Pre-investment Disclosures required under the Alternative Investment Managers Directive, the FCA Handbook and the Sustainable Finance Disclosure Regulation as of July 2024

Introduction

Article 23(1) and (2) of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "**AIFMD**") and the Alternative Investment Fund Managers Regulations 2013 (as amended by the Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019) and Chapter 3.2 of the Investment Funds Sourcebook ("**FUND**") forming part of the FCA Handbook (the "**UK AIFM Regime**") require that Alternative Investment Fund Managers ("**AIFMs**", as defined in the AIFMD and the UK AIFM Regime) shall for each of the Alternative Investment Funds ("**AIFs**", as defined in the AIFMD and the UK AIFM Regime) that they market in the European Economic Area and the UK, respectively, make available to AIF investors, in accordance with the AIF rules or instruments of incorporation, certain information before they invest in the AIF, as well as any material changes thereof. This document contains the information required by Article 23(1) and (2) of the AIFMD and FUND 3.2 to be made available to investors in Greencoat Renewables PLC (the "**Company**") before they invest in the Company.

This document refers to, and should be read in conjunction with, the Admission Document (the "**Admission Document**") of the Company published on 25th July 2017 and the annual report relating to the Company for the period ended 31 December 2023 (the "**2023 Annual Report**"). Except as set out below, capitalised terms used in this document have the same meaning as in the Admission Document. This document should also be read in conjunction with any RNS announcements published on the website from time-to-time, the relevant information required by Rule 5.26 of the Euronext Growth Rules and Rule 26 of the AIM Rules, and the key information document relating to the Company (the "**KID**") all of which can be found on the Company's website: www.greencoat-renewables.com.

	WHAT IS THE REQUIRED INFORMATION?	**WHERE AND HOW IS IT MADE AVAILABLE?**
1	Investment strategy and objectives of the AIF.	The Investment Manager utilises its expertise as a renewable energy infrastructure manager to seek to generate attractive risk adjusted returns for Shareholders in the Company. **Investment Objective** Over a long term horizon the Company's aim is to provide investors with an annual dividend per Ordinary Share that increases progressively while growing the capital value of its investment portfolio. The Company is targeting an annualised dividend of Euro 0.06 per Ordinary Share. The Company is targeting an IRR of 7 to 8 per cent. (net of expenses and fees) on the Issue Price of the Ordinary Shares to be achieved over the longer term via active management of the investment portfolio, reinvestment of excess cash flows and the prudent use of leverage. The Company intends to hold assets in its investment portfolio for the long term.

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
		Investment Policy See pages 11 and 12 of the Admission Document for a description of the Investment Policy, subject to those amendments approved at general meetings of the Company held on 29 April 2020, 29 April 2021, 17 September 2021 and 13 October 2022. The Company also has a sustainable investment objective. See Appendix 2 for more information relating to SFDR. **Limits** The Company shall continue to invest in operational wind energy assets or operational solar PV assets in Ireland and Other Relevant Countries and/or in aggregate, up to 10 per cent. of the Gross Asset Value (calculated immediately following each investment) in Ireland and Other Relevant Countries: (1) in wind energy assets or solar PV assets under construction; or (2) in assets that are in other forms of energy technologies (or infrastructure that is complementary to, or supports the roll-out of, renewable energy generation). Over time, the Company will invest in both onshore and offshore wind farms with the amount invested in offshore wind farms being capped, in aggregate, at 40 per cent. of the Gross Asset Value (calculated immediately following each investment). **Single Investment Limit** It is the Company's intention that once the Gross Asset Value of the Company exceeds Euro 500 million, when any new acquisition is made, no interest in a single asset then acquired will have an acquisition price greater than 25 per cent. of the Gross Asset Value (calculated immediately following the acquisition) and in no circumstances will it exceed 30 per cent. of the Gross Asset Value (calculated immediately following the acquisition).

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
		Gearing Limit The Company intends to make prudent use of leverage to finance the acquisition of investments and to achieve target returns. The Company will generally avoid raising non-recourse debt by the SPVs owning individual wind farms in order to avoid the more onerous covenants required by lenders. The Company may raise debt from banks and/or capital markets. The Aggregate Group Debt will be limited to 60 per cent. of Gross Asset Value (calculated immediately following drawdown). Average Aggregate Group Debt is expected to be approximately 40 per cent. of Gross Asset Value over the medium to long term. Under the UK AIFM Regime, the Company is required to calculate leverage under the two methodologies specified by FUND, the 'Gross Method' and the 'Commitment Method'. The Investment Manager has currently set a limit of [450] per cent. on the use of leverage based on the Gross Method and a limit of [280] per cent. on the use of leverage based on the Commitment Method. There will not be any cross-financing between portfolio investments and the Company will not operate a common treasury function as between the Company and its investments. **Hedging** The Company may enter into hedging transactions in relation to interest rates and power prices for the purposes of efficient portfolio management. The Company will not enter into derivative transactions for speculative purposes. **Cash Balances and Cash Management Policy** Any cash held within the Group will be held in cash or invested in cash equivalents, near cash instruments and money market instruments. The Investment Manager will determine the cash management policy in consultation with the Board and the Administrator will implement it. **Further Investments** Further Investments will only be made if they comply with the Company's Investment Policy. Further Investments will be subject to satisfactory due diligence and agreement on price. It is anticipated that any Further Investments will be acquired out of existing cash resources, borrowings, funds raised from the issue of new capital in the Company or a combination of the three.

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
2	Information on the structure of the AIF.	The Company is an Irish public limited company managed by Greencoat Capital, the Investment Manager. The Company was incorporated in Ireland on 15 February 2017 as a designated activity company limited by shares under the Companies Act, with the name of Greencoat Renewables DAC and with registered number 598470. On 1 June 2017 the Company was re-registered as a public limited company under the Companies Act with the name Greencoat Renewables public limited company. The liability of the Shareholders is limited. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder. The Company's registered office is at Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland. The Company is domiciled in Ireland. The Company's corporate website, at which the information required by Rule 5.26 and Rule 26 of the Euronext Growth Rules and AIM Rules respectively can be found, is www.greencoat-renewables.com. The Company is managed on a day-to-day basis by the Investment Manager, which provides investment management services to the Company in accordance with the Investment Policy, subject to the overall supervision and direction of the Board. The Board, whose members are independent and have complementary backgrounds, monitors the Investment Manager's performance and retains the ability to make decisions with respect to certain matters, including significant acquisitions and the Company's funding requirements.
3	Types of assets in which the AIF may invest.	The Company has been established by the Investment Manager to give investors exposure to operational renewable energy infrastructure assets denominated in euro. The Company will seek to acquire 100 per cent., majority or minority interests in individual assets. These will usually be held through SPVs which hold underlying wind or solar farm assets. When investing in less than 100 per cent. of the equity share capital of an SPV, the Company will secure its shareholder rights through shareholders' agreements and other transaction documents. The Company will invest in equity and associated debt instruments when making such acquisitions.

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
4	Investment techniques the AIF may employ and all associated risks.	Please refer to (1) above in relation to the investment techniques employed by the Company and Appendix 1 in relation to the associated risks.
5	Any applicable investment restrictions.	Please refer to (1) above.
6	How the AIF may change its investment strategy and/or policy.	Material changes to the Company's Investment Policy may only be made with the approval of Shareholders by way of an ordinary resolution. Non-material changes to the Investment Policy must be approved by the Board, taking into account advice from the Investment Manager. The investment limits detailed above apply immediately following the acquisition of the relevant investment or drawdown. The Company will not be required to dispose of any investment or to rebalance its investment portfolio as a result of a change in the respective valuations of its assets. The Company will as soon as practicable make a public announcement to inform Shareholders of the actions to be taken by the Company and/or the Investment Manager in the event of any breach of the limits in the Investment Policy.
7	Main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, applicable law, and the existence (or not) of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established.	The Company is a public limited company under the Companies Act of Ireland, as amended. The liability of the Shareholders is limited. The principal legislation under which the Company operates is the Companies Act and the regulations made thereunder. The Company has one class of ordinary shares which carry no rights to fixed income. Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the Shareholders are entitled to all of the surplus assets of the Company. All shareholders have the same voting rights in respect of the share capital of the Company. Shareholders are entitled to attend and vote at general meetings of the Company and, on a poll, to one vote for each ordinary share held. The rights and obligations to the ordinary shares are set out in the Company's articles of association which are available on the Company's website: www.greencoat-renewables.com

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
8	Identity of the AIFM, the AIF's depositary, auditor and any other service providers and a description of their duties and the investors' rights.	**Investment Manager:** Schroders Greencoat LLP (4th Floor, The Peak, 5 Wilton Road, London, SW1V 1AN) The Company is managed on a day-to-day basis by the Investment Manager, which provides investment management services to the Company in accordance with the Investment Policy, subject to the overall supervision and direction of the Board. **Administrator:** Ocorian Fund Services (Ireland) Limited, (1st Floor, 1 Windmill Lane, Dublin D02 F206, Ireland) Ocorian Fund Services (Ireland) Limited has been appointed (from 1 July 2023) as the Administrator to provide administration services, which includes fund accounting, preparation of financial statements and making cash payments for the Company. **Depositary**: Ocorian Depositary Services (Ireland) Limited, (1st Floor, 1 Windmill Lane, Dublin D02 F206, Ireland) Ocorian Depositary Services (Ireland) Limited has separately been appointed (from 1 July 2023) as the Depositary to provide depositary services to the Company in accordance with the requirements of AIFMD. This includes the following requirements under AIFMD: general oversight, safe-keeping oversight and cash flow monitoring. **Auditors to the Company:** BDO (Block 3, Miesian Plaza, 5-58 Baggot Street Lower, Dublin 2, D02 Y754 Ireland) BDO provides statutory audit services to the Company in accordance with ISA. The annual report and financial statements and the half yearly report are prepared in accordance with IFRS and the Companies Act. **Registrar:** Computershare Investor Services (Ireland) Limited (Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18). The Company will utilise the services of Computershare Investors Services (Ireland) Limited as registrar in relation to the transfer and settlement of Ordinary Shares held in certificated form.

	WHAT IS THE REQUIRED INFORMATION?	WHERE AND HOW IS IT MADE AVAILABLE?
		Nominated Adviser and Euronext Growth Adviser: J & E Davy Unlimited Company (Davy House, 49 Dawson Street, Dublin 2, D02 PY05, Ireland) The Company has retained Davy as Nominated Adviser and Euronext Growth Adviser for the purposes of advising the Company and the Directors on continued compliance with the AIM Rules and the Euronext Growth Rules. Investors do not have any direct contractual rights against any of the third party service providers set out in this section because the obligations of each of the relevant service providers are set out in their respective agreements and/or engagement letters with the Company.
9	Does the AIFM hold additional capital, or professional indemnity insurance, against potential professional liability risks?	The Investment Manager covers the potential professional liability risks resulting from its activities by holding professional indemnity insurance in accordance with Article 9(7)(b) of AIFMD and with the requirements of FCA's Interim Prudential sourcebook for Investment Businesses (IPRU-INV) 11.3.11G (Professional Negligence).
10	Any management functions delegated by the AIFM and any safekeeping functions delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise.	The Investment Manager does not delegate any management functions. The Depositary has agreed not to delegate its functions as described in Regulation 22 of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. 257 of 2013), which transpose the AIFM Directive into Irish law (the AIFMD Regulations), save for those referred to in Regulation 22(8) of the AIFMD Regulations and in any event will not delegate its oversight services or cash flow monitoring services. The Depositary may only delegate to third parties (who may also sub-delegate such services) all or part of the custody services or asset verification services but in each case subject to the provisions of the depositary agreement and in particular the delegation criteria set out in the depositary agreement and the AIFMD Requirements. The liability of the Depositary will not be affected by any such delegation. The Depositary is required to make available details of all such delegates to the Investment Manager at all times.
11	Any arrangement made by the depositary to contractually discharge itself of liability.	Not applicable.

12.	A description of the AIF's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets, in line with FUND 3.9 (Valuation);	The Investment Manager will carry out the asset valuations, which form part of the Net Asset Value calculation. These asset valuations will be based on discounted cash flow methodology in line with International Private Equity and Venture Capital Guidelines (latest edition December 2018) and adjusted where appropriate, given the special nature of wind farm and solar farm investments. The valuations are based on a detailed financial model produced by the Investment Manager which takes into account, inter alia, the following: (1) due diligence findings where relevant; (2) the terms of any material contracts, including power purchase agreements ("**PPAs**"); (3) asset performance; (4) power price forecasts from a leading market consultant; and (5) the economic, legal, taxation or regulatory environment. The valuation model is independently audited by the Company's auditor on an annual basis as part of the balance sheet audit of the Company's financial statements. The Investment Manager, with the assistance of the Administrator, will calculate the Net Asset Value and Net Asset Value per Ordinary Share as at the end of each quarter of the Company's financial year and report such calculation to the Board for approval. The Board will approve each quarterly Net Asset Value calculation. These calculations will be reported quarterly to Shareholders and reconciled to the Company's statutory net assets in the Company's annual report. The Net Asset Value will also be announced as soon as possible on a Regulatory Information Service, by publication on its website: www.greencoat-renewables.com
13.	A description of the AIF's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors	The Company is an Irish public limited company incorporated in Ireland on 15 February 2017. Shareholders are entitled to participate in the assets of the Company attributable to their Ordinary Shares in a winding-up of the Company or other return of capital, but they have no rights of redemption. Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected. The Company mitigates this risk by maintaining a balance between continuity of funding and flexibility through the use of bank

14.	All fees, charges and expenses and the maximum amounts thereof which are directly or indirectly borne by investors.	*Management Fee* The Investment Manager is entitled to a management fee from the Company, which is calculated quarterly in arrears in accordance with the Investment Management Agreement. The fee is calculated in respect of each quarter and in each case based upon the Net Asset Value (most recently announced to the market (as adjusted for issues or repurchases of Ordinary Shares in the period between the date of announcement and the date of calculation) (the "**Relevant NAV**"): - on that part of the Relevant NAV up to and including €1 billion, an amount equal to 0.25% of such part of the Relevant NAV; - 0.2% of the Relevant NAV per quarter on that part of the Relevant NAV from €1 billion to €1.75 billion; and - 0.1875% of the Relevant NAV per quarter on that part of the Relevant NAV over €1.75 billion (together the "**Management Fee**"). The Management Fee shall be paid quarterly in arrears. Further information on fees payable under the Investment Management Agreement are described in paragraph 9.7 of Part 12 of the Admission Document. *Other fees and expenses* The Company bears all fees, costs and expenses in relation to the ongoing operation of the Company (including banking and financing fees) and all professional fees and costs relating to the acquisition or holding of investments and any proposed investments that are reviewed or contemplated but which do not proceed to completion. The Company also incurs fees, charges and expenses in connection with marketing, company secretarial fees, administrative fees, auditors' fees, lawyers' fees and corporate brokers' fees. The fees payable to the Directors pursuant to their letters of appointment are set out on page 30 of the 2023 Annual Report. With the consent of the Board, the Investment Manager may also charge the Company fees for the provision of services not contemplated by the Investment Management Agreement.
15	How the AIFM ensures fair treatment of investors and if an investor has obtained (a right to) preferential treatment, a description of that treatment, the type of investor concerned and their legal/economic links with the AIF or AIFM.	The AIFM will treat all of the Company's investors fairly and will not allow any investor to obtain preferential treatment, unless such treatment is disclosed in the Admission Document or subsequent RNS announcement.

		No investor currently obtains preferential treatment or the right to obtain preferential treatment.
16	Latest annual report of the AIF.	Annual report for the year ended 31st December 2023.
17	Procedure and conditions for the issue and sale of units/shares.	All of the ordinary shares in the Company are quoted on Euronext Growth of Euronext Dublin and on AIM of the London Stock Exchange. The directors may decide to issue further shares from time to time in accordance with the Euronext Growth Rules and AIM Rules, the Companies Act and the Company's articles of association, which are available on the Company's website: www.greencoat-renewables.com.
18	Historical performance of the AIF.	Annual report and historical financial reports, quarterly announcements & on website.
19	How and when the information required under FUND 3.2.5 R and FUND 3.2.6 R will be disclosed.	Under FUND 3.2.5 R, the AIFM must disclose to investors periodically: (1) the percentage of the Company's assets that are subject to special arrangements arising from their illiquid nature; (2) any new arrangements for managing the liquidity of the Company; and (3) the current risk profile of the Company and the risk management systems employed by the AIFM to manage those risks. The information shall be disclosed as part of the Company's periodic reporting to investors, as required by the Company's rules or instruments of incorporation or at the same time as the Admission Document and offering document and — at a minimum — at the same time as the Company's annual report is made available. Under FUND 3.2.6 R, the AIFM must disclose on a regular basis: (1) any changes to: (a) the maximum level of leverage that the AIFM may employ on behalf of the Company; and (b) any right of reuse of collateral or any guarantee granted under the leveraging arrangement; and (2) the total amount of leverage employed by the Company. Information on changes to the maximum level of leverage and any right of re-use of collateral or any guarantee under the leveraging arrangements shall be provided without undue delay. Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company's periodic reporting to investors, as required by

		the Company's rules or instruments of incorporation, or at the same time as any subsequent Admission Document, prospectus or offering document and at least at the same time as the Company's annual report is made available. Without limitation to the generality of the foregoing, any information required under FUND 3.2.5 R and FUND 3.2.6 R may be disclosed (a) in the Company's annual report or half-yearly report; (b) by the Company issuing an announcement via a Regulatory Information Service; (c) a subsequent Admission Document; and/or (d) by the Company publishing the relevant information on the Company's website.
20	Master fund domicile, if relevant.	Not applicable.
21	If the AIF is a fund of funds, the domicile of investee funds.	Not applicable.
22	Any collateral and asset.	Not applicable.

APPENDIX 1 – RISK FACTORS

Introduction

This appendix sets out certain risks which are considered to be material to the Company, its investments and the Ordinary Shares but are not the only risks relating to the Company, its investments and the Ordinary Shares.

This appendix refers to, and should be read in conjunction with, the Admission Document and the annual report relating to the Company for the period ended 31 December 2023 (the "**2023 Annual Report**"). Except as set out below, capitalised terms used in this document have the same meaning as in the Admission Document. This document does not update or amend any part of the Admission Document or the 2023 Annual Report. This document should also be read in conjunction with any RNS announcements published on the website, from time to time and the relevant information required by Rule 5.26 and Rule 26 of the Euronext Growth Rules and AIM Rules respectively, all of which can be found on the Company's website: www.greencoat-renewables.com. Potential investors should carefully review this appendix and the documents referred to above in their entirety.

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser, who specialises in advising on the acquisition of shares and other securities.

General

Investment in the Company carries a high degree of risk, including but not limited to the risks in relation to its investments and the Ordinary Shares referred to below. If any of the risks referred to in this document were to occur, the financial position and prospects of the Company could be materially and adversely affected. If that were to occur, the trading price of the Ordinary Shares and/or their Net Asset Value and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly and investors could lose all or part of their investment. An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. Investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before making an investment in the Company.

The Ordinary Shares are designed to be held over the long term and may not be suitable as short term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment. Any investment objectives of the Company are targets only and should not be treated as assurances or guarantees of performance. A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objectives of the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

The value of the Ordinary Shares and income derived from them (if any) can go down as well as up. There is no guarantee that the market price of the Ordinary Shares will fully reflect their underlying Net Asset Value. In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

A. LEGAL, REGULATORY AND POLICY RISKS

1 Risks relating to renewable energy market regulation and operation

1.1 The renewable infrastructure sector is subject to extensive legal and regulatory controls, and the Company and each of its investments are required to adhere to all applicable laws, regulations and regulatory standards which, among other things, require the Company or its investments to obtain and/or maintain certain authorisations, licences and approvals required for the construction and operation of the investments. There are also reporting requirements and continuous and comprehensive legal and regulatory controls.

1.2 There is a risk that an investment fails to obtain, maintain, renew or comply with all necessary permits or loses a necessary permit for failure to comply with the conditions attached to the permit or be unable to operate within limitations that may be imposed by governmental or local permits or current or future land use, environmental or other regulatory or common law (judicial) requirements. This could lead to the investment in question being forced to cease operations (or operate on a different basis) which could have a material adverse effect on the revenue and profitability of that investment and therefore on the operations and financial performance of the Company and its investments.

1.3 Further, the financial performance and results of the Company and its investments are subject to a variety of international, national and sub-national regulations determining the terms on which it can sell renewable energy or receive support in relation to it. EU member states still differ as to how they regulate and operate their respective electricity markets. Unanticipated changes to the way these markets operate, including to the applicable legal, regulatory and policy framework, as well as systemic market failure, could have a material adverse effect on the operations and financial performance of the Company and its investments.

2 Risks relating to changes in policies for renewable infrastructure and the general decarbonisation of the economy

2.1 The Company is subject to the risks associated with concentrating its investments in the renewable energy sector.

2.2 The increased use of energy from renewable sources and the adoption of other energy transition infrastructure are important components of the measures needed in Europe and elsewhere to reduce greenhouse gas emissions in order to comply with the United Nations Framework Convention on Climate Change and the Paris Agreement. The renewable energy sector partially depends on political and governmental support by each relevant country, including EU member states.

2.3 The EU adopted the Clean Energy for all European's Package in 2019. This aimed to facilitate the transition towards cleaner energy by setting targets for the production of energy from renewable sources pursuant to the Renewable Energy Directive (Directive (EU) 2018/2001) (a revised version of which entered into force on 24 December 2018). It established a binding EU target of at least 32% of electricity coming from renewable sources by 2030. These ambitions were increased in July 2021 when the "Fit for 55" policy package was proposed, and the proposals were strengthened further in March 2022 through the "REPowerEU Plan" following the invasion of Ukraine. In March 2023 the European Parliament and Council agreed to a binding target for renewable energy of 42.5% by 2030 with member states encouraged to try to reach 45% if possible. This now awaits final approval but is expected to be agreed.

2.4 Whilst the package is aimed at generally increasing generation and consumption of renewable source electricity, certain elements of it constrain current benefits such as priority dispatch or set rules for imbalance costs allocation to generators or general compensation. The Climate and Energy Environmental

Aid Guidelines dealing with the permissibility of state aid in EU Member States has further tightened the conditions under which state aid in form of renewable energy support schemes can be granted.

2.5 If the support for the increased use of energy from renewable sources and the adoption of other energy transition infrastructure were to be withdrawn, reduce or change on international, EU or country level, this could have a material adverse effect on the legislative and regulatory basis for such supports and on the operations and financial performance of the Company and its investments.

3 Risks relating to retroactive changes to support schemes or levy exemptions

3.1 With the development of the renewable energy market and historic decrease of costs associated with construction of new assets, countries, including EU member states, have, from time to time, revisited and generally revised their support schemes for the renewable energy sector to reduce the benefits available to new projects. The Investment Manager believes that, over the life of the Company's investments, this is also likely to be the case for emerging renewable or energy transition infrastructure technologies such as energy storage. However, in order to maintain investor confidence, in most countries the benefits already granted to operating projects are usually, but not uniformly, exempted from future regulatory change for the life of a project. This practice, which is referred to as 'grandfathering' ensures that operating projects are not adversely affected by any subsequent reduction in support levels during the eligibility period.

3.2 Experience from some EU member states including Spain and France have shown that full grandfathering of existing rights and support is not always ensured. It is dependent on a policy decision of a particular country. Where the rights and benefits granted have not been grandfathered, a number of investment treaty claims have been raised against the government for alleged breaches of the Energy Charter Treaty. In the absence of grandfathering, the Company is likely to incur losses. The same would be true for future changes to the support schemes or levy exemptions that would apply retroactively. Such changes could adversely impact the market price for renewable energy and/or the value of green benefits arising from or associated with generating renewable energy and therefore on the operations and financial performance of the Company and its investments.

4 Risk relating to changes in law (general and specific)

4.1 Aside from changes to the renewable energy policy or regulation, there is change in law risk. They can be specific (affecting the financial support of renewable energy and therefore affecting future investment opportunities) or general (i.e. changes in law unrelated to national support schemes, electricity market and prices and transmission/distribution network), which the Company will be generally expected to assume.

5 Risk of compelled disclosure

5.1 The Investment Manager and/or investors may be required by law or otherwise to disclose certain confidential information relating to a project. Such disclosure may affect the ability of the Company to realise its investment in such project, affect the price that the Company is able to obtain upon any subsequent realisation, or otherwise adversely affect the Company.

6 Risks relating to Government intervention

6.1 Extreme market volatility may lead to extensive and unprecedented government intervention in financial or energy markets. Such intervention may be extensive and suspend the operation of wholesale commodity markets and/or cap the price of certain commodities or of electricity and/or reform the design or particular arrangements of electricity markets. Further, it may be implemented on an emergency basis, introducing new regulation or taxation which may be unclear in scope, application and duration.

6.2 Recent examples include measures aimed at reducing the impact of increasing natural gas and electricity prices on consumer bills in the EU, to reduce electricity demand, to redistribute the energy sector's surplus revenues to final consumers, to introduce an energy price cap at a national level, to fill gas storage and reduce gas demand. In addition, there have been discussions around possible long-term measures such as reform of the electricity market design.

6.3 It is impossible to predict the impact of any such intervention or measures on the fulfilment of the Company's investment strategy or the performance of the Company and its investments, they could have a material adverse effect on the operations and financial performance of the Company and its investments.

7 Risks relating to electricity price volatility and cannibalisation

7.1 Electricity prices in Europe are generally driven by supply and demand for electricity, the price of gas and the price of carbon along with many other factors (e.g. decline in costs of other sources of electricity generation). There are many individual, market specific drivers and risks to the electricity price in each country. Electricity prices are prone to volatility. It cannot therefore be guaranteed that electricity market prices will remain at those levels that allow the Company to maintain its projected revenues or rate of return. Whilst some renewable energy projects benefit from fixed price arrangements for a period of time, others have revenue which is based wholly or in part on the prevailing wholesale electricity price.

7.2 The increasing penetration of renewables in the energy mix during low demand periods can be deflationary for market power prices which are currently set under a marginal variable costs system. In some markets, the system operator calls upon generation capacity on ascending order of variable cost until the demand is met. In other markets, largely the same outcome is effected through bilateral contracts. In spot markets, the last generation that was called upon (usually the least efficient/most costly) sets the price for all others that were used. Units that are less competitive than the 'on merit' plant do not get called and receive nothing. There is a risk that market prices could be lower than modelled if gas (as the dominant price-setting technology) or carbon prices (where applicable) are lower and/or there is greater renewables deployment, than forecast. A decline in the costs of other sources of electricity generation such as fossil fuels or nuclear could also reduce market prices.

7.3 The Company or its investments may trade in the relevant electricity market on a merchant basis and be exposed to the electricity market price. A reduction of the electricity market prices from the levels anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

7.4 Over the life of the Company's investments, it is possible that a number of broader regulatory changes to the renewable infrastructure sector including reforms to the design of the electricity market (such as the introduction of location based pricing, reforms to move from marginal pricing to pay as bid pricing, reforms to separate markets for intermittent and firm generation or changes to the design of the balancing mechanism, settlement periods and gate closure) or the design of emerging renewable infrastructure markets will be implemented across the EU which could also have an impact on wholesale electricity prices, the capture prices achieved by renewable energy assets or the support mechanisms for low carbon generation.

8 Risks relating to increasing needs to finance market reforms through sector levies and supplier obligations

8.1 The decarbonisation policies (e.g. hydrogen or e-fuels) in EU Member States as well as market reforms to address market failures such as the increased insolvency of suppliers due to price caps and limited hedging possibilities are increasingly addressed by financing resulting in additional costs through network operator or supplier levies or contributions. These costs are often generically applied to transmission charges or collected by the supplier through a supplier obligation and thus often apply also to renewable source electricity being sleeved or delivered by such suppliers. This may reduce competitive advantage or differentiating factor for renewable source electricity to be contracted through corporate PPAs and thus reduce demand in the market.

9 Risks relating to network curtailment and constraints

9.1 The Renewable Energy Directive provides that EU Member States have to provide for either priority access or guaranteed access to the grid-system for electricity produced from renewable energy sources. This is implemented in EU Member States through different and complex laws, regulations and grid codes. Regulation (EU) 2019/943 of 5 June 2019 on the internal market for electricity made changes to the priority dispatch regime for renewables with effect from 1 January 2020. It provides for grandfathering of commissioned plants with priority dispatch under a previous regime, provided that they were commissioned before 4 July 2019 and are not subject to significant modification. If there were to be a change in EU policy on priority dispatch, it could have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors. The same could be the case for the loss of priority dispatch from projects commissioned after 4 July 2019 or from grandfathered projects which undergo significant modification.

9.2 Constraints or curtailment may impact the generators of renewable energy. Various countries have its own, often different and complex rules, surrounding these issues. Changes to the treatment of dispatch constraints and/or curtailment in a manner that is different to that which was expected at the time of acquisition of a generation plant could have a material adverse effect on the Company’s financial position, operational results, overall business prospects and returns to its investors.

9.3 There may be current or future projects without firm grid connections. Where firm grid connection is not achieved, or is subject to substantial time and money investment (e.g. completion of certain reinforcement activities), this could have a material adverse effect on the Company’s financial position, operational results, overall business and returns to its investors.

9.4 Article 13 of Regulation (EU) 2019/943 of 5 June 2019 on the internal market for electricity provides that with effect from 1 January 2020 where non-market based redispatching is used in respect of generators with firm grid connections, it shall be subject to financial compensation by the system operator requesting the redispatching to the operator of the redispatched generation. Such financial compensation is to include lost financial support.

9.5 Many countries in the EU are still in the process of implementing the Regulation and it is not yet clear whether compensation for all lost revenue will be provided. Depending on the outcome of these decisions, this could have a material adverse effect on the Company’s financial position, operational results, overall business prospects and returns to its investors.

9.6 More generally, the Company cannot control curtailment or constraints other than through voluntary curtailment bids into the balancing market where this is available. Curtailments are usually not compensated under PPAs as deemed availability and increasingly compensation for the loss of the environmental attributes has to be provided in the case of curtailment. Besides this compensation risk, any restriction on a renewable generator plant´s ability to export electricity can have a material adverse effect of the Company’s financial position, operational results, overall business prospects and returns to its investors.

10 Risks relating to Network use and Balancing Markets

10.1 Renewable energy generation assets require a grid connection to the relevant network in order to export and sell its output. Given that, usually, the generator neither owns nor controls the (transmission or distribution) networks, it has to have necessary connection agreements in place and comply with such agreements. Regulatory changes to the manner in which generators access and use networks could have a material adverse effect on the operations and financial performance of the Company and its investments.

10.2 Unavailability of the network connection leads to unavailability of export and sale of renewable energy. In the circumstances where such unavailability is not due to breach or fault of the network owner or operator, it is questionable if and what kind and amount of compensation would be available to the Company. This could have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors. Even where these events are triggered by breach or fault of the network owner or operator, compensation may be subject to the liability caps.

10.3 The EU mandates a system of access to and use of the network where the system operator is obliged to issue an agreement for connection to or use of the network on request, provided that there is sufficient capacity. Further, in many markets, assets already connected to the grid may have so called 'firm connections' but it is possible that such assets may have to share their transport capacity with new assets in future. If this system was to be revoked, and access to the network no longer guaranteed or on terms no longer regulated, this could have a material adverse effect on the investment opportunities of the Company and could have a material adverse effect on the operations and financial performance of the Company and its investments.

10.4 Similarly, increased difficulties with, or obstacles to, connecting to the network will have a material adverse effect on the investment opportunities of the Company and could potentially diminish returns to its investors. Charges relating to the connection to and use of the networks form part of a generator's operating costs. The calculation of charges can be complex and may comprise several different elements. They vary from country to country. Increased costs or losses may be incurred as a result of changes in their regulation.

10.5 With the increase of investments in renewable energy projects, many countries have seen higher demand for network capacity. This has led to concerns of ''grid congestion'', where offers of capacity carry significant cost and delay associated with major grid reinforcement. With the increase of investments in renewable energy projects, many countries are also experiencing an increase in the volatility of balancing costs.

10.6 In order for renewable energy targets to be achieved, significant investment and delivery of grid infrastructure across the EU will be required. Historically the roll out of grid infrastructure across the EU has experienced delays. Delays in the delivery of new grid infrastructure could lead to increased grid congestion. A lack of access to the grid or delayed access or delayed anticipated upgrades, or access on the terms other than anticipated, or outages would have a material adverse effect on the operations and financial performance of the Company and its investments.

11 Risks arising from Taxation and Tax Information and Disclosures and Exchange Regimes

11.1 Changes in the Company's tax status or in tax legislation or regimes in Ireland or any other jurisdictions through which the Company invests, and any applicable tax treaties could have an adverse impact on the Company and its investments. The anticipated taxation profile of the structure of the Company and its investments is based on prevailing taxation law and accounting practice and standards. Any change in the actual or perceived tax status or exposure of the Company or any of its underlying investments or in tax legislation or practice (including in relation to taxation rates, interest deductibility, allowances, property and commercial rate taxes) or in accounting standards could adversely effect the anticipated taxation profile, which could ultimately affect returns to the Company.

11.2 No assurance can be given regarding the actual level of taxation that may be imposed upon the Company or its investments. In particular, tax laws and regulations (and interpretations thereof) are changing on an ongoing basis, and any such change may subject the Company and/or investors to adverse consequences potentially on a retroactive basis, including both as to tax and tax reporting obligations. For example, the Organisation for Economic Co-operation and Development's ("OECD's") ongoing Action Plan on Base Erosion and Profit Shifting (the "BEPs Action Plan"), has prompted and continues to prompt changes to domestic and international tax legislation.

11.3 The United States, pursuant to the Foreign Account Tax Compliance Act ("FATCA") has entered into numerous intergovernmental agreements with various jurisdictions concerning the exchange of information as a means to combat tax evasion. Further, the OCED Common Reporting Standard initiatives has prompted many countries to sign multilateral agreements for the exchange of information and the European Union has promulgated various legislative measures (including Council Directive 2018/822/EU ("DAC 6") relating to the reporting and exchange of information. DAC 6 provides for the mandatory disclosure of certain cross-border arrangements by intermediaries or taxpayers to tax authorities and mandates quarterly automatic exchange of this information among European member states. One or more information exchange regimes are likely to apply to the Company and/or its investment vehicles and may require the investment manager to collect and share with applicable tax authorities information concerning the Company's investors. Any failure to comply with such regimes may result in penalties or fines or withholding taxes.

12 Risk of European Union Screening Regulation

12.1 In March 2019, the EU adopted Regulation (EU) 2019/452 (the "Screening Regulation"), establishing a framework for the screening of foreign direct investments ("FDI") from non-EU countries that may affect security or public order. At that time, roughly half of the EU member states had some form of legislation in place for screening foreign direct investment within their territories (namely, Austria, Denmark, Finland, France, Germany, Hungary, Italy, Latvia, Lithuania, the Netherlands, Poland, Portugal, Romania, Slovenia and Spain). The Screening Regulation's objective is to equip the EU member states to identify, assess and mitigate potential risks for security or public order by creating a framework for EU member states that already have, or that may implement a screening mechanism. The Screening Regulation has been in force since 11 October 2020.

12.2 The Screening Regulation covers FDI from third countries, i.e. those investments "which establish or maintain lasting and direct links between investors from third countries including State entities, and undertakings carrying out an economic activity in an EU member state". The Screening Regulation is not triggered by any monetary threshold. The Screening Regulation empowers EU member states to review investments within its scope on the grounds of security or public order, and to take measures to address specific risks. The review of those investments and, when required, the adoption of measures preventing or conditioning an investment are the responsibility of EU member states.

12.3 In determining whether FDI is likely to affect security or public order, EU member states and the European Commission may "consider all relevant factors, including the effects on critical infrastructure, technologies (including key enabling technologies) and inputs which are essential for security or the maintenance of public order, the disruption, failure, loss or destruction of which would have a significant impact in EU member states or in the Union."

12.4 Under the Screening Regulation, the European Commission has no formal power to approve or prevent FDI, but it can intervene in national screening by obtaining information from the national competent authority. The European Commission may also screen FDI that is likely to affect projects or programmes of EU interest on the grounds of security or public order and issue an opinion. EU member states must take account of the European Commission's opinion and justify a decision not to follow such opinion. The framework establishes basic criteria for FDI screening, such as transparency, non-discrimination, procedural rules and factors to be taken into account in determining whether an investment is likely to affect security or public order.

12.5 The scope of the Screening Regulation suggests that more transactions involving companies in the EU are likely to be subject to FDI screening, and, if not screened, could be subject to ex post comments by EU member states or opinions by the European Commission up to 15 months after completion of the investment. The outcome of any FDI screening process may be difficult to predict, and there is no guarantee that, if applicable to a relevant entity, the decisions of a national competent authority would not adversely impact the Company’s investment in such entity.

13 Risks relating to exposure to wholesale gas prices

13.1 The wholesale market price of gas is volatile and is affected by a variety of factors, including global supply and demand for natural gas, liquefied natural gas and factors affecting commodities which impact upon the price of gas, such as oil, domestic market demand for gas, and delivery logistics such as the availability of interconnectors, gas storage and liquified natural gas facilities. Exchange rate movements between the currency in which power and gas are traded in the relevant markets in which the Company invests, the U.S. dollar (the currency in which crude oil is traded), and the Euro (the currency in which gas is traded in Continental Europe and in which EU emissions allowances are traded on energy markets) may impact the market price of gas in the Company's target markets.

13.2 Marginal generator technologies can be different in the various markets where the Company operates. A variation in the price of the raw materials of these technologies, such as natural gas or coal, can have and indirect effect on wholesale electricity prices. A decline in the market price from the levels anticipated by the Company could have a material adverse effect on the revenues and financial performance of the Company and its investments.

B. <u>RISKS RELATING TO THE OPERATIONS OF THE COMPANY</u>

1 Risks relating to permitting

1.1 The construction and operation of assets require regulatory approvals in most countries. There is a risk of failure to obtain/change, maintain, renew or comply with all necessary permits and licences or that the project(s) is unable to operate within limitations imposed by permits/licences or current/future land use, environmental or other requirements. Typically, permits will contain restrictions on the life of a project between 20 and 30 years from the date of commissioning but this varies from country to country. At the end of the granted permission, if a project is to continue in operation, an application to retain or replace the existing equipment is required to be made which may incur additional costs and potentially third party objections. These risks could lead to the project(s) not being allowed to export electricity or being required to be dismantled.

1.2 There can be no certainty that any extension will be received or that such extension is in accordance with the modelling by the Investment Manager and this could have a material adverse effect on the operations and financial performance of the Company and its investments.

2 Property-related risks

2.1 Legal rights over the sites on which the Company's investments are or will be located need to be secured through a lease agreement, license or other contractual arrangement. Reliance upon third-party owned site or property gives rise to a range of risks including deterioration of the property during the investment life, damages or other lease related costs, co-location of assets, counterparty and third party risks in relation to the lease agreement and property, invalidity of the lease agreement, termination of the lease following breach or due to other circumstances such as a mortgagee taking possession of the property or failure to obtain lease extensions or renewals for the asset life assumed by the Investment Manager. Whilst the Investment Manager will seek to minimise these risks through appropriate insurances, lease, licence and other contractual negotiation and site selection, there can be no guarantee that problems will not arise and these may result in disruption of operations and as a result the generation of lower energy volumes and lower revenues than anticipated which could have a material adverse effect on the operations and financial performance of the Company and its investments.

3 Risks related to offtake, power purchase agreements and imbalance charges

3.1 It can be difficult to predict the electricity generated by renewable energy sources in advance. This means that renewable energy generators are susceptible to incurring imbalance costs (charges or penalties imposed where actual electricity generation does not match forecast generation) even during normal operation.

3.2 It is possible to transfer the risk associated with imbalance charges to the PPA offtaker for a discount in the market price of the electricity, subject to certain standard conditions. Where imbalance risk has not been transferred to an offtaker in respect of a generating station, a change in balancing arrangements which introduces higher charges or penalties could have a material adverse effect on the affected projects' financial position, and ultimately the performance of the Company. Any termination of a PPA or imbalance agreement (for change of law or any other reason) and, depending on their nature, the amendments to a PPA or imbalance agreement (including if made pursuant to an expert determination) may have a material adverse effect on the operations and financial performance of the Company and its investments.

3.3 When projects are acquired on a merchant basis without a subsidy, or after the relevant subsidy period has expired, the Company or relevant entities may seek to enter into corporate PPAs or financial hedges to mitigate such projects' exposure to merchant power prices. This introduces several possible risks: (i) counterparty risk: there is possible counterparty risk where the Company or relevant entities are likely to suffer a loss in the event the counterparty to the hedging agreement or corporate PPA is unable to fulfil its obligations under the contract, (ii) volume and profile risk: the corporate PPAs and financial hedges can define an agreed contracted level of fixed volume and (iii) a change of law or regulation risk. A reduction of the revenue from the levels anticipated by the Investment Manager or inability to recontract could have a material adverse effect on the operations and financial performance of the Company and its investments.

3.4 In the case of baseload PPAs, in the event that a project does not produce sufficient volume in each individual period then it is required to procure the volume on the spot market to fulfil its fixed volume obligation under the agreement. Loss could be suffered in the event the project is required to acquire power at a higher price than the strike price under the corporate PPA/financial hedge which could have a material adverse effect on the operations and financial performance of the Company and its investments.

4 Risks relating to operation and maintenance and other project related contracts

4.1 Renewable energy infrastructure assets are dependent upon third-party O&M contractors for their operation and maintenance and assets acquired by the Company will generally have O&M contracts in place at the time of their acquisition. Portfolio companies may also have agreements with other counterparties for project related activities such as EPC or asset management.

4.2 The Company's ability to invest in and operate assets could be adversely affected if the contractors do not have sufficient capacity or requisite quality. As the growth of the renewables industry continues to accelerate, the competitiveness and demand for human resources with the requisite renewables skill and expertise continues to increase and the Company or relevant entities may not be able to engage suitable contractors or diversify the counterparties it engages.

4.3 Upon expiry of the early termination of an O&M contract, there is no assurance that replacement or renewal contracts can be negotiated on similar terms. Less favourable terms could result in increased costs or reduction in the terms of key warranties (for example for availability). Where a contractor needs replacing, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Company or relevant entities will be required to appoint a replacement contractor. Engaging a suitable contractor may take time (which could potentially lead to downtime for the relevant asset) and there may be costs associated with the re-tender process. A number of the commercial terms in these types of contracts are also linked to inflation. If the replacement or renewal of an existing O&M contract results in substantially greater costs or materially worse terms than those assumed, this could have a material adverse effect on the Company and its investments.

4.4 With any contractor, there can be no assurance that a contractor's work is of requisite quality or that the contractor will honour its obligations which may not only have an impact on financial returns but could also adversely affect the Company's and the Investment Manager's reputation. While the Investment Manager seeks warranty protection from counterparties to mitigate this risk, warranty protection is usually subject to limitations and may not adequately cover the risks.

4.5 Any prolonged and significant continued outbreak of disease epidemics or pandemics such as COVID-19 may affect contractors or service providers used by the Company or relevant entities in connection with the operation and maintenance of its assets through restrictions on the availability of the workforce. Furthermore, the business of the contractor could suffer a downturn which may result in the counterparty being unable to satisfy its obligations (including payment obligations under performance guarantees) in a timely manner or at all.

4.6 A reduction of the output or availability of assets as a result of the factors set out above, which is below that anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

5 Risks relating to technical design

5.1 Renewable energy generation and transmission assets are technically highly complex and sensitive. Some of the relevant technologies are also relatively new. There is only limited long-term experience with respect to the durability of such assets, in particular offshore wind and emerging energy transition technologies, including storage such as batteries. In some cases, there are few comparable systems worldwide that can be used to forecast the durability of such assets. Therefore, there is a risk that the assets, for unforeseeable reasons, cannot be used over the entire forecast period for their intended use, or achieve or maintain the predicted efficiency.

5.2 More generally, the renewable infrastructure assets (or components or equipment thereof) in the portfolio may not operate for the period assumed by the Investment Manager or may require significantly more maintenance expenditure to do so which is beyond that assumed in the Investment Manager’s business model.

5.3 Additional costs may be incurred for renewal, replacement or refurbishment of the assets or their system components. The timing and costs of such replacements or refurbishments is typically forecast based upon manufacturers' data and warranties and specialist advisers may be engaged to assist in such forecasting of lifecycle timings and costs and in the technical analysis of the build quality and projected asset life. However, shorter than anticipated asset lifespans or costs or inflation higher than forecast may result in lifecycle costs being higher than anticipated.

5.4 In particular, there is a risk of damage or even destruction of the assets due to extreme weather conditions such as storms, hail, snow/ice, earthquakes and other geological risks, which are likely to occur increasingly in the future and may also occur in areas or regions that seem to have been unproblematic so far. Furthermore, due to the geographical location of certain sites (e.g., offshore), there is a risk of increased corrosion or wear on system components which may result in additional maintenance costs or expenses.

6 Risks related to technology obsolescence

6.1 This risk arises where a change could occur in the way a service or product is delivered rendering the existing technology obsolete. Given the significant fixed costs involved in constructing assets in the infrastructure sector and the fact that many infrastructure technologies are well established, any technology change that occurs over the medium term could threaten the profitability of an investment, in particular due to the financing projections that are dependent on an extended project life. If such a change were to occur, these assets would have very few alternative uses should they become obsolete.

7 Risks relating to availability and performance of equipment

7.1 The Company's revenues will depend upon the availability and operating performance of the equipment and components used on its investments. A defect or a mechanical failure, or a decline in the operating performance will directly impact upon the revenues and profitability of an investment. In other words, the Company's revenues are materially dependent upon the quality and performance of the material, equipment and components with which the assets are constructed, the comprehensiveness of the operational and management contracts entered into in respect of an asset and the operational performance and lifespan of equipment. Problems in these areas may result in the generation of lower electricity volumes and lower revenues than anticipated, which could have a material adverse effect on the operations and financial performance of the Company and its investments.

7.2 The impact on the Company or its investments of any failure of or defect in the equipment used in the operation of its projects will be reduced to the extent that the Company or its investments has the benefit of any warranties or guarantees given by an equipment supplier (which cover the repair and/or replacement cost of failed equipment). However, warranties and performance guarantees typically only apply for a limited period of time, and may also be conditional on the equipment supplier being engaged to provide maintenance services to the project. Performance guarantees may also be linked to certain specified causes and can exclude other causes of failure in performance (e.g., unscheduled and scheduled grid outages). In addition, the timing of any payments under warranties and performance guarantees may result in delays in cashflow.

7.3 If equipment fails or does not perform properly after the expiry of any warranty or performance guarantee period and if insurance policies do not cover any related losses or business interruption, the Company or its investments will bear the cost of repair or replacement of that equipment and any associated lost revenue or business interruption.

7.4 Failure of equipment and decline in operating performance resulting in decreases in production, as well as the costs of repairing or replacing equipment may have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors.

8 Risks relating to volatility of price of equipment

8.1 Prices of raw materials, such as steel and aluminium, that are used in the construction and maintenance of project assets may be affected by supply restrictions or other market factors from time to time. Components and materials sourced from outside of Europe are especially subject to political, social, foreign exchange fluctuations and/or economic instability in regions where these components and materials are made and may be involved in future trade disruptions. The degree of the Company's exposure is dependent on the type of materials, rates imposed and timing of the tariffs.

8.2 To the extent countries into which the Company invests pass legislation that requires companies to source more equipment or components from domestic sources, it could result in increased costs for the Company's projects. There have been periods of industry-wide shortage of key components, including major equipment and raw materials, in times of rapid industry growth or regulatory change. Changes in European or national regulations may require new or different system components to satisfy the requirements of such newly effective codes or regulations, which may not be readily available for distribution to the Company, relevant entities or their suppliers.

8.3 The manufacturing infrastructure for some of the projects' components have long lead times, require significant capital investment, and rely on the continued availability of key commodity materials, which could negatively affect the Company's ability to complete projects in a timely manner and increase costs.

8.4 If any of the Company's or relevant entities' suppliers cannot perform under their agreements, the Company or relevant entities may need to seek alternative suppliers. Using alternative suppliers may result in higher costs and/or the inability to meet project schedules, and/or may not be of the same quality as that provided by existing suppliers. As a result, the Company or relevant entities may be required to make significant additional investment to remove, replace, or redesign equipment that cannot be supported or maintained by replacement suppliers.

8.5 During the early development and construction stage of a renewable energy project, this can sometimes translate to corresponding changes in the value of specific tariffs applicable to such project thereby requiring a higher proportion of capital for the completion of the project or resulting in lower revenue than anticipated by the Investment Manager. During the operational life of a project, the price and availability of equipment can lead to higher operational and downtime costs.

8.6 An increase in costs or a reduction of revenues from the levels anticipated as a result of the price of raw materials, components and equipment for whatever reason, could have a material adverse effect on the operations and financial performance of the Company and its investments.

9 Risks related to supply chain

9.1 Supply chain are risks may be present in elements of the supply chains supporting renewable energy technologies including, without limitation, wind, solar and rechargeable battery production. This is due to key materials and components such as cobalt, polysilicon and copper often being used in the production of such assets, and concerns around potential forced labour in the mining and/or production process or sanctions imposed on the country of origin. Increased public scrutiny and growing global legislation has increased the focus on due diligence and supply chain interrogation as well as periodic reporting in certain jurisdictions. Given the anticipated complexity and geographical scope of the Company's supply chain, there can be no assurance that the Investment Manager will adequately identify all exposures to supply chain risks, which could adversely affect the long-term security of the supply chain and expose the Company to reputational and regulatory risks.

10 Risks related to change in public attitude

10.1 The sector in which the Company's investments operate relies in part on upon specific regulatory support, including premium prices on renewable electricity production. Such support has been legislated in a number of countries based upon growing public and political support for renewable energy, due in particular to increasing public concerns about climate change, energy security and energy affordability. Adverse public opinion towards renewable energy or energy transition infrastructure, or lobbying efforts by specific interest groups, as a result of factors such as general economic conditions, negative consumer perception of increases in usage fee rates, the prevailing rate of inflation, the appearance or environmental impact of renewable energy installations could result in an increase in security and regulatory risk to operating renewable energy assets which could have a material adverse effect on the operations and financial performance of the Company and its investments.

11 Risks relating to insurance

11.1 Renewable energy generation projects generally take out insurance to cover the costs of repairs, business interruption and third party liability, although not all risks are insured or insurable and deductibles and/or excesses will apply. For example, losses as a result of force majeure or environmental contamination may not be available at all or on commercially reasonable terms or a dispute may arise over whether a specific event is covered by an insurance policy. It is not possible to guarantee that insurance policies will cover all possible losses resulting from outages, failure of equipment, repair and replacement of failed equipment, environmental liabilities or legal actions brought by third parties. In cases of frequent damage, insurance contracts might be amended or cancelled by the insurer. The uninsured loss or loss above limits of existing insurance policies could have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors.

11.2 In addition, if insurance premium levels significantly increase, the Company or its investments may not be able to maintain insurance coverage comparable to that currently in effect or may only be able to do so at a significantly higher cost. In some cases, insurers will require the insured party to undertake risk mitigation works at its own cost in order to be eligible for cover. Failure to secure insurance at the levels and cost anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

12 Risks relating to the acquisition of assets in or prior to construction

12.1 The Company may develop and/or acquire projects which have not started or completed construction or which may require repowering, and are therefore not yet operating and producing output.

12.2 During the construction period of a project, there are risks that either the works are not completed within the agreed timeframe or construction costs overrun. There is therefore risk that the anticipated returns of the project will be adversely affected. Generally, it is intended that the construction contractors bear substantial risk in relation to delay in completion of the construction and that any “overrun” in the costs of the construction will be passed on contractually to the relevant subcontractor or deducted from sums due to asset vendors. Despite the use of prudent construction management professionals, there remains a risk that, in the case of substantial unmitigated delay, this could put at risk the deadlines for accrediting, where applicable, for a renewable energy subsidy, substantially undermining the returns to the Company.

12.3 Further, the design and construction activities would typically be subcontracted. The subcontractors responsible for the construction of an asset within the portfolio will normally retain liability in respect of design, construction and operating defects in the asset for a statutory period (which varies by type of asset) following the construction of the asset, subject to liability caps. In addition to this financial liability, the construction subcontractor will also often have agreed an obligation to return to site in order to carry out any remedial works required for a pre-agreed period. There is a risk, however, that the construction subcontractor will be successful in rejecting liability for a claimed defect. Where this is the case, or where any defects arise after the expiry of contractual limitation periods, the project will not normally have recourse to any third party. Accordingly, in such circumstances, the project would have to bear such losses or meet such costs itself, which would be likely to reduce the Company’s returns from such project.

12.4 Any prolonged and significant continued outbreak of disease epidemics or pandemics, terrorist attacks or wars, natural disasters, nuclear, chemical or biological contamination or other similar circumstances not within a contractor's or subcontractor's reasonable control may result in contractors or subcontractors claiming “force majeure” or require them to adopt changed working practices to those envisaged which may result in the counterparty being unable to satisfy its obligations in a timely manner or at all.. This could result in additional costs and / or delays and potentially the loss of key revenue streams through missing contractual or regulatory dates or deadlines. Private PPAs may also contain deadlines by which projects must become operational failing which damages may be payable or a right to terminate may arise.

12.5 Renewable infrastructure assets that have not been in operation for a period prior to acquisition have no ‘‘track record’’. Accordingly, forecasts and projections on their future performance may not be based on actual historical data and, for this reason, carry a greater risk of being inaccurate.

12.6 The Company may also enter into forward purchase agreements in relation to the development and construction of assets. These agreements contain some development and construction risk, and while there is no capital expenditure at risk in a forward purchase scenario, the Company could still be exposed to certain risks around delays and cost overruns and changes in market conditions, which could impact the Company's returns from such projects.

12.7 An increase in costs or a delay or reduction in revenue beyond the levels anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

13 Risks relating from competing neighbouring projects

13.1 There could be new renewable energy generation assets built at close proximity from the assets of the Company. The Company's wind assets could be adversely affected by wake and blockage effects. Wake or blockage effects can result in a significant reduction in the long-term energy production of affected wind farms. In addition, turbulence caused by nearby wind farms could reduce the operational life of the wind farms or increase long term maintenance costs. New wind farms could also generate grid congestion / bottleneck, resulting in production curtailment in areas where the export capacity is limited. This could particularly happen in windy periods where all wind farms are generating at high capacity. Such risks could have a material adverse effect on the overall business, financial position, operating results and future growth prospects of the Company, as well as returns to its investors.

14 Risks of contracting with government authorities

14.1 The Company intends to invest in projects that are remunerated by both government support schemes and private PPAs. Any agreement with governmental authorities may contain clauses more favourable to the governmental counterparty than a typical commercial contract and may restrict the Company's ability to operate the investment in a way that maximises cash flows and profitability. For instance, such agreements may include termination clauses permitting a governmental authority to terminate the agreement under certain circumstances without payment of adequate compensation. Furthermore, governmental authorities have considerable discretion in implementing regulations that could impact the renewable energy market, and because investments provide basic, everyday services and face limited competition, governments may be influenced by political considerations and may make decisions that adversely affect the Company's investments. There is a risk that if contracts or other arrangements with governmental authorities are amended, legally deficient or unenforceable, the returns of the investments may be affected. As a result, profitability of the Company may be impaired leading to reduced returns to its investors.

15 Risks relating to cyber security

15.1 There exists an increasing threat of cyber-attack in which a hacker or computer virus may attempt to access the Investment Manager's website or their secure data, or the computer systems of one or more of the companies in the portfolio or of a service provider including the control systems that automate certain aspects of the operation of a project, and attempt to either destroy or use this data for malicious purposes. This also may also affect third-party infrastructure such as networks on which the project may rely. If such risks materialise, this could result in shut down of generation assets or causing damage to equipment. Not all loss or disruption following on from an attack may be covered or mitigated by insurance policies. Further, there could be a cost associated with the remediation of systems, as well as the risk of financial penalties from the data protection regulator. Losses from such risks above the levels anticipated could have a material adverse effect on the operations and financial performance of the Company and its investments.

16 Risks relating to artificial intelligence and machine learning technology

16.1 Recent technological advances in artificial intelligence ("AI") and machine learning technology including 'Generative AI' (collectively, "Machine Learning Technology") refers to artificial intelligence that can generate new content such as text, images, videos based on its training. ChatGPT is an example of a Generative AI model released by OpenAI that can generate human-like text. Generative AI has the potential to positively impact businesses by automating repetitive tasks and increasing productivity. However, it also poses risks to the Company and the Investment Manager, such as bias, job disruption and legal issues.

16.2 While the Investment Manager could utilise Machine Learning Technology in connection with its business activities, including investment and asset management activities, the Investment Manager continues to evaluate and adjust internal policies governing use of Machine Learning Technology by its personnel. Notwithstanding any such policies, the Investment Manager personnel could, unbeknownst to the Investment Manager, utilise Machine Learning Technology in contravention of such policies. The Company and the Investment Manager could be further exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties, whether or not known to the Investment Manager, also use Machine Learning Technology in their business activities. The Investment Manager may not be in a position to control the manner in which Machine Learning Technology is used, or the manner in which third-party services are provided.

16.3 Independent of its context of use, Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilises to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error – potentially materially so – and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of Machine Learning Technology. To the extent that the Company and the Investment Manager are exposed to the risks of Machine Learning Technology use, any such inaccuracies or errors could have adverse impact on the Company.

16.4 Use of Machine Learning Technology by any of the parties described in the previous paragraph could include the input of confidential information — either by third parties in contravention of non-disclosure agreements or by the Investment Manager personnel in contravention of the Investment Manager's policies —into Machine Learning Technology applications, resulting in such confidential information becoming part of a dataset that is accessible by other third-party Machine Learning Technology applications and users.

16.5 There are numerous regulatory efforts focused on AI that are expected to provide a pathway to risk mitigation. More laws and regulations are expected as generative AI becomes more widely adopted and will lead to contracts and policies need to be in place to govern AI development and use. Machine Learning Technology and its applications, continue to develop rapidly, and it is impossible to predict the future risks that may arise from such developments.

17 Risk of uncertain economic conditions

17.1 Changes in general economic and market conditions including, interest rates, rates of inflation, industry conditions, competition, political events and trends, tax laws, national and international conflicts and other factors could substantially and adversely affect the Company's prospects. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or, military conflicts and/or prolonged global conflict, localised or global financial crises, disease epidemics or pandemics, the introduction or amendment by certain jurisdictions of anti-money laundering, embargo and/or trade sanctions (such as those recently introduced by the U.S., the UK and the EU and other nation states in response to the conflict in Ukraine), or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localised or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modelling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses in an uncertain environment or economic downturn, may have an adverse effect on the economy generally and on the ability of the Company to execute its strategy. This may slow the rate of future investments by the Company and may have an adverse effect upon the Company's existing investments.

18 Risk of uncertain capital market conditions

18.1 The Company's performance can be affected by deterioration in the capital markets and by a range of macro-economic and geopolitical events that are not within the Company's control. Any such event or combination of events may adversely impact the Company's ability to access equity capital to fund growth or working capital in order to support its investment objective.

19 Risks relating to external debt and cash deposits

19.1 In accordance with its investment strategy, the Company uses financing from third parties the availability and cost of which are influenced by a wide range of factors beyond the control of the Company. As a result, the Company may be unable to secure financing for new, or re-financing for existing, investment opportunities at a cost it considers acceptable or meets its return requirements.

19.2 External debt facilities entered into by the Company may require the Company to act within certain operational and financial parameters which, if breached, could result in the imposition of financial penalties or other restrictions.

19.3 The failure of particular financial institutions, namely banks or other deposit taking institutions, may increase the possibility of a sustained deterioration of financial market liquidity, or illiquidity at clearing, cash management or custodial financial institutions. If the banks or financial institutions used by the Company or relevant entities fail, such events could have a material adverse effect on the Company and its investments.

19.4 In addition, the failure of a bank or financial institution with which the Company or relevant entities have a commercial relationship could adversely affect the ability to pursue the Company’s investment strategy or other key strategic initiatives, including the Company’s or relevant entities’ access to deposits or ability to borrow money from such financial institutions on favourable terms. The ability of the Company or relevant entities to widen their banking relationships across multiple financial institutions may be limited by contractual terms with the failed or distressed financial institution, including security interests over the assets of the Company or relevant entities. If a portfolio company has a commercial relationship with a bank or financial institution that has failed or is otherwise distressed, the portfolio company may experience difficulty receiving financial support for its operations or to consummate transactions, to the detriment of the portfolio company’s business, and in turn, the Company’s investments. Furthermore, the failure of such financial institution could affect the ability of any co-investors to undertake or execute co-investment transactions with the Company, which in turn may result in fewer co-investment opportunities being made available to the Company and/or have other material effects on the Company or relevant entities.

19.5 A proportion of the Company’s cash assets may be held by a limited number of banks or financial institutions. If a bank or financial institution at which the Company or relevant entities maintains deposit accounts or securities accounts fails, any cash or other assets in such accounts may be temporarily inaccessible or permanently lost by the Company or relevant entities. Furthermore, the Company may be unable to or may choose not to call capital from investors until it has established a new deposit account at a different bank or financial institution, which may be a time-consuming process and may be restricted or prohibited by the terms of the Company’s then-existing credit facilities. The failure of a bank which provides services to the Company may result in the Company not being able to obtain replacement services from other financial institutions with similar terms. If the Company’s or relevant entities’ credit facilities and accounts are provided by the same financial institution which has failed, the Company may face significant difficulties in funding any near-term obligations it has in respect of its investments.

20 Risks relating to theft and other events outside the Company’s control

20.1 The equipment or components used in renewable infrastructure assets may be subject to theft. If the Company's investments become targets for theft, terrorist or other political actions, they may, for an indefinite period of time, be unable to operate and/or their value may be adversely affected, in turn, increasing any potential loss from third-party claims against the Company for such failures.

20.2 Natural disasters, severe weather, accidents or other events outside the Company’s control could damage the assets within the portfolio. Earthquakes, lightning strikes, tornadoes, extreme winds, severe storms, snow, fire, floods, wildfires and other unfavourable weather conditions or natural disasters may damage, or require the shutdown of, a project or plant or related components or facilities. Events such as war, insurrection, civil unrest, strikes, public disobedience, industrial action, computer and other technological malfunctions, telecommunication failures, terrorism, crimes, nationalisation, national or international sanctions and embargoes, radioactive, chemical or biological contamination, disease or pandemics and pressure waves may damage or destroy property owned or used by investments or result in the inability to use the damaged or destroyed properties for their intended uses for an extended period or in injury or loss of life or litigation related thereto. All such events could have a material adverse effect on the operations and financial performance of the Company and its investments.

20.3 Such risks may not be insurable, may be insurable only at rates that the Company deems uneconomic or, even if insured, the level of cover may not prove adequate which could have a material adverse effect on the operations and financial performance of the Company and its investments.

C. RISKS RELATING TO THE NATURAL ENVIRONMENT

1 Risks relating to meteorological conditions

1.1 The revenue of a renewable energy investment (and consequently of the Company) may be dependent on the weather systems and meteorological conditions at the particular site. Conditions at any site can vary over time and can change materially and quickly. Variations also depend on seasons and, over the long-term as a result of more general changes or trends in climate.

1.2 Meteorological conditions in different areas within a jurisdiction can be correlated and weather patterns sitting across such jurisdiction are likely to have an influence on revenues generated by renewable energy assets within such jurisdiction, whether onshore or offshore. Conditions may also be affected by man-made or natural obstructions constructed in the vicinity of a site, including other installations, forestry or nearby buildings. A sustained decline in wind conditions, a decline in the amount of solar irradiation or other unforeseen obstructions affecting wind or sunlight in locations where the Company's assets may be located could lead to a reduction in the volume of energy the Company's investments produce.

1.3 The accuracy of forecast meteorological conditions at any particular renewable generation site cannot be guaranteed, although such forecasts are used to try to predict the financial performance of a project. Forecasting can be inaccurate due to meteorological measurement errors, the reliability of the forecasting model, or errors in the assumptions applied to the forecasting model. Furthermore, forecasters look at long-term data and there can be short-term fluctuations from such data. There is also no guarantee that the data collected will be indicative of future meteorological conditions. If conditions at any of the Company's assets do not correspond to forecasts or the conclusions drawn from production data, this could result in the generation of lower electricity volumes and lower revenue than anticipated which could have a material adverse effect on the operations and financial performance of the Company and its investments.

2 Climate risk

2.1 Climate risk can be classified into two broad categories: (i) the risks associated with the physical impacts of climate change and (ii) the risks associated with the transition to a decarbonised economy. Physical risks may consist of acute physical risk, which can refer to event driven perils, including increased severity of extreme weather events (e.g., floods/storms) and chronic physical risk, which can refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that cause sea level rise, heat waves, droughts, and desertification. Renewable energy assets need to be resilient to the foreseen extreme weather events and temperatures. Transition risks refers to policy, legal, reputational, technology and market risks of moving to a decarbonised economy. These can refer to a redistribution of incentives from high to low carbon technologies and markets. Liability may arise with respect to operational greenhouse gas (“GHG”) emissions (direct and indirect), and there may also be increased stakeholder and regulatory attention on climate risk disclosures and reporting of GHG emissions facilitated through financial services and other enabling professional services. Not taking adequate steps to address climate change may lead to a higher exposure to transition risk, including reputational damage.

2.2 Climate risk assessment requires forward-looking scenario analysis. This can affect the short, medium, and long-term outlook of business value, operations and assumptions. Climate-related risks can be region, location, sector, Company and asset specific. Climate risk can be non-linear, systemic, not stationary, (it can lead to the breakdown of an entire system e.g., food, health, economy) and regressive (disproportionally affecting the poor and vulnerable), which can result in high socioeconomic impacts and shocks. Therefore, climate-related risks may affect most, if not all, of the material sustainability factors in any given sub-sector.

2.3 Sudden changes in climate policies, technology or market sentiment could lead to economic dislocation and a reassessment of the value of a variety of assets. A late and abrupt transition to a decarbonised economy could lead to assets suddenly losing value and a rapid repricing of climate-related risks if they are not already sufficiently priced in by market participants. In turn, this could negatively affect the balance sheets of market participants, with potential consequences for financial stability. Changes beyond the levels anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments. Furthermore, should these climate risks fail to be identified and mitigated or materially changed, to the extent climate risks materialise, they could have a material adverse effect on the Company. Changes beyond the levels anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments. Furthermore, should these climate risks fail to be identified and mitigated or materially changed, they could have a material adverse effect on the Company.

3 Sustainability risks and ESG

3.1 The Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (**SFDR**) defines ‘sustainability risks’ as ‘an environmental, social or governance (**ESG**) event or condition that, if it occurs, could cause an actual or a potential material negative impact’ on the value of an investment. The Company and its investments may be exposed to a range of sustainability risks, including (i) environmental risks, such as risks relating to the natural environment and climate risk (e.g., relating to biodiversity, carbon emissions and pollution, changes to the environmental circumstances in connection with climate change such as transitional or physical risks, and compliance with planning permission restrictions, environmental laws and standards); (ii) social risks (e.g., relating to human rights in the supply chain (including modern slavery and other forms of forced labour), public health risks (including pandemics), social licence/risks related to change in public attitude and risks to health and safety); and (iii) governance risk (including cyber risks and risks due to inadequate compliance with regulatory and governance requirements including conflicts and related party transactions, anti-bribery and anti-corruption, alongside risks of fraud and tax evasion).

3.2 Sustainability risks, matters, and associated impacts – such as principal adverse impacts on 'sustainability factors', defined under SFDR to mean 'environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters' – are increasingly becoming regulated and required to be the subject of due diligence, data collection and detailed disclosure. The emerging nature of these regulations, and detailed accompanying guidance, may expose the Company to risks associated with adapting its sustainability-related policies and procedures, as well as contracting frameworks, to ensure compliance with applicable frameworks, in addition to collection, collation, assurance (where required) and disclosure of applicable data in relation to those impacts.

3.3 The Investment Manager has in place a policy to integrate sustainability risks as part of its investment decision making and ongoing risk-monitoring to the extent that such risks represent potential or actual material risks to and/or opportunities for maximising the long-term risk-adjusted returns. Where potential sustainability risks are identified as part of the due diligence process, the Investment Manager seeks to either (i) mitigate such risks to an acceptable extent, (ii) reflect such risks within the purchase value, or (iii) reject an investment where the sustainability risk is sufficiently material that it (a) cannot easily be remediated after investment, or (b) exceeds risk tolerances. Changes in such regulations beyond the levels anticipated by the

Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

3.4 The integration of sustainability factors is to a degree subjective and there is no assurance that all investments made by the Company will reflect the beliefs or values of each investor. Further not all risks may be identified and mitigated or materially changed, and investments deemed to be 'sustainable' may not carry lesser risks. To the extent sustainability risks materialise or there are unanticipated changes to the regulations, they could have a material adverse effect on the operations and financial performance of the Company and its investments.

4 Risks relating to health and safety

4.1 The physical location, construction, maintenance and operation of renewable infrastructure assets pose health and safety risks to those involved. Construction and maintenance of renewable infrastructure assets may result in industrial accidents involving bodily injury, particularly if an individual were to fall from height, fall or be injured when working with equipment including but not limited to being electrocuted. In addition, third-parties and members of the public could access the sites through public rights of way, as a requirement to undertake work, or through trespass, with the risk of injuring themselves while there.

4.2 If an accident were to occur involving a Company's investment, the Company or relevant entities could be liable for damages or compensation to the extent such loss is not covered under existing insurance policies or suffer revenue losses if the renewable infrastructure asset was not permitted to operate as a result and this may also have a material adverse effect on the Company's and the Investment Manager's reputation and, in extremis, ability to operate. Such outcomes could have a material adverse effect on the operations and financial performance of the Company and its investments.

5 Risks relating to environmental liabilities, decommissioning and restoration obligations

5.1 Environmental laws and regulations in the jurisdictions in which the Company invests may have an impact on the Company's activities and it is difficult to predict accurately the effects of future changes in such laws or regulations on the Company's financial performance. There can be no assurance that environmental costs and liabilities will not be incurred in the future and environmental regulators may seek to impose injunctions or other sanctions on the Company's operations.

5.2 To the extent there are environmental liabilities arising in the future in relation to any sites owned or used by a Company's investment, including but not limited to, clean-up and remediation liabilities, the Company or any relevant entities may, subject to their contractual arrangements (including historical remediation arrangements), be required to contribute financially towards any such liabilities. In certain circumstances and depending on the extent to which the Company has knowledge of, or is otherwise held indirectly responsible for, a relevant environmental liability, the Company itself could be made liable for a breach of environmental law by an operating Company in its portfolio. The level of any contribution required by the Company, or the relevant entities may not be restricted by the value of the sites or by the value of the Company's total investment in the relevant asset. Furthermore, the Company or relevant entities may be required to perform a remediation works programme or obtain additional environmental consents.

5.3 Further, renewable infrastructure are often subject to decommissioning obligations requiring the remediation of the sites following the end of the asset's operational life or cessation for a particular period, generally for a year or more. Such obligations are often accompanied by requirements to post performance security in the form of bonds or cash deposit. Decommissioning costs may be greater than assumed or the quantum of scrap value or repowering value may be different to that anticipated by the Investment Manager, thus causing a reduction in the value of the Company and its investments.

5.4 Enforcement in relation to the above could have a material adverse effect on the operations and financial performance of the Company and its investments.

6 Risks relating to nuisance and harm to the natural environment

6.1 The construction and operation of renewable infrastructure assets and the development of any man-made structures may be considered a source of nuisance, pollution or other environmental harm to the local population, flora and/or fauna and/or nature generally, which may result in claims against the Company or relevant entities.

6.2 For example, the noise, television interference or shadow flicker from turbine blades may cause a nuisance to the local population. PV panels may contain hazardous materials, and although they are sealed under normal operating conditions, there is the potential for environmental contamination if they were damaged, poorly maintained or improperly disposed of following decommissioning. Turbine blades may cause harm to local bird or bat populations. Solar facilities may interfere with existing land uses which could impact specially designated nearby areas. The selection of competent and experienced contractors to perform the relevant design, construction, operation and maintenance of facilities minimises the risk of these occurrences, however there is no guarantee these risks can always be eliminated. The Company cannot guarantee that the assets in its portfolio will not be considered a source of nuisance, pollution or other environmental harm, or that claims will not be made against the Company in connection with such assets and their effects on the natural environment or humans.

6.3 Claims may arise irrespective of compliance with the limits contained in planning consents or other relevant permits which would have been taken. Claims for nuisance can also arise due to changes in the local population (sensitivity or location), operational changes (e.g., deterioration of components), or from aggregation of impacts with new projects constructed subsequently in the vicinity. This could lead to increased cost from legal action, compliance and/or abatement of the processing or generation activities for any affected project.

6.4 Certain environmental laws and regulations require an ongoing monitoring obligation and periodic correspondence with the regulating authority. Depending on evolving impacts an investment has on the environment, costs may be incurred, operational constraints imposed, or other remedial actions may be required to be taken that would have a negative impact on the operational and financial performance of the Company's investments.

6.5 A reduction of the revenue or an increase in the costs from the levels anticipated by the Investment Manager as a result of such outcomes could have a material adverse effect on the operations and financial performance of the Company and its investments.

D. RISKS RELATING TO THE MANAGEMENT OF THE COMPANY AND ITS INVESTMENTS

1 Risks relating to reliance on the Investment Manager and key personnel

1.1 The Company has no employees and is reliant upon the performance of the Investment Manager and third-parties (for example the Depositary and the Administrator) for its operations.

1.2 Investors will have no right to control the day-to-day operations or investment and divestment decisions of the Company. The Company relies on the Investment Manager in formulating the investment strategy and managing the Company's portfolio and on the diligence, skill, judgement, business contacts and experience of the Investment Manager and its employees.

1.3 Therefore, the success of the Company and whether the investment objective is achieved depends in substantial part upon the skill and expertise of the members of the Investment Manager's investment and investment management teams and other providing support with respect to the Company, and their ability to identify, structure and execute transactions and manage them over the long term. There can be no assurance that the Investment Manager will continue as the Investment Manager or that key investment professionals currently working for the Investment Manager will continue to be associated with the Investment Manager or that their continued association with the Company will guarantee the future success of the Company. Key personnel could become unavailable due, for example, to death or incapacity, as well as due to resignation. There may be regulatory changes in the areas of tax and employment that affect pay and bonus structures and may have an impact on the ability of the Investment Manager to recruit and retain staff. In the event of any departure or unavailability for any reason, it may take time to transition to alternative personnel, which ultimately might not be successful. The loss of key personnel will not result in the suspension or termination of the Company's investment activities. The impact of such a departure on the ability of the Company to achieve its investment objective cannot be determined.

1.4 The bankruptcy or liquidation of the Investment Manager or any of its Associates may have an impact on the net asset value of the Company. The investors must rely on the judgement of the Investment Manager, its agents and, in particular, on the judgement of their respective principals, officers and employees. The Company will indemnify the Investment Manager and its Associates for any claims, damages, losses and liabilities arising in connection with its management of the Company, subject to certain exclusions. Such indemnification may impair the financial condition of the Company and its ability to acquire assets or otherwise achieve its investment objectives or meet its obligations.

1.5 If the Investment Manager were to cease to be an authorised AIFM or were otherwise not able or not permitted to continue with managing the Company, a successor manager who is an authorised AIFM would need to be appointed to perform such functions.

1.6 In addition, the Depositary and/or the Administrator may be permitted to delegate (and authorise their respective delegates to sub-delegate) their services to other entities. While the Investment Manager expects such parties to act with reasonable care in the selection, appointment and ongoing monitoring of any delegate, there cannot be any guarantee that such delegates will fulfil their responsibilities or that the Depositary or Administrator, as the case may be, will remain accountable and responsible for the functions which it has delegated.

1.7 If any of the above risks materialise, this could have a material adverse effect on the operations and financial performance of the Company and its investments.

2 Operational risk

2.1 The Company is subject to operational risk, including the possibility that errors may be made by the Investment Manager or an affiliate thereof, the Company's service providers (including the Administrator and the Depositary) or any of their respective affiliates in certain transactions, calculations or valuations on behalf of, or otherwise relating to, the Company. Investors may not be notified of the occurrence of an error or the resolution of any error. Generally, the Investment Manager or an affiliate thereof, the Company's service providers and any of their respective affiliates will not be held accountable for such errors, and the Company may bear losses resulting from such errors. For the avoidance of doubt, none of the Company or the Investment Manager will generally have any liability to investors for any reliance upon the Company's service providers and the Company may bear the risk of any errors or omissions by such service providers. Additionally, subject to certain limitations, the Company may be required to exculpate and indemnify such service providers for any losses incurred and any insurance policy purchased by or on behalf of the Company may provide coverage for situations where the Company would not provide indemnification or exculpation.

3 Risks relating to change in Investment Manager

3.1 The exercise by the Company of its right to remove the Investment Manager in its capacity as investment manager of the Company pursuant to the terms of the investment management agreement may in certain circumstances lead to adverse consequences for the Company's investments under the contractual documentation to which the Company is a party. For example, such action may lead to a 'change of control' under portfolio company financing documentation and/or a breach of transfer restrictions under the relevant shareholder documentation which may have negative consequences on the value of the relevant Company investment.

4 Risks relating to AIFMD II

4.1 The AIFMD remains under continued review by the EU lawmakers, and following a period of trilogues, a provisional agreement on revisions to the AIFMD (commonly referred to as “AIFMD II”) was reached on July 2023. The provisional agreement reached by the European Parliament and the European Council is now going through a period of legal and technical trialogue meetings and is expected to be confirmed by the European Parliament and the European Council and formally adopted in 2024. The implementation of these proposals could have an impact on the Company and its investments.

5 Risks relating to growth and concentration

5.1 The Company intends to invest principally in operational renewable electricity generation assets in Eurozone countries. There can be no assurance that suitable opportunities will be found to enable the achievement of this investment objective. The Company´s growth depends upon the ability of the Investment Manager to identify, select and execute future investments which offer the potential for satisfactory rates of return. The availability of such investment opportunities will depend, among others, on the market conditions in relevant countries.

5.2 The Investment Manager will seek to invest and manage the Company's investments in a way which is consistent with the Company's investment strategy and with a view of spreading investment risk. Notwithstanding, the Company will concentrate its investments in the European renewable energy sector and there are limits to the Company’s diversification targets which could give rise to concentration risk by reference to individual assets, geography, sub-sector or technology. Significant concentration of investments may result in greater volatility of the Company’s investments and consequently its Net Asset Value and could have a material adverse effect on the operations and financial performance of the Company and its investments.

6 Risks relating to availability of and competition for suitable investment opportunities

6.1 The ability of the Company to achieve its investment objective depends upon the ability of the Investment Manager to identify, select and execute investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend upon a wide range of factors outside of the Company’s control, including the capital cost of equipment, and the level of competition for investments.

6.2 The capital cost of renewable infrastructure assets can increase or decrease, influenced by a number of factors, including the price and availability of raw materials, currency fluctuations, demand for equipment and any import duties that may be imposed on equipment. Changes in the capital cost of equipment, the broader renewable energy market as well as other market factors could have a material adverse effect on the Investment Manager's ability to source investments that meet the Company's investment criteria.

6.3 The Company faces significant competition for renewable infrastructure assets from utilities and other infrastructure investors some of whom might have greater financial, technical or human resources. Competition for appropriate investment opportunities is likely to increase and may therefore reduce the number of opportunities available to, and adversely affecting the terms upon which investments can be made by, the Company, thereby limiting the growth potential of the Company, and the potential returns for investors from the Company's investments.

6.4 There can be no assurance that the Investment Manager will be able to identify and execute suitable opportunities to enable the Company to achieve its investment objective and to grow its portfolio of investments to the level it is seeking.

7 Risks relating to conflicts of interest

7.1 The Investment Manager is involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company. In particular, it serves other clients and expects to continue to provide Investment Management, investment advice or other services in relation to those clients as well as new clients that may have similar investment objectives. As a result, the Investment Manager may have conflicts of interest in allocating investments among the Company and its other clients. Furthermore, conflicts may arise between the Investment Manager or its members or employees, on the one hand, and the Company and its investments, on the other hand. This could have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors.

8 Risks relating to market abuse / fraud

8.1 The Company is exposed to the risk of market abuse and fraud. This could take the form of insider trading, market manipulation, fraudulent financial reporting, or misappropriation of assets. For instance, insider trading or market manipulation could occur if confidential information about the Company's projects or contracts is used for personal gain. Fraudulent financial reporting could involve misrepresenting the Company's financial health or the performance of its assets. Misappropriation of assets might involve theft or misuse of the Company's resources. These risks could have significant financial and reputational implications for the Company.

E. <u>RISKS RELATING TO FINANCING THE COMPANY AND ITS INVESTMENTS</u>

1 Risks relating to leverage

1.1 The Company and its portfolio companies may incur (additional) indebtedness in the future, and cashflows from investments will need to be applied to service such indebtedness. Leverage generally magnifies both the Company's opportunities for gain and its risk of loss from a particular investment. The Company's or relevant entities' use of leverage may result in for example (i) greater fluctuations in Net Asset Value and lower returns, (ii) the use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for additional investments, distributions or other purposes, (iii) increased interest expense on variable rate borrowings, if interest rate levels were to increase, (iv) the limitation on the flexibility of the Company to make distributions to the investors or sell assets that are pledged to secure the indebtedness and (v) in certain circumstances, prematurely disposing of investments to service the Company's debt obligations. The Company’s performance may be affected if it does not limit exposure to changes in interest rates through an effective hedging strategy. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk.

1.2 The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. There can be no guarantee that the Company or relevant entities will have access to debt facilities or that debt facilities will be available on acceptable terms. Failure to obtain adequate (new, additional or replacement) financing on a timely basis, on acceptable terms or at all, may result in the Company having to forego acquisition opportunities or sell assets to avoid defaulting on its debt obligations and more generally have a material adverse effect on the Company. In connection with any indebtedness incurred by the Company and/or any of its portfolio companies (including any credit facilities entered into by such entities), the relevant borrowers thereon may be required to (i) make certain representations and warranties to lenders and (ii) indemnify the lenders pursuant to any such credit facilities in case any such representations and warranties are inaccurate.

1.3 In order to secure indebtedness, the Company or relevant entities may be required to agree to covenants as to, amongst others, the operation and financial condition of the Company and its investments. Such covenants are dependent on the market conditions and the bargaining position of the Company and/or relevant entities at the time of securing such indebtedness, as well as other factors.

1.4 The Company or relevant entities may also have to offer security over their underlying assets in order to secure indebtedness. Any failure by the Company or relevant entities to fulfil obligations under any financing documents may permit a lender to demand repayment of the related loan and to realise its security. If such security involves the lender taking control (whether by possession or transfer of ownership) of the Company's investments, the Company's returns may be adversely impacted.

1.5 In addition, leverage will increase the exposure of the Company’s investments to any deterioration in a Company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Company’s investments in the leveraged portfolio companies in a down market.

1.6 There can be no assurance that the Company or relevant entities will have sufficient cash flow to meet their debt service obligations. In the event an investment cannot generate adequate cash flow to meet debt service, the Company may suffer a partial or total loss of capital invested in such investment, which could adversely affect the returns of the Company. The Company's exposure to losses may be increased due to the illiquidity of its investments generally.

2.1 Changes in interest rates may adversely affect the Company's investments. Changes in the general level of interest rates can affect the profitability of the Company or its investments by affecting the spread between, amongst other things, the income on its investment interests and the expense of its interest bearing liabilities, the value of its interest-earning investment interests and its ability to realise gains from the sale of investment interests should this be desirable. Changes in interest rates may also affect the valuation of the Company's investments by impacting the valuation discount rate. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, inflation, regulatory requirements and other factors beyond the control of the Company.

2.2 The Company's performance may be affected if it does not limit exposure to changes in interest rates through an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk which could have a material adverse effect on the operations and financial performance of the Company and its investments.

3.1 The Investment Manager may (but is not obligated to) endeavour to manage the Company's or any relevant entity's currency, interest rate, electricity volume and price exposures, or other exposures, using hedging techniques where available and appropriate.

3.2 The Company or relevant entities may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter (“OTC”) contexts, including futures, forwards, caps, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

3.3 In some cases, particularly in OTC contexts, hedging arrangements will subject the Company or its investments to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose the Company or its investments to additional liquidity risks if such contracts cannot be adequately settled.

3.4 Failure of hedging or to enter into appropriate hedging arrangements could have a material adverse effect on the operations and financial performance of the Company and its investments.

4.1 Inflation may be higher or lower than expected. The revenues and expenditure of some renewable infrastructure assets in certain jurisdictions may be partly or wholly subject to indexation and the basis of calculation of the relevant inflation index may be subject to change in the future or such index may no longer be produced. Should the basis of the index be changed in the future, including inter alia through changes to the constituent basket of retail goods and services or through changes to the formulae used at the elementary aggregate level, such change may reduce future published inflation figures, which could have an adverse effect on the absolute level of the Company’s distributions. Similarly, if the indices are no longer published, there is a risk that it may not be possible to find a suitable index as a replacement.

4.2 From a financial modelling perspective, an assumption is usually made that inflation will increase at a long-term rate (which may vary depending on country and prevailing inflation projections). The effect on revenue and price projections and more generally on investment returns if inflation overshoots or undershoots the original projections for this long-term rate is dependent on the nature of the underlying project earnings and any indexation provisions agreed with a relevant counterparty on any project. To the extent that the Company has investments whose cash flows are subject to indexation, the investors will be exposed to the effects of inflation and/or deflation and the Company’s ability to meet targets and its investment objective or make distributions may be adversely or positively affected by inflation and/or deflation. An investment in the Company is not necessarily appropriate for an investor seeking protection from or who is averse to exposure to the effects of inflation or deflation.

4.3 Furthermore, a number of the operational and maintenance contracts across the Company’s investments will include commercial terms that are linked to inflation. If inflation were to increase beyond normalised levels or the levels anticipated by the Investment Manager, this could increase the cost base of the Company's investments. Inflation at or below levels anticipated by the Investment Manager could have a material adverse effect on the operations and financial performance of the Company and its investments.

5 Risks relating to currency risk

5.1 The Company maintains its accounts and pays distributions in Euro, which is the base currency of the Company.

5.2 To the extent that the Company or relevant entities are exposed to non-Euro cash flows for example through construction procurement or otherwise, fluctuations in exchange rates between Euro and the relevant currencies, the costs of conversion and exchange control regulations will affect the value of the Company's investments and the rate of return realised by investors.

5.3 Whilst the Company may enter into hedging arrangements to mitigate this risk to some extent, there can be no assurance that such arrangements will be entered into, what the associated cost may be or that they will be sufficient to cover such risk. Failure of currency hedging or to enter into appropriate currency hedging arrangements could have a material adverse effect on the operations and financial performance of the Company and its investments.

6 Risks relating to disposal of an investment

6.1 To the extent the Company disposes of an investment, depending on the market conditions at the time of a proposed disposal, it may not able to close a transaction in the target timeframe or at a value that the Investment Manager believes reflect the fair value of such investment.

6.2 For purposes of a disposal, the Company or relevant entities may be required to make representations or give warranties about the business and financial affairs of the investment typical of those made in connection with the sale of any business. The Company or relevant entities may be required to indemnify the purchasers of such investments to the extent that any such representations turn out to be incorrect, inaccurate or misleading, which may result in contingent liabilities for the Company or relevant entities.

6.3 Further, the Company or relevant entities may become involved in disputes or litigation in connection with any disposed investments. Certain obligations and liabilities associated with the ownership of investments can continue to exist notwithstanding any disposal, for example certain environmental liabilities. Any claims, litigation or continuing obligations may result in unanticipated cost and may require the Investment Manager to devote considerable time to dealing with them.

6.4 Materialisation of the risks described above could have a material adverse effect on the operations and financial performance of the Company and its investments.

F. <u>OTHER RISKS RELATING TO THE COMPANY AND ITS INVESTMENTS</u>

1 Risks relating to acquisition

1.1 Under acquisition agreements, the seller(s) provide(s) various warranties for the benefit of the purchaser. Such warranties are limited in scope and are subject to disclosure, time limitations, materiality thresholds and a liability cap. To the extent that any material issue is not covered by the warranties or is excluded, the Company will have no recourse against the seller(s). Even if the Company does have a recourse, there is no guarantee that the outcome to any claim will be successful or that the Company will be able to recover (fully or at all). This may have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors.

1.2 If the treatment of taxes and other duties, imposts and charges paid prior to or as part of the acquisition becomes subject to review or challenge by relevant tax authorities, such reviews or challenges, if successful, could have a material adverse effect on the Company's financial position, operational results, business prospects and returns to investors.

1.3 Prior to the acquisition of a renewable energy project or an entity that holds a renewable energy project, the Investment Manager and the Company's advisers will undertake commercial, financial, technical and legal due diligence on the assets. Due diligence though may not uncover all material risks and/or such risks may not be adequately protected against in the acquisition documentation. If material risks are not uncovered and/or such risks are not adequately protected against in the documentation, this may have a material adverse effect on the overall business, financial position, operational results and future growth prospects of the Company, as well as returns to its investors. Whilst the Investment Manager will seek to ensure that appropriate technical, environmental, commercial, financial, tax and legal due diligence is undertaken in connection with any proposed acquisition, this may not reveal all facts that may be relevant in connection with an investment and/or such risks may not be adequately protected against in the acquisition documentation.

The Company may acquire investments with unknown liabilities and without any recourse, or with limited recourse, with respect to liabilities. However, if an unknown liability or a known but unquantified liability was later asserted, the Company or relevant entities might be required to pay substantial sums to settle such liability or enter into litigation proceedings, which could adversely affect cash flow and the results of its operations. The Company will place reliance on any due diligence reports prepared by professional advisers appointed by the Investment Manager in connection with each acquisition of a new investment but the liability of the professional adviser is likely to be limited. Accordingly, in the event that material risks are not uncovered and/or such risks are not adequately protected against in the relevant acquisition agreement for the investment in question or otherwise, this could have a material adverse effect on the operations and financial performance of the Company and its investments.

1.4 A sale and purchase agreement entered into by the Company or relevant entities for the acquisition of investments may include warranties provided for the benefit of the Company. Such warranties are likely to be limited in extent and subject to disclosure, time limitations, materiality thresholds and a liability cap, and so to the extent that any loss suffered by the Company or relevant entities arises outside the warranties or such limitations or exceeds such cap it is likely to be borne by the Company or relevant entities. Even if the Company or relevant entities have a right of action in respect of a breach of warranty, there is no guarantee that the outcome of any claim will be successful, or that the Company or relevant entities will be able to recover fully or at all. There is also a risk that the Company may incur substantial legal, due diligence, financial and other advisory expenses arising from unsuccessful transactions. Materialisation of the risks described above could have a material adverse effect on the operations and financial performance of the Company and its investments.

2 Risks relating to natural or man-made disasters, disease epidemics or pandemics

2.1 The Company’s investments may be located in areas at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organised public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored, personnel can travel freely and operations of the portfolio company can be resumed. The Company’s investments could also be at risk in the event of such a disaster. The magnitude of future economic repercussions of natural disasters may also be unknown, may delay the Company’s ability to make investments, and may ultimately prevent any such investment entirely. Investments may also be negatively affected by man-made disasters. Publicity of man-made disasters may have a significant negative impact on overall consumer confidence, which in turn may materially and adversely affect the performance of the Company’s investments, whether or not such investments are involved in such man-made disaster.

2.2 In addition, certain illnesses spread rapidly and have the potential to affect significantly and adversely the global economy. Any outbreak of disease epidemics or pandemics such as the severe acute respiratory syndrome, avian influenza, H1N1/09, the coronavirus (COVID-19), or other similarly infectious diseases, may result in the closure of the Investment Manager’s or portfolio companies’ (including businesses of portfolio companies’ clients or their supply chain or their operations and maintenance providers) offices or sites, including office buildings, retail stores and other venues such as production, processing, distribution and storage facilities, and could lead to the loss of availability of human resources and health and safety risks to staff, customers, contractors, including construction contractors and the broader community. Further, any such outbreak could also result in, amongst other things, (i) the lack of availability or price volatility of raw materials or component parts necessary to the operation of an asset, (ii) disruption and volatility of regional or global trade markets (including, for example, commodity and finance markets and product markets that a project sells into) and/or disruption to banking and finance markets impacting the availability of capital or leverage, (iii) trade or travel restrictions, (iv) a general economic decline and/or decline in the infrastructure market, (v) adverse impacts upon contractual arrangements, resulting for example in delay or increased costs including through the operation of force majeure or similar provisions, and/or (vi) increased governmental and regulatory action that could adversely impact upon a project or other businesses, and, in each case, have an adverse impact on the Company's value, the Company's investments, the Investment Manager's ability to accurately value the Company and/or its investments, or the Company's ability to source new investments.

3 Risks relating to conflict in Ukraine

3.1 Russia's invasion of Ukraine, and corresponding events since late February 2022, have had, and could continue to have, severe adverse effects on regional and global economic markets. Following Russia's actions, various governments, including the U.S., the EU and the UK, have issued broad-ranging economic sanctions against Russia, including, among other actions, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs; a commitment by certain countries and the EU to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications (SWIFT), the electronic banking network that connects banks globally; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. The duration of ongoing hostilities and the vast array of sanctions and related events cannot be predicted. Those events present material uncertainty and risk with respect to global markets' performance and liquidity, the economy and business activity globally (including in the countries in which the Company invests), the global supply chain, global food supply and harvests, as well as the price and availability of natural gas which therefore could adversely affect the performance of the Company's investments and the ability of the Company to achieve its investment objectives. Additionally, to the extent third parties, investors or counterparties have material operations or assets in Russia or Ukraine, they may suffer adverse consequences related to the ongoing conflict.

4 Risks relating to financial modelling and valuations

4.1 Returns from the Company's investments will depend on many factors, including the price at which they are acquired, the availability and liquidity of investment opportunities within the scope of the Company's investment objective and policy, conditions in the European and global economies and financial markets (including interest rates), volumes of resource, asset energy generation performance, the price of electricity, gas, heat, feedstock or other relevant commodities, and the economic, legal, taxation and regulatory environment in which the assets and the Company operate.

4.2 Investments into renewable infrastructure assets rely on detailed financial models to support valuations. There is a risk that inaccurate data, assumptions or methodologies may be used in a financial model. In such circumstances the returns generated by any investment may be different to those expected. A valuation is only an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an investment depends to a great extent on economic and other conditions beyond the control of the Company or the Investment Manager and valuations do not necessarily represent the price at which an investment can be sold or that the investments of the Company are saleable readily or otherwise. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. If the Company were to liquidate a particular investment, the realised value may differ from the appraised valuation of such investment. As such, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material.

4.3 Projections are primarily based on the Investment Manager's assessment and are only estimates of future results based on assumptions made at the time of the projection. Calculations made by the Investment Manager will depend on management information provided by the portfolio companies in which the Company has invested, on financial reports prepared by the Investment Manager and information provided by third-parties (for example economic forecasters). Although the Investment Manager will evaluate all information and data provided to them, the Investment Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information or data. Valuations are subject to determinations, judgments and opinions and other third-parties or investors may disagree with such valuations

4.4 Valuations of investments in the portfolio may not run in parallel to evolving forecasts for future electricity or other commodity or services prices. Accordingly, there may be some variation in the net asset value from period to period, as and when a material movement from prior expectations is identified.

5 Risks relating to control and non-control of investments

5.1 The Company may acquire or own less than a 100% interest in a particular investment and the remaining interest will be held by one or more third-parties which could include other Schroders Greencoat Fund's. In such instances, the Company may hold a controlling or non-controlling interest.

5.2 These investment structures (including where the Company invests alongside other Schroders Greencoat Fund's) may expose the Company to a number of risks, including: (i) co-investors becoming insolvent or failing to fund their share of any required capital contribution which may result in the Company having to pay the co-investor's share or risk losing the investment; (ii) co-investors having economic or other interests that are inconsistent with those of the Company (including with respect to liquidity requirements such that co-investors, including other Schroders Greencoat Fund's, may want to exit an investment early) and being in a position to take or influence actions contrary to the Company's interests which may create impasses on decisions and affect the Company's ability to implement its strategies; (iii) disputes develop between the Company and co-investors, with any litigation resulting from any such disputes increasing expenses and distracting the Investment Manager from its other managerial tasks; or (iv) a co-investor breaches agreements (including financing documents) relating to the investment which may cause a default under such agreements and result in liability for the Company.

5.3 Where the Company holds a partial interest in the relevant investment it may have limited influence (including in relation to the management of sustainability factors e.g., relating to governance practices and sustainability risks) or may not be able to block or implement certain decisions made by the majority equity holders or which it would wish to make. The Investment Manager will secure the Company's shareholder rights through contractual or other arrangements to ensure that the relevant asset is operated and managed in a manner that is consistent with the Company's investment policy (in particular to ensure the investments of the Company meet the conditions for a 'sustainable investment' and the Company's committed minimum share of taxonomy-aligned investments). Nonetheless, it is possible that decisions are made that may not be in the interests of the Company and that the documentation may not have foreseen an event or situation that materialises.

5.4 Although the Company or relevant entities will enter into what the Investment Manager considers to be suitable shareholder agreements with certain minority protections and restrictions, third party holdings in acquired assets may limit the ability of the Company to control such assets and the Company may, therefore, have only limited influence over material decisions taken in relation to any investment in which it is a minority shareholder (including in relation to the management of sustainability factors e.g.: relating to governance practices and sustainability risks). The interests of the Company and those of any co-investors (including majority shareholders) may not always be aligned and this may lead to investment decisions being taken that are not in the best interests of the Company, which may reduce the future returns to the Company. Further, the Company may enter into shareholder and other agreements with other companies or accounts managed by the Investment Manager and conflicts of interest may arise between such clients.

5.5 Conversely, the Company may, directly or indirectly, assume control positions in an investment. The exercise of control over an investment imposes additional risks of liability for environmental damage, product defects, failure to supervise management (if applicable), violation of governmental regulations and other types of liability in respect of which the limited liability generally characteristic of business operations may be ignored.

5.6 Failure of the agreements in the circumstances described above could have a material adverse effect on the operations and financial performance of the Company and its investments, including its ability to attain its sustainable investment objective and committed minimum share of taxonomy-aligned investments.

6 Risks relating to need for follow-on investments

6.1 Following the Company's initial investment in a given renewable infrastructure asset, the Company may be required to provide additional funds to such investment or may have the opportunity to increase its investment in a successful investment. There is no assurance that the Company will make follow-on investments or that the Company will have sufficient funds to make all or any of such follow-on investments. Any decision by the Investment Manager not to make follow-on investments or the Company's inability to make such follow-on investments may have a substantial negative effect on an investment in need of further funding. Additionally, such failure to make follow-on investments may result in a lost opportunity for the Company to increase its participation in a successful investment or the dilution of the Company's ownership or influence which could have a material adverse effect on the operations and financial performance of the Company and its investments.

7 Risks relating to structure of investments

7.1 The Investment Manager expects the Company to make its investments through special purpose vehicles and intermediate holding entities for regulatory or similar reasons. As such, the Company will be exposed to certain risks associated with these structures which may affect its return profile. Changes to laws or regulations including as to tax in relation to the receipts of distributions by the Company from the entities further down in the structure may adversely affect the Company's ability to realise its investment returns from the investments held through such structures. For investments acquired indirectly through intermediate entities, the value of the underlying asset may not be the same as that of the special purpose vehicle as a result of tax, contractual, contingent or other liabilities or structural considerations. Where such investment structures prove to be inaccurate or do not fully reflect the value of the renewables assets, this may have a material adverse impact on the Company's financial performance. No assurance is given that any particular structure will be suitable for the investor and, in certain circumstances, such structures may lead to additional costs or reporting obligations for the investors.

8 Counterparty risk

8.1 The Company or its investments will be exposed to third-party credit risk in several instances, including, without limitation, with respect to contractors who may be engaged to construct or operate assets owned by the Company, property owners or tenants who are leasing or licensing roof or ground space to the assets, or the offtakers of energy and green benefits supplied, banks who may provide guarantees of the obligations of other parties or who may commit to provide leverage or hedging to the Company or its investments at a future date, insurance companies and other third-parties who may owe sums to the Company or its investments. More generally, counterparties within the Company's value chain may fail to perform their obligations. This may result in the need for the Investment Manager to find alternative counterparties. Counterparties within the renewable energy sector are limited so finding suitable replacements may be difficult and result in increased costs or reduced revenues to the Company which could have a material adverse effect on the operations and financial performance of the Company and its investments. To the extent any credit risk crystallises this could have a material adverse effect on the operations and financial operations of the Company and its investments.

9 Risks relating to Eurozone, foreign exchange and taxation

9.1 It is likely that the majority investments are located in countries within both the EU and the Eurozone. The default or a significant decline in the credit rating of one or more Eurozone Member States could cause severe stress in the Eurozone financial system generally and could, in the worst case, lead to the reintroduction of national currencies in one or more Eurozone Member States. Since the Company’s functional currency is EUR, the Eurozone crisis could adversely affect the net asset value of the Company and the value and returns of investments as well as the economic condition of the Company’s counterparties or creditors (directly or indirectly) located in the Eurozone in ways which it is difficult to predict. If any of these risks materialise, the profitability of the Company may be impaired leading to reduced returns to its investors and, in the worst-case, total loss of investments.

9.2 The Company may subject to exchange controls or withholding taxes in various jurisdictions. If exchange controls or withholding taxes are imposed with respect to any of the Company’s investments, the effect will generally be to reduce the income. Any reduction in the income received by the Company may detrimentally affect returns to its investors.

9.3 The current and future budgetary, taxation and accounting policies of a particular country in which the Company and its investments operate or have business, may have an adverse impact on the Company’s business. Changes in tax legislation or the interpretation of such legislation, regulatory requirements, accounting standards or practices of relevant authorities, could adversely affect the basis for recognition of the value of these deferred tax assets and this could have a material adverse effect on the Company as well as returns to its investors.

10 Risks relating to the Alternative Investment Fund Managers Directive and Regulations

10.1 Changes in legal, tax and regulatory regimes may occur during the life of the Company which may have an adverse effect on the Company, including with regards to its ability to execute its investment strategy and achieve its investment objectives. In particular, the AIFMD and the UK Alternative Investment Company Managers Regulations ("UK AIFM Regulations") regulate the activities of certain private company managers undertaking company management activities or marketing company interests to investors within the EEA and the UK (respectively). For the purposes of the AIFM Law, the AIFM is Schroders Greencoat LLP authorised by the UK Financial Conduct Authority. As such, the AIFM is subject to numerous compliance obligations and requirements under the 2013 Law. Such obligations and requirements include, but are not limited to, the following: (i) the AIFM will be subject to certain reporting, disclosure, capital requirements, depositary and other compliance obligations under the AIFM Law, which may result in the Company incurring additional costs and expenses, (ii) the AIFM will be required to make detailed information relating to the Company and its investments available to regulators and third-parties and (iii) the UK AIFM Regulations and the AIFMD may also restrict certain activities of the Company in relation to EEA portfolio companies including, in some circumstances, the Company's ability to recapitalise, refinance or potentially restructure EEA portfolio Company within the first two years of ownership.

10.2 In November 2021, the European Commission proposed amendments to the AIFMD in a proposal for a Directive amending the AIFMD (2021/0376/COD). The proposal follows the review of the application and the scope of the AIFMD by the European Commission, as required under Article 69 AIFMD. Should the proposed amendments be adopted by the EU legislator, the new requirements may have an adverse effect on the Company. Such requirements may restrict the investment activities the AIFM or the Company may engage in and are likely to lead to additional ongoing costs borne directly or indirectly by the Company.

11 Risks relating to litigation

11.1 In the ordinary course of its business, the Company or relevant entities may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of the Company and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Investment Manager’s time and attention, and that time and the devotion of these resources to litigation, may be disproportionate to the amounts at stake in the litigation.

11.2 The activities of the Company and relevant entities are subject to environmental laws and regulations which, notwithstanding their compliance in all material respects, make them vulnerable to complaints and challenges. Defence and settlement costs as well as management time spent with respect to disputes can be substantial, even with respect to claims that have no merit.

11.3 Litigation processes are inherently uncertain and there can be no assurance that the resolution of a particular legal proceeding will not have a material adverse effect on the Company's business. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the overall business and reputation of the Company and its investments.

12 Risks relating to investments in new asset classes or project stages

12.1 The Investment Manager's infrastructure investment strategies have historically focused primarily on relatively mature renewable energy technologies such as wind and solar. As Europe is accelerating its transition to net zero, adjacent technologies will become a key part of integrating and growing renewables into the wider energy landscape. The Company's investment strategy includes investments in assets that in other forms of energy technologies (or infrastructure that is complementary to, or supports the roll-out, renewable energy generation).. As these adjacent technologies are emerging, the associated operational, development and performance risks are heightened.

12.2 Further, the Company may make investments into assets at different stages of their construction or development, either through direct ownership or through platform investments.

12.3 The Investment Manager has a track record in accessing new technologies, in particular in heating, but also has previously managed a clean tech investment strategy. Nevertheless, the track record of historic performance in adjacent technology investments is more limited and any such investment may not achieve the expected results or returns which could have a material adverse effect on the operations and financial performance of the Company and its investments.

13 Risk of investing in private companies with employees

13.1 It is possible, although not typical, for a renewable infrastructure to have its own employees. If a Company in the Company’s portfolio were to have its own employees, it may be exposed to potential risks such that in-depth knowledge and understanding of the investment’s business may be exposed if key personnel cease to be employed and leave the Company, and there can be no assurance that suitable replacements will be found and this knowledge and understanding may be lost. This, along with employer liabilities under applicable legislation and regulations, and an increased risk of employee disputes and misconduct could have adverse consequences and an effect on performance of the relevant investment.

13.2 Employment of staff requires certain regulatory and legal obligations to be met, including the management of pensions and pension liabilities, payment of additional taxes, and the implementation of certain policies and procedures in relation to, amongst other things, equal opportunity and fair pay. Unintentional non-compliance with these regulatory and legal obligations may lead to fines and other negative consequences. To the extent any of these risk or consequences materialise, they could have a material adverse effect on the operations and financial performance of the Company and its investments.

G. RISKS RELATING TO ORDINARY SHARES

1. Risks relating to the Company’s share price performance and target returns and dividends

1.1 Prospective investors should be aware that the periodic distributions made to shareholders will comprise amounts periodically received by the Company in repayment of, or being distributions on, its investments. Although it is envisaged that receipts from investments over the life of the Company will generally be sufficient to fund such periodic distributions and repay the value of the Company’s original investments in the investments over the long term, this is based on estimates and cannot be guaranteed.

1.2 The Company’s target returns and dividends for the ordinary shares are based on assumptions which the Company´s board considers reasonable. However, there is no assurance that all or any of these assumptions will be justified, and the returns and dividends may be correspondingly reduced. In particular, there is no assurance that the Company will achieve its stated policy on returns and dividends or distributions (which for the avoidance of doubt are guidance only and are not hard commitments or profit forecasts).

1.3 Any change or incorrect assumption in relation to the dividends or interest or other receipts receivable by the Company (including in relation to projected power prices, meteorological conditions, availability and operating performance of equipment used in the operation of renewable energy assets within the Company's portfolio) may reduce the level of distributions received by shareholders.

1.4 To the extent that there are impairments to the value of the Company's investments that are recognised in the Company's income statement, this may affect the profitability of the Company (or lead to losses) and affect the ability of the Company to pay dividends.

1.5 The company's target dividend and future distribution growth will be affected by the Company's underlying investment portfolio and the availability of distributable reserves. Restrictions on the level of dividends that the Company may be able to pay are also currently connected to its project financing arrangements. This could have a material adverse effect on returns to its investors.

2 Risks relating to liquidity

2.1 The liquidity of a securities market is often a function of the volume of the underlying ordinary shares that are publicly held by unrelated parties. If a liquid trading market for the ordinary shares is not sustained, the price of the ordinary shares may become more volatile and it may be more difficult to complete a buy or sell order for such ordinary shares.

3 Risks relating to dilution

3.1 The Company may decide to issue additional ordinary shares in the future in subsequent public offerings or private placements to fund expansion and development. If additional funds are raised through the issuance of new equity of the Company other than on a pro rata basis to existing shareholders, the percentage ownership of shareholders may be reduced.

3.2 The issue of additional ordinary shares by the Company, or the possibility of such issue, may cause the market price of the ordinary shares to decline and may make it more difficult for shareholders to sell ordinary shares at a desirable time or price. There is no guarantee that market conditions prevailing at the relevant time will allow for such a fundraising or that new investors will be prepared to subscribe for ordinary shares at a price which is equal to the then market price(s) for ordinary shares.

3.3 No ordinary shares will be issued at a price less than the net asset value per existing ordinary share at the time of their issue, unless approved by shareholders.

4 Risks relating to a discount

4.1 The ordinary shares may trade at a discount to the net asset value and shareholders may be unable to realise their investments at the net asset value through the secondary market.

4.2 The ordinary shares may trade at a discount to the net asset value for a variety of reasons, including market conditions or to the extent investors undervalue the management activities of the investment manager or discount its valuation methodology and judgements of value. Where the Company's shares trade on average at a discount in excess of 10% or more to net asset value in any financial year, the board of the Company is required to propose a special resolution vote to shareholders at its next annual general meeting of the Company to cease to continue in its present form.

4.3 While the Company´s board may seek to mitigate any discount to the net asset value through discount management mechanisms, there can be no guarantee that it will do so or that such mechanisms will be successful and the Company´s board accepts no responsibility for any failure of any such strategy to effect a reduction in any discount.

5 Risks relating to the sale of ordinary shares held by certain shareholders

5.1 Significant shareholders selling ordinary shares or the perception that sales of this type could occur, may cause the market price of the ordinary shares to fall. This may make it more difficult for shareholders to sell their ordinary shares at a time and price that they deem appropriate.

6 Risks relating to the larger shareholder(s) in the Company

6.1 Certain significant shareholders in the Company, may each, or in aggregate, be in a position to exert influence over or determine the outcome of matters requiring approval of the shareholders, including but not limited to appointments of directors and the approval of significant transactions. For example, should such shareholders exercise all of their voting rights in the same manner on a resolution, they could appoint or remove directors from the Company´s board and approve or reject ordinary resolutions.

6.2 The interests of significant shareholders may be different than the interests of other shareholders. As a result, the larger shareholder’s interests in the voting capital of the Company, if of sufficient individual or aggregate size, and/or if aggregated in any circumstances, may permit them to effect certain transactions without other shareholders’ support, or delay or prevent certain transactions that are in the interests of other shareholders, including an acquisition or other changes in control of the Company’s business. This could prevent other shareholders from receiving a premium on their ordinary shares. The market price of the ordinary shares may decline if the larger shareholders use their influence over the Company’s voting capital in ways that are or may be adverse to the interests of other shareholders.

7 Risks relating to long term holding

7.1 The ordinary shares are designed to be held over the long term and may not be suitable as short term investments. There is no guarantee that any appreciation in the value of the Company’s investments will occur and investors may not get back the full value of their investment. A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the ordinary shares will occur or that the investment objectives of the Company will be achieved.

APPENDIX 2 – SFDR INFORMATION

Product name: Greencoat Renewables PLC (the "**Company**")

Legal entity identifier: 635400TVSIFFQOB8RB67

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.

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
[X] It will make a minimum of **sustainable investments with an environmental objective:** 90%[1]	[ ] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
[x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective 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	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	[ ] with a social objective
[ ] It will make a minimum of **sustainable investments with a social objective:** ___%	[ ] It promotes E/S characteristics, but **will not make any sustainable investments**

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

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

What is the sustainable investment objective of this financial product?

The Company' seeks to provide investors with an annual dividend per Ordinary Share that increases progressively while growing the capital value of its investment portfolio over the long term, through re-investment of excess cash flows and the prudent use of leverage, and to contribute to the environmental objective of climate change mitigation by making investments in euro denominated renewable energy infrastructure assets in Relevant Countries within the Eurozone.

The Company has sustainable investment as its objective within the meaning of Article 9 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**"). More specifically, the Company is intended to contribute to the environmental objective of climate change mitigation on the basis of the activities of the assets targeted

[1] Excluding cash and derivatives

by the Company, including assets which generate energy from renewable sources, which help to facilitate the transition to a low-carbon economy.

The Company will invest 100% of the Company's sustainable investments (which represent 90%[2] of the Company's NAV), in economic activities which are considered environmentally sustainable in accordance with Article 3 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "**EU Taxonomy**"), including the relevant Technical Screening Criteria ("**TSC**") relating to the environmental objective of climate change mitigation (as applicable to the economic activity). The Taxonomy-alignment of the Company's underlying assets is calculated based on the turnover of the underlying investments.

The Company does not have a carbon reduction objective and has not designated a reference benchmark for the purpose of attaining the sustainable investment objective.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The Investment Manager is responsible for determining whether an investment meets the criteria of a sustainable investment. The sustainability indicators used to measure the attainment of the sustainable investment objective of the Company are as follows:

- Renewable energy generated (GWh)
- GHG emissions (Scope 1, Scope 2, Scope 3) (tonnes of CO_2e)
- Carbon avoided (tonnes of CO_2e)
- Equivalent number of homes powered

Compliance with exclusions and the minimum percentage of sustainable investments is monitored on an ongoing basis via the Investment Manager's portfolio compliance framework.

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.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager seeks to ensure that the Company's investments do not cause significant harm to any other environmental or social sustainable investment objective by:

- investing in renewable energy infrastructure assets and by actively engaging and managing sustainability risks and opportunities for the Company and its investments prior to making any investment and on an ongoing basis once an investment has been made. Sustainability risks and opportunities are fully embedded in the risk management framework at both a Company and investee company level.

- At portfolio level, each investee company (commonly a Special Purpose Vehicle ("**SPV**")) has a register which is reviewed by the relevant board and updated at least annually or at such time as new material risks emerge. The materiality of each sustainability risk is assessed in respect of the likelihood of its occurrence and the impact of such an occurrence, on a numerical scale in line with standard industry practice. Any material risks are escalated to the Investment Manager's Risk Management Committee. The Risk Management Committee meets on a quarterly basis to discuss, amongst other matters, the risk framework of each fund and its investments including processes for identifying, assessing and managing sustainability risks.

- The Investment Committee responsible for the Company's investment decisions comprises experienced members of the Investment Manager. Whilst making investment decisions, due

[2] Excluding cash and derivatives

consideration is given to climate-related risks and opportunities identified during due diligence. A formal ESG checklist is considered by the Investment Committee in the approval process of any new investment.

- Ongoing sustainability risks for the portfolio are monitored, managed, and reported to the Company's Board (the "**Board**"), which has overall responsibility for the activities of the Company and its investments, including in relation to sustainability risk. The day-to-day management of the business is delegated to the Investment Manager, which includes responsibility for sustainability matters. In collaboration, the Board and the Investment Manager assess how sustainability risks should be managed and the Company has developed its ESG policy (please see below - "*How have the indicators for adverse impacts on sustainability factors been taken into account?*") which applies pre-investment and on an ongoing basis once an asset has been acquired.

- The Company relies on the Investment Manager to apply appropriate policies to the investments the Company makes. The policies put in place by the Investment Manager outline the Company's approach to responsible investing, as well as the environmental standards which it aims to meet. Responsible investing principles (including exclusion criteria with the effect of avoiding investments that the Investment Manager believes to be incompatible with a sustainable investment objective, as set out in the Company's ESG Policy (the "**GRP ESG Policy**"), a copy of which can be found here) are applied to each of the investments made. The Investment Manager assesses compliance pre-investment and reports on an ongoing basis to the Board.

- These policies require the Company to make reasonable endeavours to procure the ongoing compliance of its portfolio companies with its policies on responsible investment.

- In respect of the Company, the Investment Manager will exclude or engage with companies and key service providers that are assessed by Schroders to have breached one or more 'global norms' thereby causing significant environmental or social harm; these companies comprise Schroders' 'global norms' breach list. Schroders' determination of whether a company has been involved in such a breach considers relevant principles such as those contained in the UN Global Compact (UNGC) principles, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The 'global norms' breach list may be informed by assessments performed by third party providers and by proprietary research, where relevant to a particular situation.

- In addition, the Company complies with the principles of good governance contained in the AIC Code, which ensures the Company is in accordance with the requirements of the UK Corporate Governance Code and provides a framework of best practice for listed investment companies.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts ("**PAIs**") of its investment decisions relating to the Company on sustainability factors and this informs its approach to long-term investment stewardship and stakeholder engagement.

As the Company predominantly targets investments in renewable energy infrastructure, the PAIs that are most relevant to the Company include (but are not limited to):

- Greenhouse gas emissions (Table 1 RTS: PAIs 1-6); and
- Number of days lost to injuries, accidents, fatalities or illness (Table 3 RTS: PAI 3)

The Investment Manager seeks to mitigate the impact of the PAIs and other indicators considered in relation to the Company primarily by implementing the GRP ESG Policy. The GRP ESG Policy, which has been developed in line with the Investment Manager's ESG Policy, sets guidance and principles for integrating sustainability in the Company's investment and asset management processes and looks to establish best practice in sustainability related risk management, reporting and transparency. It outlines areas of focus that are common to renewable energy investments including environment, workplace standards, health and safety practices, governance (including compliance with applicable laws and regulations) and local community engagement, while allowing different strategies to consider additional factors or different materiality depending on the types or stage of investments targeted. It also includes a list of exclusions applied by all Schroders Greencoat managed or advised capital and key performance indicators that are monitored and reported on (as appropriate).

Sustainability factors are considered prior to investment as part of early-stage screening, detailed due diligence and the Investment Committee's decision-making, and managed post-acquisition in accordance with the Investment Manager's ordinary asset management practices (as further described in the latest AIFMD Disclosures available on the Company's website).

For certain PAIs, the Investment Manager will apply quantitative thresholds to ensure no significant harm is done to its investment objective and the investment exclusions list, set out in the GRP ESG Policy, is adhered to. These thresholds will be checked at pre-investment stage and as part of ongoing management of the asset. The majority of the PAIs, however, are considered based on a qualitative assessment.

At the pre-investment stages, where potential ESG risks – including adverse impacts – are identified as part of the due diligence process, these are either (i) mitigated to an acceptable extent or (ii) where the ESG risks or impacts are sufficiently material that they cannot easily be remediated once acquired or they exceed risk tolerances, the investment will be rejected.

Post-investment, PAIs will be recorded (to the extent possible based on available data) on a regular basis and monitored by the asset management teams. The Investment Manager may engage directly with the investee companies and/or third-party service providers to better understand any principal adverse impacts identified and/or take additional steps to avoid, reduce or mitigate any social or environmental impact and financial impact. In the event of an environmental or social incident that may cause adverse impact or harm, the Investment Manager favours an active ownership approach over divestment. Active ownership includes engagement with relevant stakeholders or the implementation of action plans to address an issue should it arise.

A statement on PAIs, Including the list of PAI indicators and associated metrics considered in relation to the Company, will be included in the Company's annual reports.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Company predominantly targets investments in European renewable energy infrastructure assets which will be held through SPVs: standalone legal entities which tend not to have any employees or management teams but instead outsource all operations and management requirements to third parties. The Investment Manager assesses the alignment of the investee companies' sustainable investments with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (the "**Minimum Safeguards**").

The Investment Manager conducts initial due diligence and ongoing monitoring of investee companies to ensure their alignment with the Minimum Safeguards and, where possible, will impose obligations on the key service providers involved in the operations and management of the investee companies to ensure their ongoing compliance. This may be achieved by the Investment Manager's Code of Conduct Side Letter (or an equivalent standard), which requires key service providers to comply 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). These procedures are monitored regularly by the Investment Manager's risk function.

The Investment Manager also has a clear focus on raising awareness around the potential risks of forced labour and modern slavery in the supply chains of the Company's investments. For example, in the case of solar, the Investment Manager is supporting the Solar Stewardship Initiative, an industry-wide initiative (through Solar Energy UK) to establish a supply chain framework for the solar industry to address modern slavery issues linked to polysilicon production in high-risk areas. The industry (with the help of consultants) has developed the Solar Sustainability Best Practices Benchmark to produce industry standards for improved traceability and full disclosure of environmental and social aspects in the supply chain. It is also working on producing an assurance process to map data gaps in the solar supply chain and enhance traceability.

The Investment Manager will adopt the Schroders Global Norms Framework and apply this to the Company, excluding or engaging with key service providers and entities that are included in the Schroders 'global norms' breach list which have been identified as having breached one or more global norms, thereby causing significant environmental or social harm. Schroders' determination of whether a company has been involved in such a breach considers relevant principles such as those contained in the Minimum Safeguards. The Schroders Global Norms list may be informed by assessments performed by third party providers and by proprietary research, where relevant to a particular situation.

Does this financial product consider principal adverse impacts on sustainability factors?

X Yes – See above "*How have the indicators for adverse impacts on sustainability factors been taken into account*?" for details of how the Company considers PAIs on sustainability factors. A statement on PAIs will be made available in the annual reports.

☐ No

What investment strategy does this financial product follow?

In order to achieve its investment objective, the Company invests in euro denominated renewable energy infrastructure assets in Relevant Countries within the Eurozone. The Company is focused on investing in wind assets in Ireland, where it has acquired the Seed Portfolio and where the Board and the Investment Manager believe there is an attractive opportunity to consolidate onshore wind assets, and in Other Relevant Countries (being Belgium, Finland, France, Germany, Netherlands, Denmark, Norway, Sweden, Spain and Portugal), where the Board and the Investment Manager believe there is a stable and robust renewable energy policy framework.

Over time, the Company aims to achieve diversification principally through investing in a growing portfolio of assets across a number of distinct geographies and a mix of renewable energy technologies.

The Company will seek to acquire 100%, majority or minority interests in individual assets. These will usually be held through SPVs which hold underlying wind, solar or BESS assets. When investing in less than 100% of the equity share capital of an SPV, the Company will secure its shareholder rights through shareholders' agreements and other transaction documents. The Company will invest in equity and associated debt instruments when making such acquisitions.

The Company will maintain or modify existing PPAs or seek to sign new PPAs between the individual asset SPVs in its portfolio and creditworthy off-takers or negotiate the terms of or manage PPAs on its own behalf.

The Company does not intend to employ staff but instead will engage experienced third parties to operate the assets in which it owns interests. The Company will seek to mitigate risk at the project level by investing in projects with robust contractual structures delivering long-term predictable (often inflation-linked or partially inflation-linked) cash flows with operations and maintenance contracts which, the Company intends, will usually have the following features:

- warranted levels of availability, with payments to the project for any lost revenue from technical downtime below the contracted level;
- fixed or inflation linked price, which passes the risk of any variances in maintenance costs to the supplier; and
- insurance packages that will pay out to cover the cost of any damage or theft to the projects and loss of revenue from business interruption.

The Company intends to make prudent use of leverage to finance the acquisition of investments and to achieve target returns. As far as possible, the Company will generally avoid raising non-recourse debt by the SPVs owning individual wind farms in order to avoid the more onerous covenants required by lenders. The Company may raise debt from banks and/or capital markets. The Aggregate Group Debt will be limited to 60%

of Gross Asset Value (calculated immediately following drawdown). The Average Aggregate Group Debt is expected to be approximately 40% of Gross Asset Value over the medium to long term.

There will not be any cross-financing between portfolio investments and the Company will not operate a common treasury function as between the Company and its investments.

For more information on the investment strategy of the Company and the associated investment restrictions, please refer to the Company's Investment Policy and Pre-Investment Disclosures available on the Company's website.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The following are binding elements of the investment strategy implemented in the investment process on a continuous basis to attain the sustainable investment objective:

a) Permitted investments

The Company will only invest in the assets permitted under the Company's governing documents.

b) Exclusions

New investments are screened against the Company's investment restrictions, which identify the geographies, businesses, and activities in which the Company will not invest. The Investment Manager will apply exclusion criteria or limits with the effect of avoiding investment in activities that the Investment Manager believes to be incompatible with the sustainable investment objective, as set out in the GRP ESG Policy.

c) Do not significant harm ("**DNSH**") assessment

The Investment Manager will conduct a DNSH assessment of each investment to ensure that it does not significantly harm any environmental or social objective (as described above in *"How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective").*

d) Good governance assessment

The Investment Manager will assess investee companies (and, where it has sufficient control or influence and to the extent relevant, the key service providers involved in the operations and management of the investee companies) to ensure they follow good governance practices (as described below in "*What is the policy to assess good governance practices of the investee companies*?").

e) Taxonomy-alignment

The Investment Manager will target investments in economic activities that are considered aligned with the EU Taxonomy (meeting the TSC for the relevant economic activity), such that Taxonomy-aligned activities comprise 100% of the Company's sustainable investments. The Taxonomy alignment of the Company is calculated based on the turnover of the underlying investments.

In doing so, the Investment Manager will assess new investments against the TSC as part of normal course pre-investment ESG screening. To the extent an investment falls within the same economic activity, and is in all material respects similar to an investment that has already been assessed against the TSC, the Investment Manager will undertake a simplified assessment of the investment which focuses on any differences to the investment (to that which has already been assessed in accordance with the TSC). The Taxonomy-alignment of the Company's investments will be included in the Company's annual reports.

f) Engagement

The Investment Manager is committed to engaging with all stakeholders relevant to its portfolio to ensure the investments it manages positively impact the communities in which they operate. Sustainability-related risks and challenges are regularly discussed within the Investment Manager's asset management team, and also reported to and discussed with the Board through regular meetings and specific risk register review discussions. Key sustainability factors such as those relating to health and safety, compliance with environmental standards and stakeholder relations are regularly discussed and documented.

In addition to the binding elements listed above used to attain the sustainable investment objective, the Investment Manager also integrates sustainability risks in its investment decision-making.

Good governance practices include sound management structures, employee relations, remuneration of staff ad tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager expects its investee companies and, where it has sufficient control or influence and to the extent relevant, the key service providers involved in the operations and management of the investee companies, to practice a minimum standard of good governance in relation to sound management structures, relevant tax compliance, employee relations, remuneration and avoidance of bribery and corruption, as further described in the table below.

In particular, the Investment Manager evaluates the governance practices of prospective investments and seeks to understand those of the key service providers it appoints through due diligence prior to investment. During the holding period, representatives of the Investment Manager will typically take one or more seats on the board (or equivalent) of each investee company and therefore take part in the strategic and operational decisions. In some cases, typically in large offshore wind joint ventures, depending on the size of the stake held by the Company, the Investment Manager representative on the investee company board may not be appointed by the Company or may be jointly appointed by the Company and other funds managed by the Investment Manager. As the investments will typically be held in SPVs which do not typically have employees or management teams, any employee related social factors in relation to those investments are focused on the third-party service providers.

The Investment Manager will monitor the governance practices relating to each investee company on an ongoing basis through regular reviews against the criteria listed below. The extent to which the Investment Manager can enforce good governance through engagement or contractual documents will vary depending on the nature of the relationship and structure of the investment (for example, asset SPVs vs. corporate company structures, majority vs. minority stake). As such, what "good governance" looks like will also vary and some of the requirements listed below may not be relevant in all cases.

Good Governance	
Sound management	**The Investment Manager expects the boards of all investee companies to promote the long-term success of each investee company and to act with integrity.** The investee company board should demonstrate the following characteristics: • apply objective judgment and promote a culture of openness and integrity; • have the appropriate combination of skills, experience and knowledge; • understand the importance of the relationship between the company and stakeholders including the impact on the community and environment within which it operates; and • establish appropriate controls, audit functions and risk controls appropriate for the size of the company.
Tax compliance	**Investee companies, are expected to adhere to local and international tax laws**.

Employee relations including remuneration	**Employees should be treated fairly with particular consideration given to the maintenance of proper working conditions**. For investee companies with employees this would include having in place: • appropriate health and safety processes • proper remuneration practices in place whereby all employees are paid the minimum wage according to the region within which they are employed • policies ensuring adherence to all applicable labour laws (including the avoidance of child labour); and • a commitment to workforce diversity and inclusion For investee companies without any employees (i.e.: SPVs), this applies mainly to the key service providers involved in the operation and management of the SPV.
Anti-bribery and corruption	**Investee companies should work against bribery and corruption in undertaking their corporate activities and have appropriate policies in place** (e.g.: Anti-Money Laundering, Bribery & Corruption, and Conflicts of Interest policies)

Asset allocation describes the share of investments in specific assets.

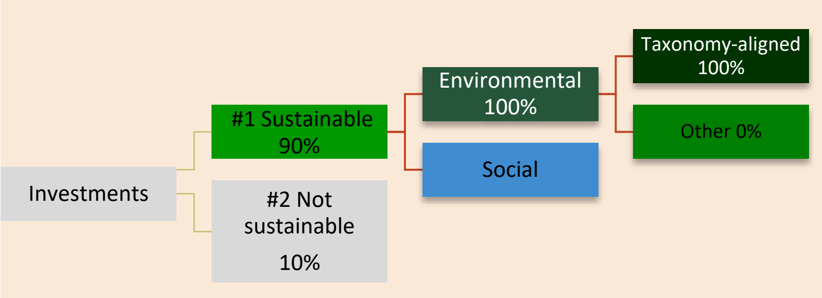
What is the asset allocation and the minimum share of sustainable investments?

The diagram below illustrates the intended asset allocation for the Company, as at the date of this document.

The Company invests at least 90%[3] of its assets in sustainable investments, which means included in #1 Sustainable are investments that the Investment Manager believes will contribute towards the environmental objective of climate change mitigation, in accordance with the binding elements of the investment strategy.

The allocation to #2 Not Sustainable includes investments that are treated as neutral for sustainability purposes, such as cash (to the extent not generated from sustainable investments) and the use of derivatives as described below which collectively will account for up to 10% of the Company's assets at any one time.

Please see above - "What investment strategy does the financial product follow" – for details of the specific assets in which the Company will invest.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

The Company and its underlying investee companies may enter into hedging arrangements (in relation to interest rates, currencies, power prices and other commodities) for the purposes of minimising or

[3] Excluding cash and derivatives

reducing risk or exposure in respect of investments but will not use derivatives or hedging transactions for speculative investment purposes (i.e. to attain the sustainable investment objective).

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.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Company aims to ensure that 100% of its sustainable investments (which itself represents 90%[4] of the Company's NAV) with an environmental objective are aligned with the EU Taxonomy, and that all sustainable investments meet the do no significant harm and good governance requirements. The Taxonomy-alignment of the Company's underlying assets is calculated based on the turnover of the underlying investments. These investments will align with the requirements laid down in Article 3 of the EU Taxonomy, including the relevant TSC relating to the environmental objectives to which the underlying assets of the Company will contribute.

The Investment Manager will assess investments against the TSC applicable to the environmental objective of climate change mitigation and the relevant economic activity. The TSC for economic activities supporting the remaining environmental objectives of the EU Taxonomy have either not yet been developed or do not include certain economic activities. As the regulation develops, it may be determined that the Company's investments also contribute to other environmental objectives of the EU Taxonomy. The Taxonomy-alignment of the Company's investments will be included in the Company's annual reports. The Investment Manager does not presently intend to seek assurance of its Taxonomy-alignment assessments by a third-party provider but may do so in the future.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[5]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

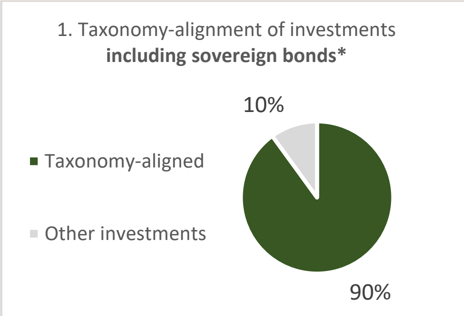
[4] Excluding cash and derivatives

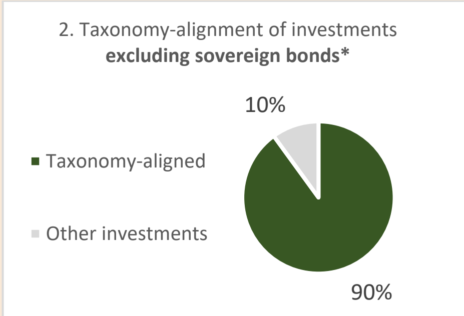
[5] Fossil gas and/or nuclear related activities will only comply with the ERU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in the Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available ad among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are 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 is the minimum share of investments in transitional and enabling activities?

There is no minimum share of investments in transitional and enabling activities.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy, as 100% of the Company's sustainable investments will comprise sustainable investments with an environmental objective that is aligned with the EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

There is no minimum share of sustainable investments with a social objective. Further, a taxonomy of socially sustainable economic activities has not yet been developed. Once those rules are developed, it may be determined that the Company's investments are considered socially sustainable economic activities.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "#2 Not sustainable" are treated as neutral for sustainability purposes, and may comprise cash reserves (to the extent not generated from sustainable investments) and the use of derivatives or hedging arrangements (including in relation to interest rates, currencies, power and other commodities) for the purposes of minimising or reducing risk or exposure in respect of investments. Given the purpose of these investments, there are no minimum environmental and social safeguards applied to such investments.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No, the Company does not have a carbon reduction objective and will not be managed against a reference benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website: More product-specific information can be found on the Company's website under "SFDR".