IBKR 2021 Holdco, LLC	100% <sup>1</sup>	Holdco Subsidiary entity, owns ESNJ-BL-SKILLMAN, LLC	United States	1209 Orange Street, Wilmington, DE 19801
Echo Solar 2022 Holdco, LLC	100% <sup>1</sup>	Holdco Subsidiary entity, owns Westside Solar Partners, LLC, Monroe Solar Partners, LLC, Heimlich Solar Partners, LLC, Small Mouth Bass Solar Partners, LLC, Hemings Solar Partners, LLC and Randolph Solar Partners, LLC	United States	1209 Orange Street, Wilmington, DE 19801
CD Global Solar CA Beacon 2 Borrower, LLC	49.5% <sup>1</sup>	Subsidiary entity, owns investment in Beacon 2	United States	1209 Orange Street, Wilmington, DE 19801
CD Global Solar CA Beacon 5 Borrower, LLC	49.5% <sup>1</sup>	Subsidiary entity, owns investment in Beacon 5	United States	1209 Orange Street, Wilmington, DE 19801
Ellis Road Solar, LLC	100% <sup>1</sup>	Subsidiary entity, owns investment in Ellis Road Solar	United States	1209 Orange Street, Wilmington, DE 19801
Oliver Solar 1, LLC	100% <sup>1</sup>	Subsidiary entity, owns investment in Oliver Solar	United States	1209 Orange Street, Wilmington, DE 19801
UCCT Solar, LLC	100%	Subsidiary entity, owns one of the 52 solar investments in the SED Solar Portfolio owned by TC Renewable Holdco III, LLC	United States	155 Federal Street, Suite 700, Boston, MA 02110
Milford Industrial Solar, LLC	100%	Subsidiary entity, owns two of the 52 solar investments in the SED Solar Portfolio owned by TC Renewable Holdco III, LLC	United States	155 Federal Street, Suite 700, Boston, MA 02110
SED Three, LLC	100%	Subsidiary entity, owns 30 of the 52 solar investments in the SED Solar Portfolio owned by TC Renewable Holdco III, LLC	United States	155 Federal Street, Suite 700, Boston, MA 02110
SED Four, LLC	100%	Subsidiary entity, owns six of the 52 solar investments in the SED Solar Portfolio owned by TC Renewable Holdco III, LLC	United States	155 Federal St, Suite 700, Boston, MA 02110
Solar Energy Partners 1, LLC	100%	Subsidiary entity, owns 13 of the 52 solar investments in the SED Solar Portfolio owned by TC Renewable Holdco III, LLC	United States	155 Federal Street, Suite 700, Boston, MA 02110
ESNJ-BL-SKILLMAN, LLC	100% <sup>1</sup>	Subsidiary entity, owns investment in Skillman Solar	United States	100 Charles Ewing Blvd., Suite 160, Ewing, NJ 08628

## Notes to the Financial Statements

### For the year ended 31 December 2023

Name	Ownership Interest	Investment Category	Country of incorporation	Registered address
Heimlich Solar Partners, LLC	100%	Subsidiary entity, owns investment in Heimlich Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
Small Mouth Bass Solar Partners, LLC	100%	Subsidiary entity, owns investment in Small Mouth Bass Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
Hemings Solar Partners, LLC	100%	Subsidiary entity, owns investment in Hemings Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
Randolf Solar Partners, LLC	100%	Subsidiary entity, owns investment in Randolf Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
Westside Solar Partners, LLC	100% <sup>1</sup>	Subsidiary entity, owns investment in Westside Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
Monroe Solar Partners, LLC	100% <sup>1</sup>	Subsidiary entity, owns investment in Monroe Solar	United States	251 Little Falls Drive, Wilmington, DE 19808
ESNJ-CB-DELRAN, LLC	100%	Subsidiary entity, owns investment in Delran Solar	United States	100 Charles Ewing Blvd., Suite 160, Ewing, NJ 08628
Whirlwind Energy LLC	100%	Subsidiary entity, owns investment in Whirlwind	United States	615 South Dupont Highway, Dover, KY 19901

1. Represents percentage ownership of class B membership interest in the tax equity partnership.

## 19. Commitments and Contingencies

As at 31 December 2023 the Company had the following future investment obligations:

The Company had a collective future unlevered net equity commitment amount of \$5.0 million, which will be funded by \$19.2 million of pending future financing on closed assets. This commitment figure is subject to change based on the vendor's ability to deliver on certain conditions to close, which may impact the price paid for certain projects. Additional funding required is expected to be facilitated in the short term through the RCF, and subsequently through a term debt facility as the projects become operational.

## 20. Post Balance Sheet Events

The strategic review announced on 8 September 2023 remains ongoing with specific discussions and negotiations taking place with potential buyers as of the date of the balance sheet and to the date of this report. Assuming a satisfactory transaction can be agreed, the Board expects a proposal to be set out in a circular and put to a general meeting at which Shareholders will have the opportunity to vote.

## Alternative Performance Measures

In reporting financial information, the Company presents alternative performance measures, ("APMs"), which are not defined or specified under the requirements of IFRS. The Company believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the Company. The APMs presented in this report are shown below:

### Discount

The amount, expressed as a percentage, by which the Share price is less than NAV per Share.

		As at 31 December 2023	As at 31 December 2022
NAV per Share (cents)	<b>a</b>	85.2	94.3
Share price (cents)	<b>b</b>	56.5	83.3
<b>Discount</b>	<b>(b÷a)-1</b>	<b>33.7%</b>	<b>11.7%</b>

### Total return

Total return is a measure of performance that includes both income and capital returns. It takes into account capital gains and the assumed reinvestment of dividends paid out by the Company into its Shares on the ex-dividend date. The total return is shown below, calculated on both a share price and NAV basis.

<b>Year ended 31 December 2023</b>		<b>Share price (cents)</b>	<b>NAV (cents)</b>
Opening at 1 January 2023	<b>a</b>	83.3	94.3
Closing at 31 December 2023	<b>b</b>	56.5	85.2
Dividends paid during the Year	<b>c</b>	4.2	4.2
Dividend/income adjustment factor <sup>1</sup>	<b>d</b>	0.9875	0.9968
Adjusted closing e = (b + c) x d	<b>e</b>	59.9	89.1
<b>Total return</b>	<b>(e÷a)-1</b>	<b>-28.0%</b>	<b>-5.5%</b>

1 The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at share price and NAV at the ex-dividend date.

<b>Year ended 31 December 2022</b>		<b>Share price (cents)</b>	<b>NAV (cents)</b>
Opening at 1 January 2022	<b>a</b>	99.0	98.0
Closing at 31 December 2022	<b>b</b>	83.3	94.3
Dividends paid during the Year	<b>c</b>	5.6	5.6
Dividend/income adjustment factor <sup>1</sup>	<b>d</b>	0.9939	1.0010
Adjusted closing e = (b + c) x d	<b>e</b>	88.3	100.0
<b>Total return</b>	<b>(e÷a)-1</b>	<b>-10.8%</b>	<b>1.1%</b>

### Ongoing charges ratio

A measure, expressed as a percentage of average NAV, of the regular, recurring annual costs of running an investment company.

		<b>Year ended 31 December 2023</b>	<b>Year ended 31 December 2022</b>
Average NAV (\$'000)	<b>a</b>	124,293	129,345
Annualised expenses (\$'000)	<b>b</b>	2,209	2,332
<b>Ongoing charges</b>	<b>(b÷a)</b>	<b>1.78%</b>	<b>1.80%</b>

## Disclosure for Article 9 Funds (unaudited)

### Periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** Ecofin U.S. Renewables Infrastructure Trust plc (the "Company")

**Legal entity identifier:** 2138004JUQUL9VKQWD21

#### Sustainable investment objective

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

#### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective: 90 %**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: \_\_\_\_ %**

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



#### To what extent was the sustainable investment objective of this financial product met?

The sustainable investment objective of the Company is to accelerate the transition to net zero through its investment portfolio, which consists of a diversified portfolio of mixed renewable energy and sustainable infrastructure assets ("Renewable Assets"), primarily solar and wind assets, to help facilitate the transition to a more sustainable future. These renewable energy assets directly contribute to climate change mitigation. During the reference period, the Company contributed to combatting climate change by investing in and operating Renewable Assets which reduce carbon and other greenhouse gas emissions, address water scarcity issues and reduce pollution.

**Sustainability**

**indicators** measure how the sustainable objectives of this financial product are attained.

The portfolio delivered 248 GWh of clean electricity to its offtakers during the reference period. Of the total, solar assets generated 165.2GWh, and wind assets generated 73.1 GWh. The clean electricity generated by the Company's assets in 2023 avoided the emission of approximately 141,800 tonnes of CO<sub>2</sub>e.

Additionally, the Company's strategy and processes align with the U.N. Sustainable Development Goals, and the analysis of ESG issues is integrated throughout the lifecycle of its investment activities.

● **How did the sustainability indicators perform?**

1. Capital invested into Renewable Assets	\$134 million
2. GWh of renewable energy produced	248 GWh
3. Number of homes powered by clean energy	22,200
4. Tonnes of carbon avoided alongside carbon avoided equivalents (number of miles driven required to avoid same carbon)	141,800
5. Litres of water avoided	29,700 million

\* Based on information as at the balance sheet date, 31 December 2023

● **...and compared to previous periods?**

1. Capital invested into Renewable Assets	\$134 million
2. GWh of renewable energy produced	335 GWh
3. Number of homes powered by clean energy	31,400
4. Tonnes of carbon avoided alongside carbon avoided equivalents (number of miles driven required to avoid same carbon)	203,500
5. Litres of water avoided	42,300 million

\* Based on information as at 31 December 2022

● **How did the sustainable investments not cause significant harm to any sustainable investment objective**

During the reference period, investments were screened as part of the ESG Risk Assessment described below against areas that could significantly harm.

The Investment Manager's Private Sustainable Infrastructure Investment Team (the "PSII Team") has developed a proprietary ESG risk assessment framework ("ESG Risk Assessment") which is embedded in its investment memoranda and systematically applied to all investment opportunities. The ESG Risk Assessment incorporates the results of the PSII Team's comprehensive due diligence including work conducted by its third party advisers (independent engineering firms, legal counsel, and consultants).

The ESG Risk Assessment combines quantitative and qualitative data and is reviewed by Ecofin's Private Sustainable Infrastructure Investment Committee (the "PSIIC") prior to authorising an investment and is utilised on an ongoing basis as part of the risk management and operational practices throughout the life of the investment. The PSII Team's ESG integrated investment process culminates with an annual sustainability report so that investors can measure the impact of Ecofin's private sustainable infrastructure strategy.

### **How were the indicators for adverse impacts on sustainability factors taken into account?**

Investments were screened as part of the ESG Risk Assessment. Within the framework, the Company took into account the following principal adverse impacts on sustainability factors, with respect to the Company's asset class:

#### **Environmental damage**

- Decommissioning & Component Recycling: the Company and the Investment Manager recognise that wind power and solar PV asset decommissioning and component recycling may impact on the environmental objective relating to the transition to a circular economy. Decommissioning costs are built into models although none of the assets have yet reached this stage in their lifecycle.
- Biodiversity Loss: the Company's investments may also impact the environmental objective of protection and restoration of biodiversity and ecosystems.
- Carbon Emissions: The manufacturing, transportation, and construction phase of Renewable Asset development can be carbon intensive. The Company and the Investment Manager collaborate with industry peers to establish practices around identifying and quantifying these emissions.

#### **Social and employee matters, respect for human rights**

- Health and Safety of Workforce: Working on Renewable Assets can be hazardous and keeping people safe is a priority of the Investment Manager. The Company could be exposed to reputational risk if accidents were to occur and to the risk of increased insurance costs and operational downtime, which would add to the costs of operating the assets.
- Community Relations: Investments may be exposed to project development delay risk or licence to operate risk if they meet opposition from the community. Positive engagement with communities and efforts to address local community impact can mitigate these risks.
- Human Rights in Supply Chain: The supply chain of Renewable Assets could be subject to human rights abuses that need to be monitored and mitigated.

#### **Governance, anti-corruption and anti-bribery matters**

- Anti-Bribery and Corruption: Risks associated with a project or asset achieving any permit, licence or authorisation through undue process, for example, bribery and/or corruption. Appropriate KYC analysis is undertaken on service providers and investors.
- Conflict of interest risk: This risk could materialise at an individual, asset or portfolio level in the acquisition and ongoing management of Renewable Assets and is mitigated to protect the interests of investors.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Company predominantly targets investments in construction-ready and operating solar and wind power generation assets which are held through Special Purpose Vehicles (SPVs), standalone legal entities which typically do not have any employees or management teams. The SPVs typically outsource all operations and management requirements to third parties, through long term contracts. During the reference period, the Investment Manager conducted initial due diligence and ongoing monitoring of these third parties to ensure their compliance with all applicable laws, rules, regulations, and overarching principles in the countries where they operate. This covers anti-bribery and corruption, financial crime, data protection and employment and health and safety laws (including those relating to human rights, human trafficking, modern slavery, and public safety).



## How did this financial product consider principal adverse impacts on sustainability factors?

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Investment Manager considers the principal adverse impacts (“PAIs”) of its investment decisions within its ESG Risk Assessment, which combines quantitative and qualitative data and is reviewed by the PSIIIC prior to authorising an investment commitment and is utilised on an ongoing basis as part of the risk management and operational practices throughout the life of the investment. Environmental criteria consider how an investment performs as a steward of nature. Social criteria examine the investment’s impact and relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with internal controls, business ethics, compliance and regulatory status associated with each investment. The Investment Manager works with a range of external service providers to manage the Company’s portfolio of investments, for example construction managers, O&M providers, and external asset managers. To address adverse impacts on a continuous basis, the Investment Manager regularly reviews the Company’s material third-party service providers and seeks to implement strategies to reduce any new adverse impacts in a timely manner.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 Jan 2023 – 31 Dec 2023.

Largest investments*	Sector**	% Assets	Country
TC Renewable Holdco VII, LLC (Whirlwind Energy, LLC)	Utilities	30.5%	US
Echo Solar	Utilities	23.1%	US

\* Based on information calculated using an average of four quarter-end calculations during the reference period. Excludes leverage and other liabilities.

\*\* Based on GICS sector classification



## What was the proportion of sustainability-related investments?

Information on the proportion of the Company held in sustainable investments during the reference period is provided below.

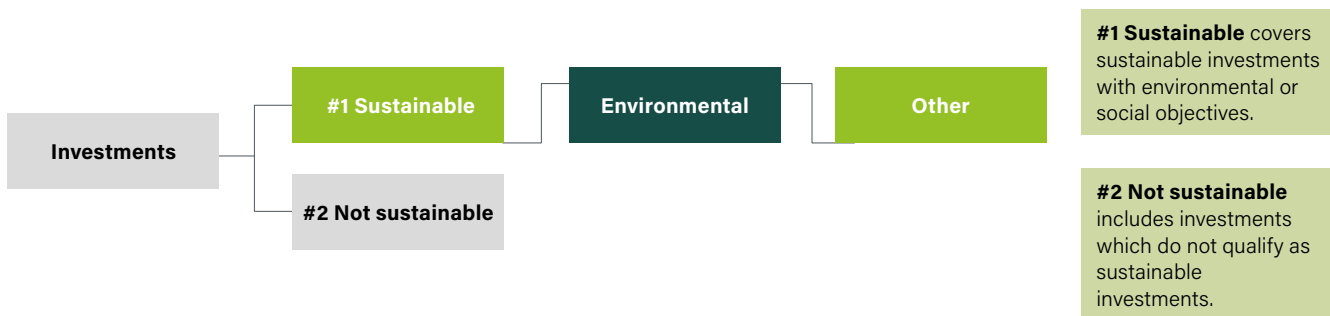
**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?

#1 Sustainable: 98.8%\* of the Company was held in sustainable investments with environmental objectives during the period covered by the periodic report.

#2 Not sustainable: cash comprised the remaining 1.2%\* of the Company’s investments during the period covered by the periodic report.

\* Based on information calculated using an average of four quarter-end calculations during the relevant period. Excludes leverage and other liabilities.





**In which economic sectors were the investments made?**

Utilities	98.8%
Cash	1.2%

\* Based on GICS sector classification

\*\* Based on information calculated using an average of four quarter-end calculations during the relevant period. Excludes leverage and other liabilities.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities are economic activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?**

N/A

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**What was the share of investments made in transitional and enabling activities?**

0% of the Company's investments

**How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**


N/A



**What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

98.8%\* of the Company's investments were in sustainable investments with an environmental objective that were not aligned with the EU Taxonomy.

\* Based on information calculated using an average of four quarter-end calculations during the relevant period. Excludes leverage and other liabilities.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



**What was the share of socially sustainable investments?**

0% of the Company's investments



**What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?**

Investments included under "not sustainable" comprised cash, which may be held as ancillary liquidity or for risk balancing purposes.



**What actions have been taken to attain the sustainable investment objective during the reference period?**

The portfolio delivered 248 GWh of clean electricity to its offtakers during 2023. Of the total, solar assets generated 165.2 GWh, and wind assets generated 73.1 GWh.

The clean electricity generated by the Company's assets in 2023 avoided the emission of approximately 141,800 tonnes of CO<sub>2</sub>e.



**How did this financial product perform compared to the reference sustainable benchmark**

N/A

- **How did the reference benchmark differ from a broad market index?**  
N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?**  
N/A
- **How did this financial product perform compared with the reference benchmark?**  
N/A
- **How did this financial product perform compared with the broad market index?**  
N/A

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

## Glossary

<b>“Act”</b>	The Companies Act 2006
<b>“Administrator”</b>	Apex Listed Companies Services (UK) Limited
<b>“Admission”</b>	The date on which the Shares became listed on the premium listing category of the Official List and traded on the Main Market (22 December 2020)
<b>“AIC”</b>	The Association of Investment Companies
<b>“AIFM”</b>	Alternative Investment Fund Manager
<b>“Annual General Meeting” or “AGM”</b>	A meeting held once a year which shareholders can attend and where they can vote on resolutions to be put forward at the meeting and ask Directors questions about the Company.
<b>“CO<sub>2</sub>e”</b>	Carbon dioxide equivalent
<b>“COD”</b>	Commercial Operations Date
<b>“construction phase” or “in construction”</b>	In relation to projects, means those projects which are in, or about to commence, construction
<b>“Company”</b>	Ecofin U.S. Renewables Infrastructure Trust PLC
<b>“CREST”</b>	Certificateless Registry for Electronic Share Transfer
<b>“DCF”</b>	Discounted cash flow
<b>“DTR”</b>	Disclosure Guidance and Transparency Rules
<b>“development phase” or “in development”</b>	In relation to projects, means those projects which are in a preconstruction phase
<b>“Ecofin”</b>	Ecofin Investments, LLC, Ecofin Advisors, LLC, Ecofin Advisors Limited, collectively
<b>“EIA”</b>	U.S. Energy Information Administration
<b>“EPA”</b>	U.S. Environmental Protection Agency
<b>“EPC”</b>	Engineering, procurement and construction
<b>“ESG”</b>	Environmental, Social and Governance
<b>“ESG Risk Assessment”</b>	Investment Manager’s proprietary ESG due diligence risk assessment framework
<b>“FCA”</b>	Financial Conduct Authority
<b>“FERC”</b>	Federal Energy Regulatory Commission
<b>“FMV”</b>	Fair market value
<b>“FRC”</b>	Financial Reporting Council
<b>“GHG”</b>	Greenhouse gas
<b>“Gross Assets” or “GAV”</b>	The aggregate value of all of the assets of the Company, valued in accordance with the Company’s usual accounting policies
<b>“GW”</b>	Unit of power abbreviation for Gigawatt
<b>“GWh”</b>	Unit of energy usage abbreviation for Gigawatt-hour
<b>“HMRC”</b>	His Majesty’s Revenue and Customs
<b>“Holdco”</b>	RNEW Holdco LLC, 100% owned subsidiary of the Company
<b>“IMA”</b>	Investment Management Agreement between the Company and the Investment Manager
<b>“IPO”</b>	Initial Public Offering
<b>“IPO Issue Price”</b>	US\$1.00 per Share
<b>“Investment Manager”</b>	Ecofin Advisors, LLC
<b>“IPP”</b>	Independent power producer
<b>“ISA”</b>	Individual Savings Account
<b>“ITC”</b>	Investment tax credit, provided for in the U.S. Tax Code
<b>“kW”</b>	Unit of power abbreviation for Kilowatt
<b>“kWh”</b>	Unit of energy usage abbreviation for kiloWatt-hour

<b>"KYC"</b>	Know Your Customer
<b>"LIBOR"</b>	London Interbank Offered Rate
<b>"Liquid Securities"</b>	Investment grade bonds and exchange traded funds or similar
<b>"LSE"</b>	London Stock Exchange
<b>"MW"</b>	Unit of power abbreviation for Megawatt
<b>"MWh"</b>	Unit of energy usage abbreviation for Megawatt-hour
<b>"NAV"</b>	Net asset value
<b>"Near cash instruments"</b>	Cash, cash equivalents, near cash instruments and money market instruments and treasury notes
<b>"O&amp;M"</b>	Operations and Maintenance
<b>"OCR"</b>	Ongoing charges ratio
<b>"P10"</b>	Annual power production level that is predicted to be exceeded 10% of the time
<b>"P50"</b>	Annual power production level that is predicted to be exceeded 50% of the time
<b>"P75"</b>	Annual power production level that is predicted to be exceeded 75% of the time
<b>"P90"</b>	Annual power production level that is predicted to be exceeded 90% of the time
<b>"PTC"</b>	Production tax credit, provided for in the U.S. Tax Code
<b>"PPA"</b>	Power purchase agreement or other revenue contract (e.g. a lease)
<b>"RCF"</b>	Revolving Credit Facility
<b>"Renewable Assets"</b>	Long-lived renewable energy and sustainable infrastructure assets
<b>"RNEW"</b>	Ecofin U.S. Renewables Infrastructure Trust PLC
<b>"RNEW Blocker"</b>	A subsidiary of Holdco
<b>"SEC"</b>	Securities and Exchange Commission
<b>"SEIA"</b>	Solar Energy Industries Association
<b>"Shareholders"</b>	The holders of Shares
<b>"Shares"</b>	Ordinary shares of the Company
<b>"SOFR"</b>	Secured Overnight Financing Rate
<b>"Solar assets"</b>	Solar energy assets
<b>"Solar PV"</b>	Solar photovoltaic
<b>"SPV"</b>	Special Purpose Vehicle
<b>"SREC"</b>	Solar renewable energy credit
<b>"TCFD"</b>	Task Force on Climate-Related Financial Disclosures
<b>"UK Code"</b>	UK Corporate Governance Code
<b>"Wind assets"</b>	Wind energy assets

## Company Information

### Directors, Investment Manager and Advisers

#### Directors (all non-executive)

Patrick O'Donnell Bourke (Chairman)  
Tammy Richards  
Louisa Vincent  
David Fletcher

#### Administrator and Company Secretary

Apex Listed Companies Services (UK) Limited  
6th Floor  
125 London Wall London  
EC2Y 5AS  
United Kingdom

#### Joint Brokers

Stifel Nicolaus Europe Limited  
150 Cheapside  
London EC2V 6ET  
United Kingdom

#### Peel Hunt LLP\*

100 Liverpool Street  
London  
EC2M 2AT

\* Up to 1 December 2023

#### Solicitors

Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ  
United Kingdom

#### Registrar

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6AH  
United Kingdom

#### Investment Manager and Alternative Investment Fund Manager

Ecofin Advisors, LLC  
6363 College Boulevard  
Overland Park  
Kansas 66211  
United States

#### Auditor

BDO LLP  
55 Baker Street  
London W1U 7EU  
United Kingdom

The Company is registered in England and Wales under registration number 12809472.

The Company's Registered Office is located at:

6th Floor  
125 London Wall  
London EC2Y 5AS  
United Kingdom

### **Annual and Interim Reports and other Company information**

Copies of the Company's reports are available from the Company Secretary.

Availability of all reports is announced to the LSE and posted on the Reuters and Bloomberg news services. The reports are also available on the Company's website [www.ecofininvest/rnew](http://www.ecofininvest/rnew).

### **Share transactions**

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

### **Individual Savings Account ("ISA")**

The Company's shares are eligible to be held in an ISA account subject to HMRC limits.

### **Security codes:**

The Company's Shares are traded on the LSE.

ISIN:	GB00BLPK4430
SEDOL (traded in U.S. dollars):	BLPK443
SEDOL (traded in sterling):	BMXZ812
Ticker (traded in U.S. dollars):	RNEW
Ticker (traded in sterling):	RNEP
Legal Identification Number (LEI):	2138004JUQUL9VKQWD21

## Notice of Annual General Meeting

### Ecofin U.S. Renewables Infrastructure Trust PLC

(Incorporated in England and Wales with registered number 12809472)

**NOTICE IS HEREBY GIVEN** that the 2024 Annual General Meeting (the **AGM**) of Ecofin U.S. Renewables Infrastructure Trust PLC (the **Company**) will be held at the offices of Apex Group located at *6th Floor, 125 London Wall, London, England, EC2Y 5AS* on 13 June 2024 at 3.00 p.m. to propose and, if thought fit, to pass the resolutions 1 to 10 as ordinary resolutions and resolutions 11, 12 and 13 as special resolutions.

- 1 To receive the reports of the Directors and the audited accounts of the Company for the year ended 31 December 2023 together with the Auditor's report on those audited accounts (the Annual Report).
- 2 To approve the Directors' Remuneration Report for the year ended 31 December 2023 set out on pages 49 to 51 of the Annual Report.
- 3 To approve the dividend policy set out on page 41 of the Annual Report.
- 4 To re-elect Patrick O'Donnell Bourke, who being eligible, offers himself for election, as a Director.
- 5 To re-elect David Fletcher, who being eligible, offers himself for election, as a Director.
- 6 To re-elect Tammy Richards, who being eligible, offers herself for election, as a Director.
- 7 To re-elect Louisa Vincent, who being eligible, offers herself for election, as a Director.
- 8 To re-appoint BDO LLP as Auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which the Company's annual reports and accounts are laid before the meeting.
- 9 To authorise the Audit Committee to determine the remuneration of the Auditor.
- 10 **THAT**, in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (**CA 2006**), to exercise all the powers of the Company to allot ordinary shares of US\$0.01 each (**Ordinary Shares**) and to grant rights to subscribe for, or to convert any security into, Ordinary Shares in the Company up to an aggregate nominal amount of \$138,078 (representing 10 per cent of the Company's issued share capital on 25 April 2024, being the latest practicable date prior to the publication of this Notice). The authority hereby conferred on the Directors shall expire at the conclusion of

the next annual general meeting of the Company after the date of the passing of this Resolution 10 or at the close of business on 30 June 2025 whichever is the earlier save that under this authority the Company may, before such expiry, make offers or enter into agreements which would or might require Ordinary Shares to be allotted or rights to subscribe for, or to convert any security into, Ordinary Shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for, or to convert any security into, Ordinary Shares (as the case may be) in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

- 11 **THAT**, subject to the passing of Resolution 10 above and in substitution for all subsisting authorities to the extent unused, the Directors be and they are hereby authorised, pursuant to section 570 and section 573 of the CA 2006, to allot equity securities (within the meaning of section 560 CA 2006) for cash either pursuant to the authority conferred by Resolution 10 or by way of a sale of treasury shares, as if section 561(1) CA 2006 did not apply to any such allotment or sale, provided that this authority shall be limited to:
  - (a) the allotment of equity securities or sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities:
    - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
    - (ii) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter; and

- (b) the allotment (otherwise than under paragraph (a) of this Resolution 11) of equity securities or sale of treasury shares up to an aggregate nominal amount of \$138,078, and shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 11 or at the close of business on 30 June 2025, whichever is the earlier, save that the Company may, before such expiry, make offers or enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors may allot equity securities (and sell treasury shares) in pursuance of such offers or agreements as if the authority conferred hereby had not expired.



12 **THAT**, the Company be and is hereby generally and unconditionally authorised, for the purposes of section 701 of the CA 2006), to make market purchases (within the meaning of section 693(4) CA 2006) of Ordinary Shares of US\$0.01 each on such terms and in such manner as the Directors shall from time to time determine, provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 20,697,966 (representing 14.99 per cent of the Company's issued share capital on 25 April 2024, being the latest practicable date prior to the publication of this Notice) or if less, 14.99 per cent of the number of Ordinary Shares in issue as at the date of the passing of this Resolution;
- (b) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is US\$0.01;
- (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of (i) an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share (as derived from the London Stock Exchange Daily Official List) for the five business days immediately preceding the date on which that Ordinary Share is contracted to be purchased, and (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid on the trading venues where the purchase is carried out;
- (d) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company after the passing of this Resolution 12 or at the close of business on 30 June 2025, whichever is the earlier, unless previously revoked, varied or renewed by the Company in general meeting prior to such time; and
- (e) the Company may at any time prior to the expiry of such authority enter into a contract or contracts under which a purchase of Ordinary Shares under such authority will or may be completed or executed wholly or partly after the expiration of such authority and the Company may purchase Ordinary Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

13 **That** a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the Company's next annual general meeting after the date of the passing of this Resolution 14.

Unless otherwise defined herein, capitalised terms used in this notice shall have the same meaning given to them in the Annual Report dated 26 April 2024 of which this Notice forms part.

By Order of the Board,

**Mimi Ajibadé**

Company Secretary

Apex Listed Companies Services (UK) Limited  
26 April 2024

Registered office: 6th Floor, 125 London Wall, London EC2Y 5AS

## Notice of Annual General Meeting

### Notes to the AGM Notice

- 1 A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting in person for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
  - 2 A Form of Proxy can be found on the Company's website. In such cases, members should indicate the number of Ordinary Shares in relation to which each proxy is authorised to act in the box below the proxy holder's name, indicating if the instruction is one of multiple instructions being given and, if the proxy is being appointed for less than the member's full entitlement, the number of Ordinary Shares in relation to which each such proxy is entitled to act. All proxy forms should be signed and returned together. To be valid, the Form(s) of Proxy and any power of attorney or other authority under which it is, or they are, signed (or a certified copy of such authority) must be received by post or (between the hours of 9.30 a.m. and 5.30 p.m. only) by hand at the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ by no later than 6.00 p.m. on 11 June 2024. Alternatively, Form(s) of Proxy can be submitted electronically, so as to have been received by the Company Secretary (rnewmbx@apexfs.group) no later than 6.00 p.m. on 11 June 2024. Completion and return of the Form(s) of Proxy will not preclude members from attending and voting in person at the meeting should they wish to do so.
  - 3 To change any proxy instructions, simply submit a new proxy appointment using the methods set out above. The time for receipt of proxy appointments set out above also applies in relation to any amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded.
  - 4 Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 of the CA 2006 (a **Nominated Person**) should note that the provisions in Notes 1-3 above concerning the appointment of a proxy or proxies to attend the meeting in person in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.
- Nominated Persons are reminded that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or, perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.
- 5 Only those members registered on the register of members of the Company at 3.00 p.m. on 11 June 2024 (or, if the meeting is adjourned, 48 hours before the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in person in respect of the number of shares registered in their name at that time. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
  - 6 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
  - 7 In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy, or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in Notes 2 and 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

- 8 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)).
- 9 The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
- 10 Proxymity Voting – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged no later than 3.00 p.m. on 11 June 2024 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
- 11 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
- 12 Voting at the meeting on all resolutions will be conducted by way of a poll rather than a show of hands. The Company considers this to be a more transparent method of voting as member votes will be counted according to the number of shares held. As soon as practicable following the meeting, the results of the voting at the meeting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions proposed at the meeting will be announced via a Regulatory Information Service and also placed on the Company's website <https://uk.ecofininvest.com/funds/ecofin-us-renewables-infrastructure-trust-plc/>.
- 13 Under section 527 CA 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:
- (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the meeting; or
  - (b) any circumstance connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 CA 2006.
- The Company may not require the members requesting any such website publication to pay their expenses in complying with sections 527 or 528 CA 2006. Where the Company is required to place a statement on a website under section 527 CA 2006, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 CA 2006 to publish on a website.
- 14 Any member attending the meeting has the right to ask questions. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting. However, members should note that no answer need be given in the following circumstances:
- (a) if to do so would interfere unduly with the preparation of the meeting or would involve a disclosure of confidential information;
  - (b) if the answer has already been given on a website in the form of an answer to a question; or
  - (c) if it is undesirable in the interests in the Company or the good order of the meeting that the question be answered.
- 15 As at 25 April 2024, being the latest practicable date prior to the printing of this Notice, the Company's issued capital consisted of 138,078,496 Ordinary Shares carrying one vote each. Therefore, the total voting rights in the Company as at 25 April 2024 are 138,078,496.

## Notice of Annual General Meeting

- 16 This Notice, together with information about the total numbers of shares in the Company in respect of which members are entitled to exercise voting rights at the meeting as at 25 April 2024, being the latest practicable date prior to the printing of this Notice and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice, will be available on the Company's website <https://uk.ecofininvest.com/funds/ecofin-us-renewables-infrastructure-trust-plc/>.
- 17 Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.
- 18 Copies of the letters of appointment between the Company and its Directors will be available for inspection at the registered office of the Company between 9.00 a.m. and 5.00 p.m. on any weekday (Saturdays, Sundays and UK Public Holidays excluded) until the date of the meeting and also on the date and at the place of the meeting from 9.00 a.m. until the conclusion of the meeting.
- 19 Your personal data includes all data provided by you, or on your behalf, which relates to you as a shareholder, including your name and contact details, the votes you cast and your Shareholder Reference Number (attributed to you by the Company). The Company determines the purposes for which and the manner in which your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's Registrar) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise. The Company's privacy policy can found at <https://uk.ecofininvest.com/rnew/privacy-policy/>.

## Explanatory notes to Resolutions

### Annual report and accounts (Resolution 1)

The Directors are required to present to shareholders at the AGM the Annual Report and Accounts (**Annual Report**) for the year ended 31 December 2023 (the **Year**). These include the report of the Directors, the financial statements, and the report of the Auditor on the financial statements and on those parts of the Directors' Remuneration Report that are capable of being audited. Shareholders are being asked to receive the Annual Report.

### Directors' Remuneration Report (Resolution 2)

Shareholders will be asked to receive and approve the Directors' Remuneration Report for the Year. The Directors' Remuneration Report is set out in full on pages 49 to 51 of the Annual Report and it gives details of the Directors' remuneration for the Year.

The vote on the Directors' Remuneration Report is advisory in nature and the Directors' entitlement to remuneration is not conditional on it being passed.

### Dividend Policy (Resolution 3)

Shareholders will be asked to approve the Company's policy with respect to the payment of dividends. The Directors' policy is to pay dividends on a quarterly basis in May, August, November and February/March in respect of each financial accounting year. The timing of the proposed regular three-monthly payments means that shareholders do not have the opportunity to vote on a final dividend recommended by the Directors. The Directors recognise the importance of shareholder engagement, even though not required by any regulations, and shareholders are being given the opportunity to vote on the proposed dividend policy.

### Reappointment of all Directors standing for election (Resolutions 4 to 7)

In accordance with Article 91 of the Company's Articles of Association and the provisions of the UK Corporate Governance Code, the Directors have resolved that they will all retire at every annual general meeting and that those wishing to serve again shall offer themselves for re-election by the shareholders. All Directors stand to be elected by shareholders at the AGM of the Company. Biographical details of each of the proposed candidates for election can be found on pages 43 and 44 of the Annual Report.

The Board has determined that, in its judgement, all of the Non-Executive Directors being proposed for re-election meet the independence criteria prescribed in the UK Corporate Governance Code as all are independent in character and judgement and there are no relationships or circumstances which are likely to affect, or could appear to affect, their judgement.

Patrick O'Donnell Bourke (Resolution 4) – Patrick is an experienced board member with more than 25 years of experience in energy and infrastructure, especially renewable energy. He also has significant international investment experience, particularly in Europe, the U.S. and Australia.

David Fletcher (Resolution 5) – David has a strong accounting and financial background, having held the office of Finance Director at Stonehage Fleming Family & Partners Limited. He is a chartered accountant.

Tammy Richards (Resolution 6) – Tammy is an experienced risk management professional with expertise in structured finance and a history of leadership in a global financial services business. She spent over 30 years at GE Capital in the risk management function, with more than 10 years in the energy sector.

Louisa Vincent (Resolution 7) – Louisa has had a 30-year career in financial services working globally in institutional, wholesale and retail financial services, most recently at Lazard Asset Management Limited where she was Managing Director, Head of Institutions, with overall responsibility for the firm's institutional clients.

### Auditors (Resolutions 8 and 9)

The Company is required at each general meeting at which accounts are presented to appoint Auditors to hold office until the next such meeting.

BDO LLP, who have been in office since the Company's IPO, have indicated their willingness to continue in office. Accordingly, Resolution 8 appoints BDO LLP as Auditors to the Company and Resolution 9 authorises the Audit Committee to fix their remuneration.

### Authority of Directors to allot shares (Resolution 10)

The authority given to the Directors to allot further shares requires the prior authorisation of the shareholders in general meeting under section 551 CA 2006. Upon the passing of Resolution 10, the Directors will have authority to allot shares up to an aggregate nominal amount of \$138,078 which is approximately 10 per cent of the Company's current issued ordinary share capital as at 25 April 2024, being the latest practicable date before the publication of this Notice), at a price of not less than the Net Asset Value per Ordinary Share as close as practicable to the allotment or sale.

### Disapplication of pre-emption rights (Resolution 11)

If the Directors wish to exercise the authority under Resolution 10 and offer shares (or sell treasury shares) for cash, the CA 2006 requires that unless shareholders have given specific authority for the waiver of their statutory pre-emption rights, the new shares must be offered first to existing shareholders in

## Notice of Annual General Meeting

proportion to their existing shareholdings. In certain circumstances, it may be in the best interests of the Company to allot new shares (or to grant rights over shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion to their holdings.

Resolution 11 would authorise the Directors to do this by allowing the Directors to allot shares for cash or sell treasury shares for cash (i) by way of a rights issue or by way of an open offer or other pre-emptive offer of securities otherwise than strictly pro rata (and on the basis that the Directors can make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems, such as fractional entitlements and foreign securities laws), or (ii) otherwise up to an aggregate nominal value of \$138,078 (representing approximately 10 per cent of the issued ordinary share capital of the Company on 25 April 2024, being the latest practicable date prior to the publication of this Notice).

Any issue of shares will be at a price of not less than the prevailing Net Asset Value per Ordinary Share. Any use of these authorities is therefore expected to avoid any dilution of the Net Asset Value per existing Ordinary Share held by shareholders. This authority will expire immediately following the annual general meeting in 2025 or on 30 June 2025, whichever is the earlier.

The Directors intend to renew such authority at successive annual general meetings in accordance with current best practice.

### Authority for the Company to purchase its own shares (Resolution 12)

This Resolution is to authorise the Company to buy back up to 20,697,966 Ordinary Shares. The authority will expire at the conclusion of the annual general meeting in 2025 or 30 June 2025, if earlier, following the Resolution being passed. The Board intends to seek renewal of this authority at subsequent annual general meetings in accordance with current best practice.

The Resolution specifies the maximum number of Ordinary Shares which may be purchased (representing 14.99 per cent of the Company's issued ordinary share capital as at 25 April 2024) and the maximum and minimum prices at which they may be bought, exclusive of expenses, reflecting the requirements of the CA 2006 and the Listing Rules.

The Directors have no present intention of exercising this power and the granting of this authority should not be taken to imply that any Ordinary Shares will be purchased. No purchase of Ordinary Shares will be made unless it is expected that the effect will be to increase Net Asset Value per Ordinary Share and the Directors consider it to be in the best interests of all shareholders. The Directors would only authorise such purchases after careful consideration, taking account of other

investment opportunities, appropriate gearing levels, the effect on Net Asset Value and the overall financial position of the Company.

Under the CA 2006, the Company is allowed to hold its own shares in treasury following a buy back, instead of having to cancel them. This gives the Company the ability to re-issue treasury shares quickly and cost-effectively and provides the Company with additional flexibility in the management of its capital base. Such shares may be resold for cash but all rights attaching to them, including voting rights and any right to receive dividends are suspended whilst they are held in treasury. If the Board exercises the authority conferred by Resolution 12, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue.

As at 25 April 2024 being the latest practicable date before the publication of this Notice, the Company held no shares in treasury.

### Notice period for meetings (Resolution 13)

Resolution 13 is a resolution to allow the Company to hold general meetings (other than annual general meetings) on 14 clear days' notice. The CA 2006 requires the notice period for general meetings of the Company to be 21 clear days unless shareholders approve a shorter notice period, which cannot, however, be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice.

In order to preserve the Company's ability to call general meetings (other than an annual general meeting) on 14 clear days' notice, Resolution 13 seeks such approval. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole. If granted, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Note that under the CA 2006, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting. The Company provides this facility (see note 3 to this Notice for the Company's arrangements for electronic proxy appointments).

### Action to be taken

21 A Form of Proxy for use at the AGM can be found on the Company's website. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon, whether or not you intend to be present in person at the AGM. Forms of Proxy should be

returned so as to be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ as soon as possible and in any event no later than 48 hours excluding any part of a day that is a Saturday, Sunday or UK Public Holiday before the time appointed for holding the AGM that is to say, no later than 3.00 p.m. on 11 June 2024. Alternatively, Form(s) of Proxy can be submitted electronically, so as to have been received by the Company Secretary (rnewmbx@apexfs.group). The proxy appointment and instructions must be received electronically by Computershare Investor Services PLC or the Company Secretary not less than 48 hours excluding any part of a day that is a Saturday, Sunday or UK Public Holiday before the time appointed for holding the AGM, that is to say, no later than 3.00 p.m. on 11 June 2024.

### **Recommendation**

Your Directors consider that all the Resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of all the proposed Resolutions, as they intend to do in respect of their own beneficial holdings.



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