



Expanding our horizons

ESG REPORT 2023
GREENCOAT RENEWABLES PLC





Greencoat Renewables PLC reaffirms its commitment to be a **catalyst for positive change** in the global fight against climate change



HIGHLIGHTS

39

Operational renewable energy assets across Europe

3,422 GWh⁽¹⁾

Renewable energy supplied

>750,000⁽²⁾

Households powered

1.3m

Tonnes of carbon dioxide equivalent emissions avoided

€1.3m

Funding to charities, communities and initiatives.

>300

Charitable projects benefited

CONTENTS

1.0 Greencoat Renewables overview	3
1.1 Foreword	4
1.2 About us	5
1.3 Board of Directors and Management teams	7
1.4 What ESG means to us	8
1.5 Our ESG focus areas	8
1.6 Our ESG timeline	9
1.7 Key activities in 2023	10
1.8 Highlights from 2023	10
2.0 Our approach to responsible investment	11
2.1 Our approach to ESG management	12
2.2 Reporting and disclosures	15
2.3 External initiatives and standards	17
3.0 Environment	19
3.1 Climate change	20
3.2 Waste management and circular economy	25
3.3 Protecting the local environment	26
4.0 Social	28
4.1 Health and safety	29
4.2 Human rights and modern slavery	31
4.3 Supporting local communities	33
5.0 Governance	36
5.1 Role of the Board	37
5.2 Business ethics and conduct	37
5.3 Expectations and requirements of third parties	37
5.4 Cybersecurity	38
6.0 Looking forward	39
7.0 Key performance indicators	41
8.0 Glossary	43

(1) This includes 3,158GWh of actual electricity generated and 264GWh of compensated production. Only actual production figures were used in calculating CO2 displaced and homes powered figures.

(2) The number of homes powered is based on the average annual household energy consumption, using the latest reported figures, and reflects the portfolio's annual electricity generation as at the relevant reporting date for each region.

1.0 Greencoat Renewables overview



“
Greencoat
Renewables
is committed
to providing
the long-term
capital required
to support the
energy transition.”

Rónán Murphy
Chair

1.1 Foreword

The world has reached a critical juncture in the battle against climate change. The need to mobilise resources and take action before the end of the decade has never been more critical. In the sobering words of United Nations ('UN') Secretary-General, António Guterres, during COP28, 'We are living through climate collapse in real time; and the impact is devastating' (30 November 2023).

The impacts of climate change have been felt across the globe, with 2023 confirmed as the warmest year in global temperature data records (close to 1.5C above preindustrial levels), increasing the number and scale of extreme events such as flooding, wildfires, drought, extreme heat and record low levels of ice in the polar regions.

In light of this, Greencoat Renewables PLC (the 'Company') reaffirms its commitment to be a catalyst for positive change in the global fight against climate change. Renewable energy infrastructure plays a vital role in shaping a net zero future, driving decarbonisation efforts, mitigating global greenhouse gas ('GHG') emissions and enhancing energy security and supply. As one of the leading renewable energy infrastructure companies in Europe, Greencoat Renewables is committed to providing the long-term capital required to support the energy transition.

Established in 2017, our approach involves deploying capital into renewable energy infrastructure projects, fostering job creation and building the resilience of local communities.

In 2023, we expanded our portfolio through four acquisitions, including two forward sales, bringing our total to 39 renewable energy assets across Europe. These new assets have strengthened our portfolio's supply of renewable energy, which amounted to 3,422GWh⁽³⁾ during 2023 and is estimated to have powered greater than 750,000 households⁽⁴⁾ and avoided over 1.3 million tonnes of carbon dioxide ('CO₂')⁽⁵⁾ emissions across Europe.

With the acquisition of our first solar photovoltaic ('PV') farm, Torrubia in Zaragoza, Spain, a key focus of the Company in 2023 has been to ensure a robust approach to managing supply chain risks. Schroders Greencoat LLP (the 'Manager') takes supply chain risks very seriously and seeks to conduct thorough due diligence on all key service providers it engages, with enhanced due diligence on any supplier that is considered high risk.

Our impact extends beyond renewable energy production: our community funds have awarded over €1.3 million in grants to charities and community benefit organisations across 307 projects over the past year. These contributions benefit local people, wildlife and habitats, reinforcing our belief in being a responsible business.

We believe that sustainability and long-term value creation are fundamentally aligned. By managing our environmental, social and governance ('ESG') issues effectively, we can maximise returns for our investors and create positive benefits for the communities and the natural environments in which we operate. Our dedication to responsible investment practices is embodied in our robust ESG Policy, which is overseen by the Manager. Through this approach, we can identify and manage ESG-related risks and opportunities throughout the life cycle of our renewable energy assets.

Greencoat Renewables recognises the need for more transparency around biodiversity data and disclosures and welcomes the recent publication from the Taskforce on Nature-related Financial Disclosures ('TNFD'). In 2023, we conducted another bespoke environmental audit on one of our sites and provided funding to the Hare's Corner project to support biodiversity and wildlife enhancement in the local community.

We are proud to present our 2023 ESG Report, which highlights the progress we have made over the past year in furthering our commitment to sustainable investment. As we look ahead to 2024 and beyond, we remain dedicated to continuing this progress by identifying and implementing improvements in our investment strategies, operational processes and overall company growth. This dedication aims to optimise returns for investors, fostering long-term value for shareholders and benefiting all our stakeholders.

Rónán Murphy
Chair

(3) This includes 3,158GWh of actual electricity generated and 264GWh of compensated production. Only actual production figures were used in calculating CO₂ displaced and homes powered figures.

(4) The number of homes powered is based on the average annual household energy consumption, using the latest reported figures, and reflects the portfolio's annual electricity generation on the relevant reporting date for each region.

(5) Based on the marginal generation displaced in each jurisdiction. Gas generation for Ireland and Spain at 385gCO₂/kWh, nuclear generation for France and Sweden at 0gCO₂/kWh, biomass generation for Finland at 0gCO₂/kWh and coal generation for Germany at 935gCO₂/kWh. This approach is the preferred option under Partnership for Carbon Accounting Financials ('PCAF') guidance ('operating margin') for measuring carbon avoided and replaces the methodology used in 2022 that applied average grid intensity per region.

1.2 About us

Greencoat Renewables is an owner and operator of European-denominated renewable energy assets and is one of the leading listed renewables infrastructure funds in Europe. Since its listing in 2017, Greencoat Renewables has invested across Ireland and expanded into continental Europe.

Currently, the Company is the largest owner of operational wind farms in Ireland and has a growing portfolio in other European countries. The Company is managed by an experienced team of senior investment managers from Schroders Greencoat, a specialist investment manager of renewable energy infrastructure.⁽⁶⁾

In the global landscape, renewable energy emerges as a multitrillion-dollar asset class, projected to grow by over US\$100 billion annually in the coming decade.⁽⁷⁾ Across Ireland and our targeted jurisdictions in continental Europe, we expect over 400GW of renewable energy generation capacity to be in operation by 2028.⁽⁸⁾ We are well positioned to provide the capital required for investment in the renewable energy sector to meet these objectives through our strong relationships with many of the major counterparties and developers across the continent.

Our aim is to provide investors with an annual dividend that increases progressively while growing the capital value of our investment portfolio in the long term. As of 29 December 2023, the Fund had a market capitalisation of €1,152 billion and managed a portfolio of 39 operational renewable energy assets across the Republic of Ireland, France, Sweden, Spain, Germany and Finland with a combined installed capacity of 1.5GW. Greencoat Renewables has

been listed on the Growth Market of Euronext Dublin and the AIM market of the London Stock Exchange since 2017.

In 2023, Greencoat Renewables completed four acquisitions in total. These included:

- Two forward sales:
 - Cloghan (37.8MW onshore wind farm in Ireland)
 - Ersträsk North (134.4MW onshore wind farm in Sweden)
- Two acquisitions:
 - Torrubia Solar (49.97MW solar PV farm in Spain)
 - Butendiek Offshore Wind Farm (288MW offshore wind farm in Germany – two separate investments for 22.5% and 15.7% respectively)

(6) In 2022, Schroders PLC completed the acquisition of a 75% shareholding in Greencoat Capital, now known as Schroders Greencoat.
 (7) Based on data provided by the International Energy Agency ('IEA') World Energy Investment 2023 Report. Available at: <https://iea.blob.core.windows.net/assets/54a781e5-05ab-4d43-bb7f-752c27495680/WorldEnergyInvestment2023.pdf>.
 (8) Based on forecasts by the IEA Renewables 2023 Analysis and Forecast to 2028 Report. Available at: https://iea.blob.core.windows.net/assets/96d66a8b-d502-476b-ba94-54ffda84c72/Renewables_2023.pdf.

Onshore wind



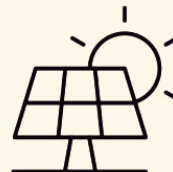
36

Total

1,219MW

Net capacity ⁽⁹⁾⁽¹⁰⁾

Solar PV



2

Total

90MW

Net capacity ⁽¹²⁾⁽¹³⁾

Offshore wind



2

Total

266MW

Net capacity ⁽¹¹⁾

Battery



1

Total

10.8MW

Net capacity

(9) Including 172MW net capacity acquired and forward sales in 2023

(10) Including 40MW net capacity under construction

(11) Including 110MW net capacity acquired in 2023

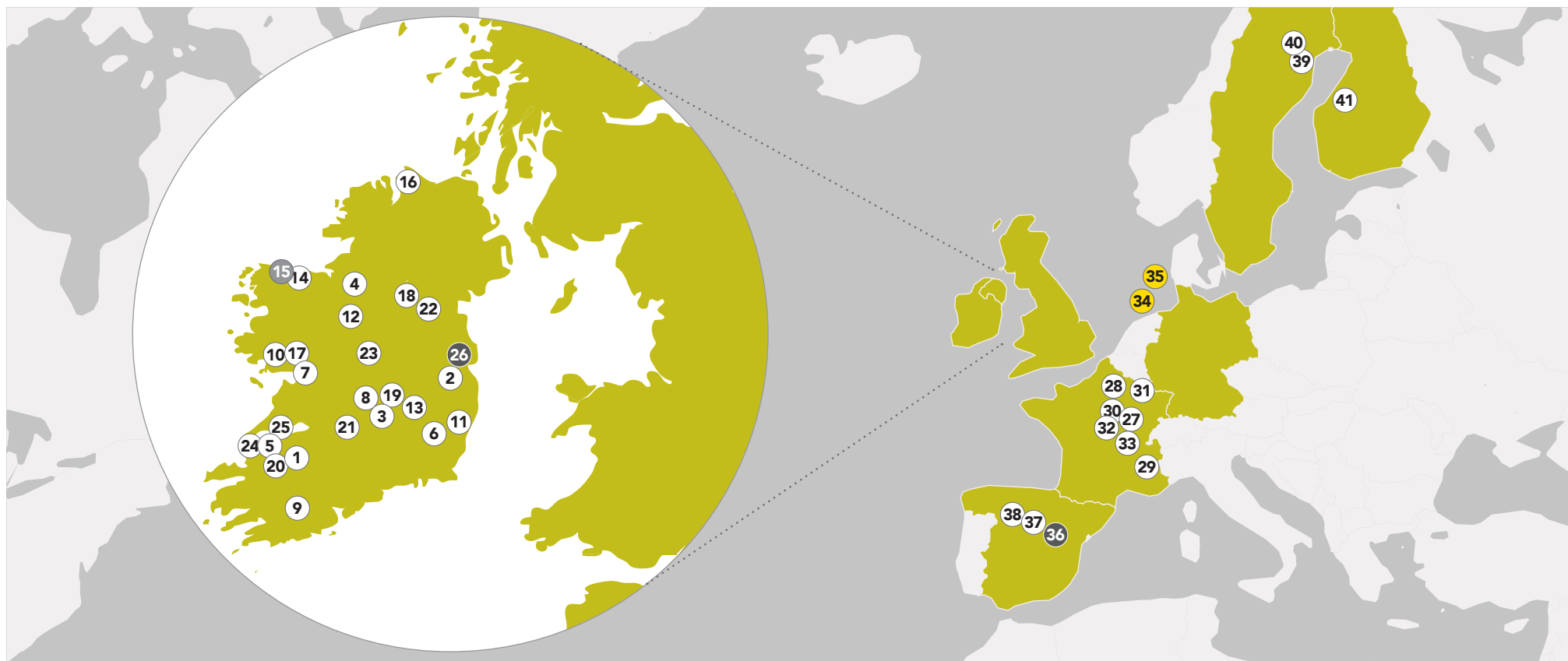
(12) Including 50MW net capacity acquired in 2023

(13) Including 40MW net capacity under construction

1.2.1 Assets under management

Key

- Onshore wind ● Solar PV
● Offshore wind ● Battery



Ireland

- 1 Knockacummer
2 Killhills
3 Lisdowney
4 Tullynamoyle Two
5 Glanaruddery
6 Knocknalour
7 Ballybane
8 Monaincha

- 9 Garranereagh
10 Cloosh Valley
11 Raheenleagh
12 Sliabh Bawn
13 Gortahile
14 Killala
15 Killala BESS
16 Beam
17 Letteragh

- 18 Carrickallen
19 Cnoc
20 Cordal
21 Glencarbry
22 Taghart
23 Cloghan – Acquired in 2023
24 Ballincollig Hill
25 Tullahennel
26 South Meath (under construction)

France

- 27 Pasilly
28 Sommette
29 Saint Martin
30 Arcy-Précy
31 Menonville
32 Genonville
33 Grande Pièce

Germany

- 34 Borkum Riffgrund One
35 Butendiek – Acquired in 2023

Spain

- 36 Torrubia – Acquired in 2023
37 Soliedra
38 Andella (under construction)

Sweden

- 39 Ersträsk South
40 Ersträsk North – Acquired in 2023

Finland

- 41 Kokkoneva

1.3 Board of Directors and management teams

We manage risk through robust processes and controls. We ensure adherence to regulations and best practice to support our growing business. The Board of Directors oversees the management of the Company and is composed of non-executive directors, all independent of the Manager. They all bring significant and complementary industry experience and a wide range of skills and expertise.



Rónán Murphy
Director and Chair of the Management
Engagement Committee

Rónán Murphy, aged 66, was previously Senior Partner of PwC Ireland, a position he was elected to in 2007 and was re-elected to for a further 4-year term in July 2011. Rónán joined PwC in 1980, qualifying in 1982 and was admitted to the partnership in 1992. Rónán was a member of the PwC EMEA Leadership Board from 2010 to 2015. Rónán is also a non-executive director of Icon PLC.

Rónán holds a Bachelor of Commerce degree and Masters in Business Studies from University College Dublin and is a Fellow of the Institute of Chartered Accountants.



Kevin McNamara
Director and Chair of the Audit
Committee

Kevin McNamara, aged 69, has more than 25 years' experience in the energy sector. Kevin enjoyed a long career with ESB International, including leading the investment division of ESB International Investments. More recently Kevin was CFO of Amarengo Solar, a solar business focussed on the Irish and French markets and prior to this CEO of Airvolution Energy, a UK wind development business.

Kevin holds a Bachelor of Commerce degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants.



Emer Gilvarry
Director and Chair of the Remuneration
Committee

Emer Gilvarry, aged 66, was the Managing Partner of Mason Hayes & Curran for two consecutive terms from 2008 to 2014. From 2014 until 2018, Emer took over the role of Chair of the firm. She is also a former Head of the firm's Litigation Group (2001 to 2008). Emer is a former Board member of Aer Lingus. Emer is also a non-executive director of Kerry Group PLC and a Patron of Chapter Zero (a chapter for the education of non-executive directors in sustainability).

Emer holds a Bachelor of Law degree from University College Dublin (BCL).



Marco Graziano
Director and Chair of the Nomination
Committee

Marco Graziano, aged 66, has more than 35 years of worldwide experience in the energy sector, with a demonstrated track record of driving growth and profitability managing large organisations. He served as both executive and non-executive director in a number of companies in Europe, Africa, Middle East and Latin America. After many years with the French multinationals Alstom and Areva, more recently he was President of South Europe, MENA and LATAM for Vestas Wind Syst.

Marco holds a doctorate degree in mechanical engineering from Genoa University.



Eva Lindqvist
Director

Eva, aged 66, has more than 30 years extensive international experience in telecoms and infrastructure, having worked for more than 30 years across these sectors. She spent the majority of her career at Ericsson where she held a number of senior management positions. In 2007, she was appointed CEO of Xelerated Holdings AB, an international technology company specializing in semi-conductors, where she held the position until 2011. Since then, she has held a number of Chair and non-executive director roles, including Bodycote plc, Keller Group plc and Tele2 AB.

Eva graduated with a Master of Science in Engineering and Applied Physics from the Linköping Institute of Technology and holds an MBA from the University of Melbourne, along with being a member of the Royal Swedish Academy of Engineering Sciences.

1.4 What ESG means to us

Our commitment to ESG is integral to achieving our business objectives and maximising the positive socioeconomic impact of renewable energy.

Greencoat Renewables' strategy is to own and operate a diversified portfolio of renewable infrastructure assets across different geographic locations, technologies and weather systems. Rooted in our investment philosophy, culture and leadership approach, we firmly believe that effective management of ESG factors both benefits our shareholders and contributes to the wellbeing of wider society. Recognising that effective consideration and management of ESG factors impacts performance and overall business success, we ensure that they are fully integrated into our investment processes. Our approach to risk management ensures that ESG-related risks and opportunities are identified, mitigated and managed throughout the life cycle of the assets we manage. We achieve this by embedding ESG factors into our pre-investment processes through robust due diligence, ongoing asset management protocols and monitoring performance during operations to ensure a comprehensive approach to sustainability.

As one of the largest listed renewable energy infrastructure investment funds in Europe, we recognise the importance of having a robust ESG management and governance structure while continuously engaging with industry stakeholders to inform our ESG knowledge to champion responsible investment.

Additionally, the Manager is committed to allocating resources towards the development of internal ESG capabilities within its teams and incorporating these considerations into the Company's day-to-day operations.



1.5 Our ESG focus areas

In this report, we explore the issues of most importance to our business, the impact they have on our stakeholders and, where appropriate, the contributions they make to the UN Sustainable Development Goals ('SDGs').

We consider the following ESG topics to be material and of the highest priority:

Environmental



- Carbon emissions
- Renewable energy
- Climate change
- Environmental management
- Waste management

Social



- Health and safety
- Community engagement
- Supply chain

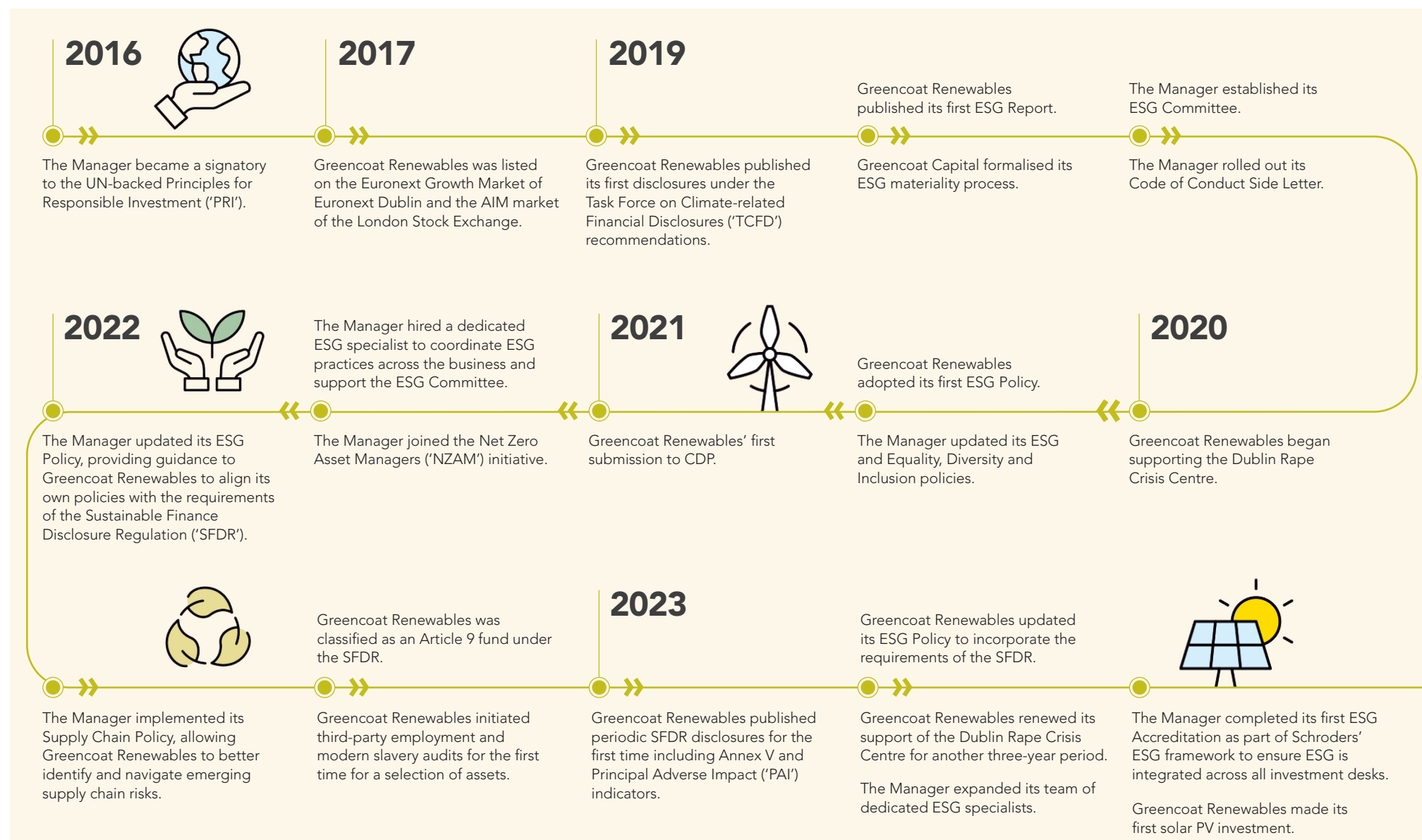
Governance



- Human rights and modern slavery
- Anti-bribery, anti-corruption, and anti-money laundering (AML)
- Management practices

1.6 Our ESG timeline

As we continue our ESG journey, we will look for opportunities to strengthen our risk management and ESG processes based on best practice.



1.7 Key activities in 2023

In 2023, we reached a number of important milestones progressing our sustainability actions. These include:

- ✓ We updated our ESG Policy to incorporate the requirements of the SFDR including good governance, minimum safeguards, PAIs and exclusion criteria.
- ✓ Classified as an Article 9 fund, we completed our first SFDR PAI indicators and periodic (Annex V) disclosures in 2023 and will continue to report in 2024.
- ✓ We continued working on implementing the TCFD recommendations.
- ✓ We successfully achieved a CDP score of B for our latest submission, an improvement from the C received the previous year.
- ✓ We updated our Modern Slavery Statement keeping in mind guidelines, guiding principles and new technology, markets and stakeholders.
- ✓ We continued to report and disclose our Scope 1, 2 and 3 emissions in our 2023 Annual Report.
- ✓ The Manager has been reviewing its Code of Conduct to ensure it is robust enough to meet its good governance standards and ensure alignment to the Organisation for Economic Co-operation and Development ('OECD') and UN Global Compact ('UNGC').
- ✓ The Manager expanded its team of dedicated ESG specialists who focus on ESG matters and coordinate ESG activities across the Company.

1.8 Highlights from 2023

1.5 GW

Installed net capacity under management
(as of 31 December) (GW)

2023	1.5 GW
2022	1.2 GW
2021	0.8 GW

3,422 GWh

Renewable energy generated (GWh)

2023	3,422 GWh
2022	2,487 GWh
2021	1,522 GWh

>750,000

Number of homes (equivalent)
powered by clean energy

2023	753,000
2022	539,000
2021	348,000

€1.3m

Investment in community funds or social
projects (million)

2023	€1.3m
2022	€1.0m
2021	€1.0m

39

Number of operating renewable energy
assets under management

2023	39
2022	35
2021	25

1.3m

Tonnes of CO₂ avoided (million)⁽¹⁴⁾

2023	1.3m
2022	0.7m
2021	0.6m

100 (14 assets)

Percentage and number of assets that have habitat
management plans or any environmental planning
requirements in place

2023	100 (14)
2022	100 (13)
2021	100 (9)

⁽¹⁴⁾ The methodology for calculating carbon avoided has been updated in 2023 and is based on the marginal generation displaced in each jurisdiction. This approach is the preferred option under Partnership for Carbon Accounting Financials ('PCAF') guidance ('operating margin') for measuring carbon avoided and replaces the methodology used in 2021 and 2022 that applied average grid intensity per region.

2.0

Our approach to responsible investment

2.1 Our approach to ESG management

TCFD: Governance



ESG integration aims to enhance the risk and return profile of the Company by incorporating sustainability considerations into the traditional investment analysis process. This approach focuses on maximising the positive impacts of our investments – such as renewable electricity production, which supports the net zero transition through the avoidance of GHG emissions – while avoiding or mitigating any material negative impacts or risks. ESG (including climate change) management is delegated to the Manager, with oversight from the Company's Board of Directors. Schroders Greencoat employs dedicated specialists who focus on ESG matters and coordinate activities through the ESG Committee. In practice, ESG responsibilities are executed through various teams and committees as shown in the figure below:

ESG responsibilities throughout the business



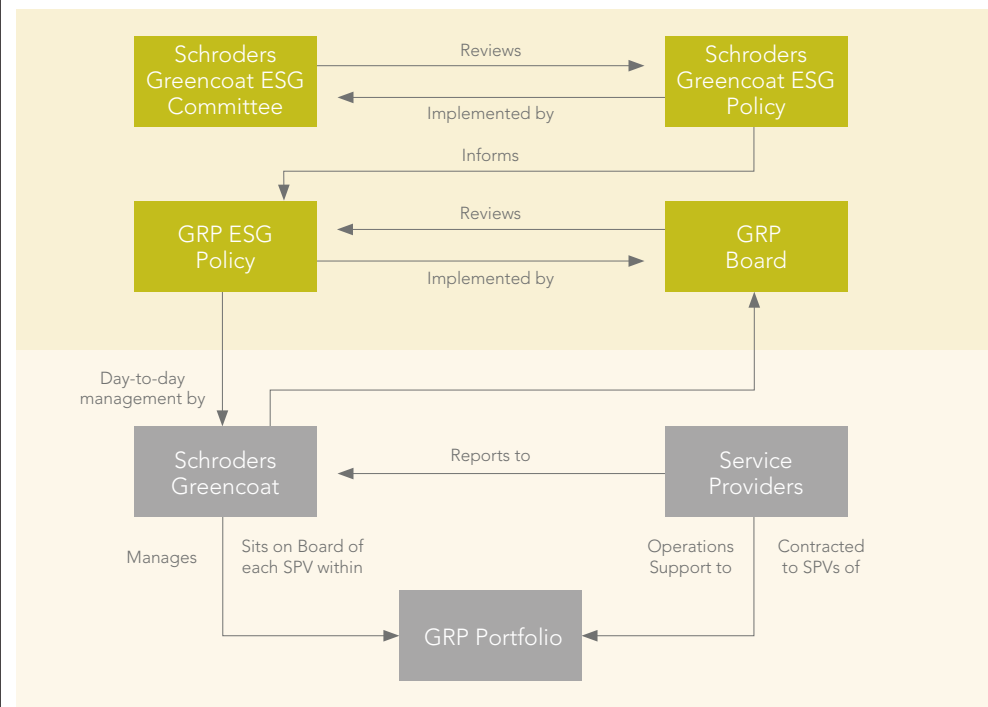
Schroders Greencoat's ESG Policy provides guidance and principles for the integration of ESG considerations across the funds under its management. The ESG Policy accommodates material ESG factors associated with the various assets it manages, such as those related to wind, solar and energy transition assets. The ESG Policy is reviewed annually and is approved by Schroders Greencoat's Risk Management and Policy and Procedures committees.

Nominated Schroders Greencoat employees, appointed to the boards, actively participate in the boards of its operating wind and solar farm companies, overseeing performance, particularly in relation to ESG matters, through bi-annual board meetings. Schroders Greencoat provides regular reports to the **Greencoat Renewables' Board ("the GRP Board")**, encompassing health and safety performance, production data, wind and solar availability, environmental incidents and other key events. The GRP Board also oversees ESG performance through annual risk reviews.

Greencoat Renewables has its own **ESG Policy ("the GRP ESG Policy")**, grounded in the Manager's ESG policy, that commits us to integrating responsible investment objectives into our business. Guided by this policy, we have a clear focus on implementing best practice ESG management to enhance returns and create long term value for investors.

Throughout the investment decision-making and asset management processes, the Manager identifies potential areas of risk and opportunity that could impact the value and performance of investments. Responsible actions across all operational areas are crucial to maintaining stakeholder trust and, as a result, our aim is to incorporate material ESG factors into these processes in the same balanced way we do with other key investment-performance risks.

Figure 1 Greencoat Renewables' ESG management framework



The **Greencoat Renewables ESG Policy** outlines specific areas of focus, which are illustrated in Figure 1. These, along with other material ESG factors identified, are incorporated into pre-investment screening, reported to the Investment Committee and managed in line with the Manager's broader policies and practices after acquisition.

Figure 1



We also regularly report and monitor ESG performance across all our assets, some aspects of which are managed on our behalf by third-party providers, covering the following topics:

- ✓ Climate change
- ✓ Governance standards
- ✓ Risk register for each asset
- ✓ Health and safety incidents and audits
- ✓ Environmental matters and implemented habitat management plans
- ✓ Local community projects

To support this, we promote a culture of proactive incident reporting, both internally and with our external service providers, to enable timely remediation. We also conduct thorough due diligence on each of our service providers and review their performance regularly.

2.1.1 A robust approach to ESG management

A robust management structure enables the Manager to oversee ESG issues effectively during the life cycles of our renewable energy assets. This includes the following stages and processes:

1. Screening

- Identify opportunities that materially benefit the transition to a net zero economy
- Screen against investment mandate and exclusion criteria⁽¹⁵⁾
- Assess the ability of the investment to comply with ESG standards
- Assess EU taxonomy alignment for onshore and offshore wind farms and solar farms

2. Due diligence

- Rigorously assess ESG risks based on commitment, capacity, track record and features of the wind farm
- Identify mitigation plans if any material ESG risks are identified

3. Investment decision

- Identify and address ESG factors in Investment Committee papers that inform investment decisions
- Determine and cost plans to address ESG factors and price into the investment decision-making process

4. Asset management

- Establish appropriate governance structures
- Comply with all relevant laws and regulations
- Ensure ongoing monitoring and management of ESG factors
- Manage impacts on the natural habitat surrounding the assets we manage
- Engage with and support local communities
- Perform continuous due diligence on third parties
- Engage with key service providers to enhance performance
- Ensure business integrity with a focus on avoiding money laundering, negligent or corrupt practices

(15) The full Exclusion List can be found in the Greencoat Renewables ESG Policy.

2.1.2 Engagement

Engagement for us signifies proactive and purposeful communication with our key stakeholders, ranging from local communities to investors, service providers, regulatory bodies and industry experts.

Through this engagement, we aim to enhance the profile of our investments over their lifetimes, either directly or indirectly, and generate long-term value for our shareholders and all stakeholders. We seek to engage and build strong, long-term relationships with high-quality, experienced third parties to maintain service consistency and standards.

Unlike some investment entities that set prescriptive engagement objectives, Schroders Greencoat opts for a more tailored approach. A representative from the Manager sits on the board of each investee company, enabling the Manager to play a direct and active role in monitoring, assessing and influencing the financial, operational and sustainability performance of the investments we manage.

This involvement ensures the implementation of strong governance practices. Our discussions with relevant stakeholders are regular, continuous and dynamic, reflecting our commitment to maintaining open lines of communication and fostering collaborative relationships.

As a leading investor in the renewable energy sector, we view engagement as a responsibility to actively promote sustainable practices throughout the industry. The Company has a representative on the Board of Wind Energy Ireland, the representative body for the Irish wind industry. Our asset management team regularly attends industry initiatives including working groups and conferences and participates in consultations. In 2023, the team attended or participated in over 40 industry related initiatives.

Greencoat Renewables also places importance on community engagement and see this as a key part of the Company's social license to operate. The Company has a community engagement procedure that guides its community engagement, ensuring a robust and scalable approach. In 2023, we contributed towards a total of 307 community benefit projects.



2.2 Reporting and disclosures

We understand the importance of transparency in maintaining the trust of our stakeholders. In addition to our SFDR and TCFD disclosures, we produce this annual ESG Report and ensure that pertinent policies and publications are made available on our website. Our commitment to reporting and disclosures remains adaptive to the evolving needs of investors, stakeholders and regulations.

2.2.1 EU Sustainable Finance Disclosure Regulation

The EU's SFDR requires financial market participants to provide information to investors on how sustainability risks are integrated into the investment decision-making process. The objectives of SFDR include integrating sustainability into the financial system and helping steer the flow of capital towards sustainable investments.

We are dedicated to advancing transparency in ESG matters. In 2023, we successfully delivered on our SFDR level 2 disclosures and alignment to the EU Taxonomy's Technical Screening Criteria requirements. This included our first disclosure of the SFDR PAIs. Greencoat Renewables is classified as an Article 9 fund under the SFDR, as it has sustainable investment as one of its objectives (as defined by SFDR). Specifically, Greencoat Renewables contributes to the environmental objective of climate change mitigation that helps to facilitate the transition to a low carbon economy through its investments.

Our SFDR Disclosure Statement can be found in the appendices of our 2023 Annual Report and is available on our website. Our periodic disclosures (Annex V) and statement on PAIs (Annex I) are included in the latest Annual Report, also available on our website. The Manager collaborated with external legal teams to develop a robust framework that meets the requirements of the SFDR and facilitates a streamlined integration of ESG considerations at every stage of the investment period.

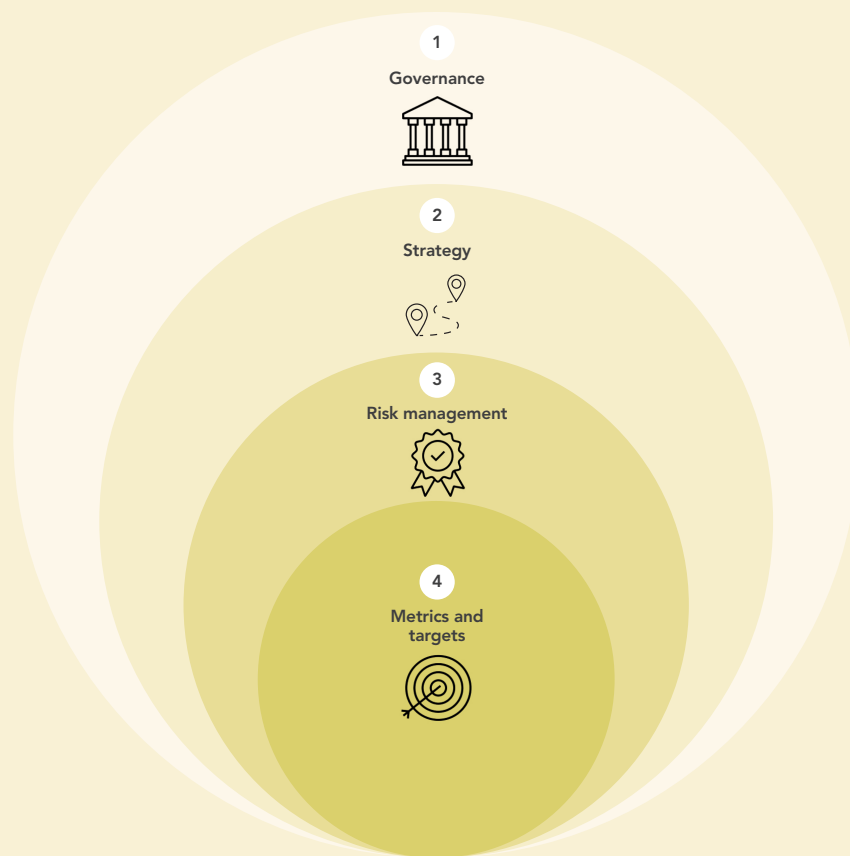


2.2.2 Task Force on Climate-related Financial Disclosures

The TCFD was created to improve and increase reporting of climate-related financial information. The TCFD recommendations comprise a set of voluntary, consistent disclosures for use by companies when providing information to investors, lenders and insurance underwriters about their climate-related risks.

We strive to maintain the highest standards of corporate governance and effective risk identification and management at company and asset levels. We support and align with the TCFD recommendations and refer to them for guidance to address climate-related risks and opportunities across the business and to enhance our disclosure. In 2024, the Company will fall into scope of the Financial Conduct Authority's ('FCA') TCFD requirements and will make its FCA TCFD disclosures available on its website.

The recommendations of the TCFD are categorised and reported on in four thematic areas:



TCFD disclosures can be found in our 2023 Annual Report. More information on how the Company addresses climate-related risks and opportunities is set out in section 3.1 'Climate change' below.

2.2.3 Corporate Sustainability Reporting Directive

The Corporate Sustainability Reporting Directive ('CSRD') is a regulatory framework aimed at enhancing corporate sustainability reporting. It builds upon the existing Non-financial Reporting Directive ('NFRD') and aims to harmonise sustainability reporting standards across the EU. The CSRD came into effect in 2023 and applies to certain EU companies and qualifying EU subsidiaries of non-EU companies. The key reporting requirements of the CSRD include a much wider scope of environmental and social matters compared to the NFRD, such as the double materiality principle, the requirement of externally assuring sustainability information, and greater accessibility.

We are tracking the evolution of the Directive and are seeking legal advice on the applicability of CSRD to the Company and the consequential reporting requirements.



2.3 External initiatives and standards

2.3.1 UN Principles for Responsible Investment

Schroders Greencoat has been a signatory to the PRI since May 2016, and has committed to adopting the six principles in its business. These principles provide a voluntary framework to help investors incorporate ESG factors into investment analysis, decision-making and ownership practices.

As of 2023, the Manager now forms part of Schroders' membership, and as such completes the PRI assessment through Schroders' submission. In 2023, Schroders Greencoat managed the infrastructure module of the PRI assessment, achieving 95% (5 stars). Schroders PLC received four or five stars out of five for all other modules.⁽¹⁶⁾

- ✓ Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- ✓ Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- ✓ Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- ✓ Principle 4: We will promote acceptance and implementation of the PRI within the investment industry.
- ✓ Principle 5: We will work together to enhance our effectiveness in implementing the PRI.
- ✓ Principle 6: We will report on our activities and progress towards implementing the PRI.

(16) Contact the Manager for the PRI Scorecard which sets out the results for all modules.

2.3.2 UN Sustainable Development Goals

The SDGs are a collection of 17 interlinked global goals designed to be a 'blueprint to achieve a better and more sustainable future for all'. The SDGs were adopted by all UN Member States in 2015 and should be achieved by 2030.

We acknowledge the importance of the SDGs in addressing the global challenges facing the international community and are supportive of the 2030 targets. Through the management of renewable energy assets in Europe, the Company makes clear and direct contributions to affordable and clean energy (SDG 7), building resilient infrastructure (SDG 9) and climate action (SDG 13). Beyond these, we contribute to the SDGs more widely through the ways in which we operate our business and support the communities and environments where we work.



SDG 7

Ensure access to affordable, reliable, sustainable and modern energy for all

Our business is focused on owning and operating renewable energy assets. By investing in renewable energy generation, we help to provide clean energy for all as developers recycle capital into building more renewables infrastructure. Our portfolio can power the equivalent of over 752,756 homes with clean energy and we generated 3,422GWh of renewable electricity in 2023.



SDG 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Our portfolio contributes towards SDG 9 by supporting the development of resilient infrastructure and fostering technological innovation through energy storage. The 10.8MW battery energy storage system ('BESS') at Killala Wind Farm aids in integrating renewable energy sources into the grid, mitigating climate change by storing excess energy and releasing it when needed. Its role in diversifying energy storage solutions aligns with SDG 9's aim of promoting sustainable industrialisation and innovation in infrastructure by enhancing the flexibility and reliability of energy systems.



SDG 13

Take urgent action to combat climate change and its impacts

Our portfolio contributes towards a zero carbon future and in 2023 avoided more than 1.3 million tonnes of CO₂. Climate change measures are integrated into our policies and planning as we seek to raise awareness of how to mitigate climate change. We assess and report climate-related risks and opportunities associated with our assets and take steps to reduce the carbon footprint of our portfolio.



2.3.3 Net Zero Asset Managers initiative

The NZAM initiative is an international group of asset managers who are committed to supporting the goal of net zero GHG emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C, and to supporting investment aligned with net zero emissions by 2050 or sooner. NZAM has more than 315 signatories with \$57 trillion in assets under management (as of 4 December 2023).

After becoming a signatory to NZAM in 2021, Schroders Greencoat established a Net Zero commitment in 2022 to cut the intensity of its Scope 1 and 2 emissions by 50% by 2030, using the Net Zero Investment Framework methodology. The Manager will be releasing its first climate action plan in 2024 that will explain its strategy, targets and progress towards Net Zero.

The Company continues to report its Scope 1, 2 and 3 emissions to ensure transparency around its operations. In 2023, we took measures to reduce our market-based Scope 2 emissions (GHG emissions associated with electricity consumption) by switching to green tariffs through Guarantees of Origin certificates. Guarantees of Origin are certificates issued by a regulatory scheme, which demonstrate that the purchased electricity has been generated from renewable sources.

NET ZERO
ASSET
MANAGERS
INITIATIVE



2.3.4 CDP

The CDP (formerly known as the Carbon Disclosure Project) is a global environmental disclosure system that enables companies to measure and manage their environmental impacts, particularly in terms of climate change, water security and deforestation. The CDP's main objective is to provide a more transparent and standardised platform for reporting environmental data and driving sustainable practices in the business sector.

We completed our third submission to the CDP Climate Change Questionnaire, which includes the disclosure of environmental data relating to GHG emissions, supply chain engagement, and climate change strategies, risks and opportunities. We were delighted to achieve a score of B for our latest submission. The improved score is the direct result of our approach to evolve and continuously improve on an annual basis. We will further develop our long-term approach to the CDP for the next reporting year.

B+

CDP Score

2023 B+

2022 C



3.0 Environment

As custodians of renewable energy, we understand the pivotal role our assets play in fostering a sustainable future by contributing to climate change mitigation. Environmental considerations exist at the core of our business and across our portfolio, going beyond the contribution our portfolio has towards climate change mitigation and reflecting our commitment to environmental stewardship and recognition of the profound impact our actions have on the broader community. This includes careful management and consideration of the carbon footprint associated with our investments, waste management and end-of-life use, and management of our impact on local habitats and ecosystems.

3.1 Climate change

The most material environmental issue impacting our portfolio is climate change. Our beliefs are set out in our TCFD disclosures in the Annual Report: that the decarbonisation of the European economy presents a significant investment opportunity for the Company; and that the scale of the Company's growth will be linked to the overall success of the renewable energy sector, the role of renewable power generation in the EU, and the Company's ability to engage its key stakeholders. The Company remains committed to its strategy and Investment Policy of investing in operating renewable assets to benefit from this opportunity.

The Company also recognises, however, that there are short, medium and long-term transition risks that could impact our future financial performance linked to climate change-related policy changes and potential physical risks. The Company seeks to manage these risks to mitigate any potential impacts.

In this section, we set out the role the Company plays in generating renewable electricity, thereby contributing to climate change mitigation and benefiting from the opportunities this presents; we also recognise the principal risks associated with climate change identified by the Board and Manager and how these are managed. Finally, we disclose the GHG emissions associated with our activities, although small in comparison to the avoided carbon that our renewable electricity production enables, and our early initiatives to reduce carbon emissions.

Please note that this section is not the TCFD disclosures for the Fund. These can be found in the Annual Report. However, we do include TCFD indicators to help guide readers to relevant TCFD information.

3.1.1 Producing renewable energy

TCFD: Strategy

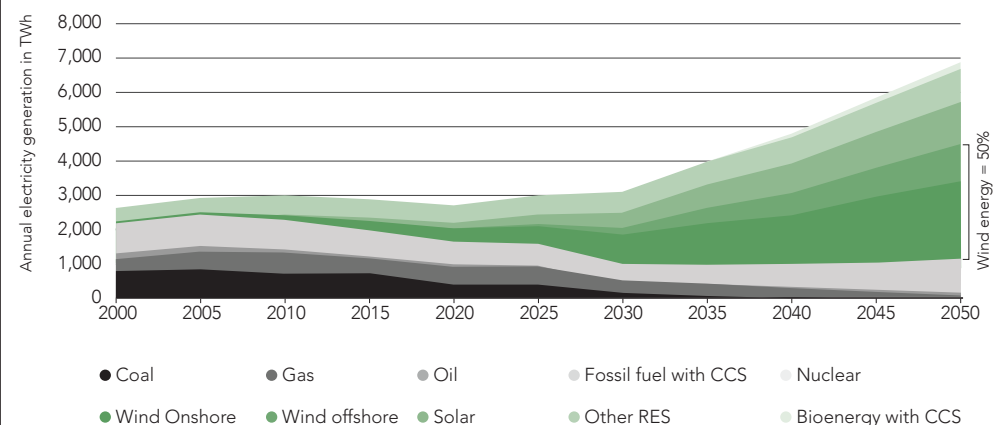


One of the largest contributors to GHG emissions is the energy sector, and governments have responded to the call to speed up the transition away from fossil fuels towards renewables as part of their international commitments. The EU formally adopted an updated Renewable Energy Directive in October 2023 that, among other measures, raises the binding 2030 target from 32% to 42.5%, with the aim of achieving an energy generation share of 45% from renewables (using a 2020 baseline year).⁽¹⁷⁾ This commitment will require a deep transformation of the European energy system through an expansion of renewables by more than double what is currently deployed. Analysis by WindEurope⁽¹⁸⁾ forecasts an expansion of the EU's electricity system from around 3,000 TWh today to 6,800 TWh by 2050, of which wind and solar energy is expected to make up 50% and 20% of the EU's electricity mix, respectively.

⁽¹⁷⁾ European Commission. Renewable Energy Directive. Available at: https://energy.ec.europa.eu/topics/renewable-energy/renewable-energy-directive-targets-and-rules/renewable-energy-directive_en

⁽¹⁸⁾ WindEurope (2021). Getting fit for 55 and set for 2050 Electrifying Europe with wind energy. Available at: <https://windeurope.org/intelligence-platform/product/getting-fit-for-55-and-set-for-2050/>

Figure 2 Forecasted electricity generation in Europe by 2050 (WindEurope 2021)



As one of the leading listed renewables infrastructure funds in Europe, we are well positioned to support the transition to a lower carbon energy system and to mitigate climate change. We do this through the generation of renewable energy, alongside minimising the potential impacts that our asset portfolio operations may have on local habitats and the environment. Acquiring operational wind and solar assets from third-party utilities allows for the recycling of capital into further renewable energy infrastructure. Growing renewable electricity production also enables the decarbonisation of all other sectors of the economy.

Key performance indicators

Renewable electricity generated (GWh)

2023	3,422
2022	2,487
2021	1,522

Number of homes powered by clean energy

2023	753,000
2022	539,000
2021	348,000

Tonnes of CO₂ avoided⁽¹⁹⁾

2023	1,324,000
2022	686,000
2021	609,000

⁽¹⁹⁾ The increase in CO₂ avoided per MW is due to a change in calculation methodology. From 2023, we are reporting CO₂ avoided based on the displaced marginal generation emission factors instead of the average grid intensity figures, as detailed in footnote 3. The 2022 figure restated to the current methodology is 869,600 tonnes of CO₂ avoided.

3.1.2 Climate-related risks and opportunities

TCFD: Strategy



As noted above, we believe that the decarbonisation of the economy to mitigate climate change will present a significant opportunity for the Company. We also recognise that there are short, medium and long-term transition risks that could impact our future financial performance that are linked to climate change-related policy changes and potential physical risks.

Through our risk management processes, we seek to monitor and understand the material climate-related risks and, where deemed material (high likelihood and impact), to manage them to mitigate potential impact on the Company.

The most material climate-related risks and opportunities identified by the Manager and the Board are set out in the Company's 2023 Annual Report as part of TCFD disclosures, including mitigation actions to manage risks where appropriate.

The Company has identified several potential climate related opportunities. Anticipated increases in government and corporate net zero targets are expected to drive supportive policies for renewable energy, particularly in Europe, where substantial growth in renewable capacity is projected by 2030. This may lead to increased demand for renewable energy procurement, offering opportunities to secure fixed power prices through corporate power purchase agreements ('PPAs') and Guarantees of Origin certificates. Additionally, growing investor interest in renewable energy funds presents opportunities for lower capital costs and increased capital raises, especially

in the short term (<5 years) where there's a need to cater to investor demands for net zero aligned investments through enhanced market engagement and disclosures about the positive role of renewable energy in the energy transition.

The Company has also identified several climate related risks. Market transition risks include the potential decrease in power prices due to increased renewable generation capacity, impacting revenue and dividend policy. Policy transition risks involve retrospective changes to financial support for renewable energy, potentially affecting business prospects. Reputation risks arise from increased scrutiny on climate disclosures which may lead to investor dissatisfaction or fines for incorrect statements. Technology transition risks entail the emergence of cheaper alternatives to current renewable technologies, potentially reducing government support and revenues. Physical risks encompass acute events like extreme weather disrupting operations and chronic changes in weather patterns affecting generation capacity. However, the Company aims to mitigate these risks through strategies such as diversification, staying informed about policy changes, ensuring portfolio resilience to extreme weather, and conducting thorough due diligence and risk modelling.

TCFD: Risk Management



As part of established risk management processes, the Schroders Greencoat Risk Management Committee meets on a quarterly basis to discuss, among other matters, the risk framework including processes for identifying, assessing and managing climate-related risks across our portfolio. The

Company's risk matrix, reviewed and approved by the Board, includes climate-related risks. This determines the risks reported by the Company, as well as the strategy applied and the mitigation activities implemented in relation to the climate risks identified.



3.1.3 Climate scenario analysis

TCFD: Strategy



Transition risk scenario

To understand the potential risks and opportunities presented to the Company, the Manager recognises the TCFD requirement to consider the resilience of its strategy under different climate-related scenarios, including a 2.0C or lower temperature increase scenario. The Board has therefore considered the potential impact of a high transition risk scenario on its strategy and sets out high-level conclusions below.

The scenario was developed by a market-leading consultant and sets out how electricity prices and the market may develop in line with meeting the legislated target of net zero emissions by 2050 – including current and future policy implementation to achieve carbon neutrality, technological developments and commodity price forecasts for a global outlook.

In this high transition risk scenario where global temperature increases are limited to only 1.5–2.0C (most typically associated with net zero), it is assumed that the European governments are successful in implementing net zero plans, albeit energy systems decarbonise later than targeted. In this scenario, the long-term power price is lower than the base case used to calculate the Company's NAV. The lower long-term power price scenario reflects the wider deployment of low marginal cost renewable generation capacity, partially offset by the expected deployment of electrolyzers as part of a growing hydrogen economy, the increased electrification of transport and heat, and the build-out of data centres. Modelling the lower long-term power price would equate to approximately a 15.5 cent reduction in NAV per share compared to the base case.

The base case long-term power price assumes significant renewable generation and other measures to reduce carbon emissions and represents the independent consultant's best estimate of likely outturn. The high transition risk scenario assumes further measures. The precise effect on power price of any measures (in the base case and in the high transition risk scenario) is highly uncertain and highly dependent on the future electricity market design.

Physical risk scenario

In relation to scenario analysis for physical risks, the Manager, in 2022, with the assistance of an independent consultant, completed a risk modelling exercise for ten representative assets in the portfolio reflecting climate-related hazard exposure over a future time period. The outcomes of the risk modelling exercise were reviewed by the Manager but not considered a credible basis from which to assess forward-looking climate risks. The Manager will continue to explore appropriate climate physical risk analysis tools.

The Board and the Manager continue to believe that a scenario where global temperature increases are significantly higher than 2C (a high physical risk scenario) would not lead to any significant physical risk to the Company's wind farms in the near-term; they are designed to operate under extreme weather conditions and are typically not located in areas prone to flooding.

In the medium to long term, the Board and the Manager recognise that there is a risk that weather systems may change as a result of higher temperature change scenarios, but do not believe it is possible at this time to determine whether this would impact the Company either positively or negatively. The Board and the Manager will continue to investigate options for physical climate risk models and tools to support further assessment of the potential physical risks associated with the Company's portfolio.

3.1.4 Greenhouse gas emissions

TCFD: Metrics & Targets



An orderly transition to a net zero global economy is the best chance society has to mitigate climate change. As countries develop their own ambitious targets and commitments, it is imperative that companies develop strategies to decarbonise and contribute to a carbon neutral economy. We are committed to reporting our carbon footprint and to reducing GHG emissions from our own operations, thereby also supporting the Manager's Net Zero Policy.

Methodology

In adherence to industry standards, the calculation methodology for our Scope 1, 2 and 3 emissions conforms to the GHG Protocol, employing an equity share approach. Under this, a company accounts for GHG emissions from operations according to its share of equity in the operation. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation.

We calculated our GHG emissions using the most up to date government-approved conversion factors and, where possible, used primary data. Where primary data was not available, we used secondary data and estimations based on the best available credited sources and an independent consultant. Emissions were calculated on a carbon dioxide equivalent basis using the latest global warming potentials for non-carbon greenhouse gases.

A full breakdown of our GHG emissions can be found in Table 1.

Table 1 Greencoat Renewables' breakdown of GHG emissions

Scope	Emission driver	2022 (tonnes of CO ₂ e)	2023 (tonnes of CO ₂ e)
Scope 1	Fuel combustion	18	109
	Fugitive and process gases	42	165
Scope 2	Electricity (location based)	939	941
	Electricity (market based)	475	429
Scope 3	Purchased goods and services	8,593	11,447
	Capital goods	203,081	227,219
	Fuel and energy-related activities	55	85
	Waste	3 ⁽²⁰⁾	3
	Business travel	5	5
Total (location based)		212,736	239,974 ⁽²¹⁾
Total (market based)		212,272	239,462
Data coverage		100%	100%

Note: CO₂e refers to carbon dioxide equivalent.

(20) Note that the 2022 emissions data presented in this table has been restated due to a unit of measurement error. Specifically, emissions from Scope 3: Waste was previously reported as 2,526 tonnes of CO₂e, when it was actually 2.526 tonnes of CO₂e in 2022 (rounded to 3 tonnes of CO₂e). This restatement has also resulted in a slight decrease to the total location-based and total market based figures for 2022.

(21) Values in this report have been rounded to the nearest tonne of CO₂e; therefore, the values quoted for individual scopes may not add up to the values quoted for total emissions.

Scope 1: Fuel combustion and fugitive and process gases

Scope 1 emissions relate to emissions associated with fuel combustion and fugitive gases. Emissions from fuel combustion arise due to the use and combustion of diesel in backup generators on site. Emissions from fugitive gases are from the release of sulphur hexafluoride (SF₆) gas from switchgear components within the assets, based on the quantity of SF₆ gas replaced per asset during the reporting period. Only one asset reported any SF₆ emissions in 2023.

Scope 2: Purchased electricity



Imported electricity from renewable generation: 83.6%



Imported electricity from non-renewable generation: 16.4%

As per the requirements of the GHG Protocol, we report both location-based and market-based emissions for Scope 2: Purchased electricity. The location-based approach estimates the GHG emissions to atmosphere from the electricity physically delivered to a company, which relies on the average regional grid emission factors. The market-based approach represents emissions based on how an organisation purchases its energy, and accounts for renewable tariffs, renewable energy certificates and supplier-specific emission factors.

In 2023, we took measures to reduce our market-based Scope 2 emissions by purchasing Guarantees of Origin certificates to better substantiate our reported market-based emissions. It is important to note that under this approach a reported reduction in emissions may not directly represent actual emissions reductions for the Company, as a decision to switch supplier or move to a more renewable tariff does not directly impact the wider operation of the grid and its associated emissions in the short term. Over time, as collective consumer demand for renewable energy grows, a market signal is sent to support the development of more renewable generation facilities, thus accelerating the decarbonisation of energy supply within that jurisdiction. Our market-based Scope 2 emissions therefore signify a commitment to contribute positively to the renewable energy sector.

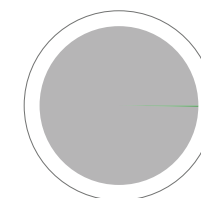
Scope 3: Capital goods and purchased goods and services

Scope 1 and 2 emissions (i.e. those that we have a greater level of control over) form a small part of our overall carbon footprint. Scope 3: Capital goods, which accounts for the embodied emissions of new assets acquired during the year, was the highest contributor (227,219 tonnes of CO₂e), representing 95% of Scope 3 emissions and 99% of total emissions. These emissions represent all upstream construction emissions from the production of capital goods we have acquired within the year. In our case, capital goods are those assets that have entered the Fund during the year. In accordance with the GHG Protocol we report the total cradle-to-gate emissions of these assets in the year of acquisition, in the same way that we report the embodied emissions of our other purchased products under 'Purchased goods and services'. Given the physical size of these assets and quantity of construction materials that go into them, emissions from Scope 3: Capital goods, and therefore our overall emissions, will fluctuate significantly between years, depending on the number and size of new assets acquired during the reporting year. This creates significant challenges for setting Scope 3 emissions reduction targets and explains why, to date, we have not done so.

We believe that this accounting methodology may lead to double counting, as any previous owner will also have had to report the construction emissions of the asset during their ownership. To address this concern with the GHG Protocol methodology, we are investigating alternative accounting methodologies and have engaged with industry standards bodies to express the challenges associated with this accounting methodology for real assets.

Over time, by increasing our operation and production of renewable electricity, we can support decarbonisation of other sectors, such as the materials and construction sectors, which would decrease the embodied carbon associated with assets acquired. Therefore, we expect our Scope 3: Capital goods emissions to decrease in the future as a result of our investment strategy of acquiring and operating wind and solar farms, even as we continue to acquire new assets.

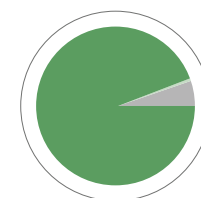
2023 Emissions (tonnes of CO₂e)
Figure 3 Greencoat Renewables' breakdown of GHG emissions (2023)



Key

• Scope 1 & 2	0.29%
• Scope 3	99.71%

2023 Emissions (tonnes of CO₂e)
Figure 4 Greencoat Renewables' breakdown of Scope 3 emissions (2023)



Assets

• Capital Goods	95.17%
• Business Travel	0.00%
• Waste	0.00%
• Fuel & Energy Related Activities	0.04%
• Purchased Goods & Services	4.79%

Targets

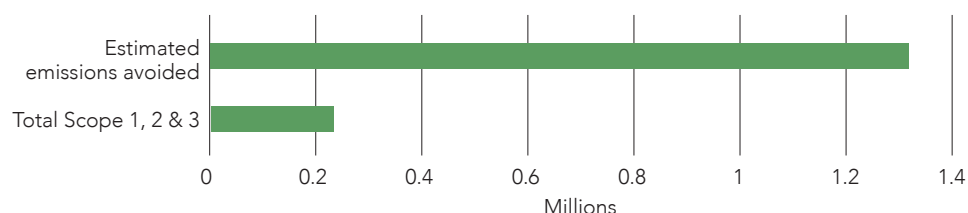
In 2022, the Manager formalised a commitment to reduce the intensity of its Scope 1 and 2 emissions by 50% by 2030 (using a 2022 baseline).

In 2024, the Manager intends to investigate what Scope 1 and 2 emissions intensity-reduction pathways look like for investment teams. The Manager will also consider engagement plans to reduce emissions associated with the value chain, such as Scope 3, and inherited Scope 1 emissions.

Our key target relating to climate change mitigation, however, is to continue to increase the renewable energy generation associated with our portfolio, as this is where the Company can have a material impact. Although we aim to reduce the GHG emissions associated with our investment activities over time, the avoided carbon associated with these activities far outweighs our emissions; therefore, we continue to be committed to our investment strategy of investing in operating wind assets.

2023 Emissions (tonnes of CO₂e)

Figure 7 Comparison of total Scope 1, 2 and 3 emissions vs. estimated emissions avoided (2023)



Carbon payback

Central to the idea of a net zero world is the recognition of the carbon emissions from every part of a process. The carbon payback of a wind or solar farm (how quickly it offsets the emissions generated during its manufacture, transportation, on-site construction and lifetime operations) is an indicator of the technology's role in accelerating the energy transition.

Operating wind and solar farms produce small amounts of carbon emissions (see section 3.1.4 'Greenhouse gas emissions' above), primarily associated with the construction of the assets; at current rates, the carbon payback period for a typical wind farm is around five months, which is just 2% of the average lifespan of a wind turbine.⁽²²⁾ For a typical solar farm, the carbon payback period is around four to eight months, representing just 1–3% of the average lifespan of a solar panel.⁽²³⁾ Greencoat Renewables considers the carbon payback period an important metric, as it demonstrates the overall positive impact of renewable energy generation, which outweighs the carbon costs of constructing and operating the asset.

⁽²²⁾ Calculated using data from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6686152/#sec3title>.

⁽²³⁾ Data provided by the IEA Solar PV Global Supply Chains Report. Available at: <https://www.iea.org/reports/solar-pv-global-supply-chains/executive-summary>.

CASE STUDY 1

Development of electric vehicles infrastructure on site

In 2023, we conducted a thorough assessment of the potential to install electric vehicle (EV) chargers at select wind farms as part of our efforts to promote EV usage for travel to and from our sites. This initiative will have a significant impact on future carbon savings in multiple ways.

Firstly, we will actively encourage the use of EVs for wind farm visits conducted by us and our operators.

Secondly, the feasibility of our operations and maintenance ('O&M') partners transitioning to a fully electric fleet has significantly improved. During quarterly calls with our O&M partners, we engage in discussions about the potential transition to an EV fleet. The installation of EV charging points will enhance the viability of this transition, allowing our O&M partners, who currently rely on internal combustion engine vehicles, to consider using EVs for transport for on-site turbine maintenance. This shift would result in a substantial reduction in Scope 1 emissions.



3.2 Waste management and circular economy

Key performance indicators

164 Total non-hazardous waste generated (tonnes)

97 Percentage of operational waste diverted from landfill

Effective waste management is fundamental to our efforts to be a responsible corporate citizen by improving resource efficiency, reduce pollution and protect the local environment. The wind energy sector faces several challenges in waste management, which necessitates an increased consideration of circular economy practices. Wind energy, while contributing significantly to renewable energy generation, involves construction, operation and decommissioning phases, each generating various forms and quantities of waste.

Wind farms produce minimal operational waste, however, we recognise that the decommissioning of wind farms can also produce significant amounts of waste. While not immediately pertinent to the Company, given that 94% of our assets are under 10 years old, we consider asset life extension and end-of-life recycling with the intention of reducing operating costs and mitigating potential future risks linked to environmental impacts associated with decommissioning.

Extending the life of our assets

All assets have a finite lifespan. It makes commercial and environmental sense to use assets for as long as possible.

Since 2019, the Manager has been working with technical consultants to explore ways of measuring and extending the useful life of our onshore wind farms. Repowering our assets typically involves replacing older components of a wind farm with newer, more advanced ones to enhance efficiency, capacity and overall performance.

This work has enabled us to expand the useful life of turbines, which is reflected in the 30-year turbine life assumption in our financial models. The extension of the useful life of our assets also helps to reduce the demand for newly constructed assets, contributing to a reduction in demand for virgin materials in the sector.

In 2023, the Manager extended this work to our newly acquired assets, and in 2024 the Manager will fine-tune the analysis to establish proactive assessment protocols. The Company will take the learnings from the outcomes of this analysis going forward.

Investigating end-of-life recyclability

Wind turbine components are often made of composite materials that make conventional recycling challenging. Developing cost-effective methods for recycling wind turbine components is crucial for the economic viability of the wind energy sector. Similarly, solar farms generate waste, which primarily comprises electronic components from solar panels and inverters. Currently, recycling processes are expensive, affecting the overall feasibility of sustainable waste management.

Addressing these challenges requires collaborative efforts from stakeholders, including industry participants, policymakers and communities, to develop innovative solutions to establish a more sustainable and circular approach to waste management in the wind and solar energy sector. This is why we have been proactive in funding research towards improving the sector's sustainability. Greencoat Renewables' decision to previously fund research into turbine blade recyclability reflects a forward-thinking approach aimed at future-proofing its operations. By proactively addressing the recycling and end-of-life use of turbine blades, the Company is effectively managing future risks and reducing potential costs.

CASE STUDY 2

Turbine blade recyclability

Achieving national net zero commitments relies on the adoption of a more circular economy, one where waste is continuously recycled and repurposed.

In 2022, the Manager, on behalf of the Company, commissioned an independent consultant to prepare a turbine recyclability report. This revealed that the main challenge to recyclability was the use of epoxy resin in the wind turbine blade manufacturing process.

Based upon this research, in 2023, when defective blades were replaced, we ensured that there was strong engagement with the key service provider. After extensive discussion, we were successful in diverting the defective turbine blades from landfill, convincing the provider to reroute the blades instead and to repurpose them by grinding them down and using them in cement manufacturing. An environmental impact analysis carried out by Quantis found that this blade recycling technique can lead to a net reduction of CO₂ emissions by as much as 27%, and a 13% net reduction in water consumption.⁽²⁴⁾



(24) Figures sourced from General Electric. Available: <https://www.ge.com/news/press-releases/ge-renewable-energy-announces-us-blade-recycling-contract-with-veolia>.

3.3 Protecting the local environment

Key performance indicators

Number of reportable environmental incidents

2023	0
2022	0
2021	0

Percentage and number of assets that have habitat management plans or any environmental planning requirements in place

2023	100 (14 assets)
2022	100 (13 assets)
2021	100 (9 assets)

The rapid growth and advancements in renewables are critical for the net zero transition and a more sustainable energy system. As part of the land and seascape, renewable energy assets interact with the natural environment, impacting plant and animal life. We recognise that the changes in land use associated with our portfolio of assets can influence local habitats and vegetation.

To safeguard the local environment surrounding our renewable energy assets, we are committed to implementing and enforcing a robust environmental management system. We have established policies to ensure responsible land management, and we regularly conduct risk assessments. Any identified concerns are promptly reported to the investee company boards and escalated to the Greencoat Renewables Board as required.

We take obligations to manage levels of noise and shadow flicker at our wind farms seriously and work with specialist noise and landscape and visual consultants to liaise with local authorities to manage these aspects effectively.

Number of assets that had an independent ecological/environmental assessment

2023	41
2022	35
2021	25

Building on the work carried out in 2022, in 2023, we conducted another bespoke environmental audit on a single special purpose vehicle ("SPV"), which included interviews with our operations managers and a review of planning obligations and environmental impact assessment ('EIA') requirements. Recommendations from the audits, including specific changes to measuring and monitoring procedures, were collated into a single site management plan. The results from the audits showed that operations managers and assets complied with planning and best-practice guidelines.

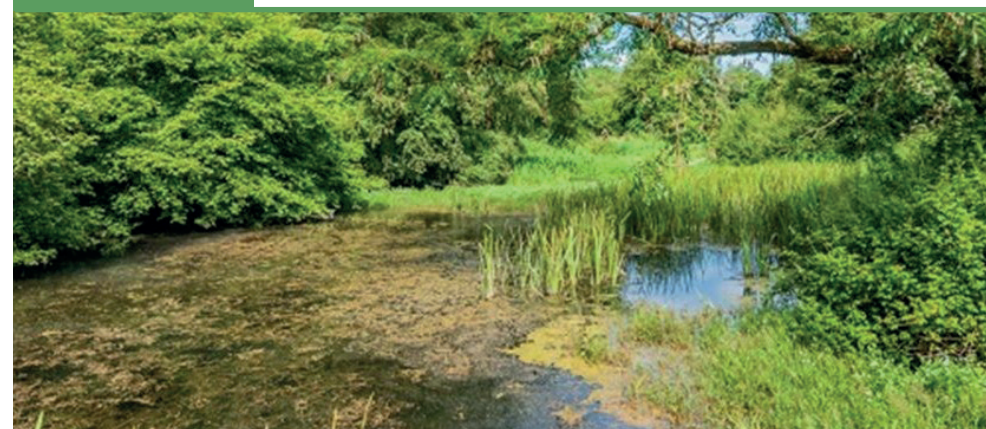
3.3.1 Biodiversity

The Company recognises the importance of protecting and restoring nature as part of the broader climate change mitigation challenge. We also understand the importance of protecting and enhancing biodiversity for local communities and our key stakeholders, and that revenue-generation opportunities may emerge in the future from demonstrable biodiversity improvements compared to baselines.

Therefore, we protect and promote biodiversity on our onshore wind farms through the implementation of various measures to sustain and enhance the variety of plant and animal life within and around project areas. These initiatives occur as part of environment and habitat management planning requirements, through local community initiatives and through additional Company-driven initiatives.

Since 2022, our operators have adopted a risk-based approach to the spraying of herbicides on turbine hardstands. Under this approach, vegetation is only sprayed when it poses a safety risk. Given the success of the 80/20 rule previously trialled at our Statkraft assets, where 80% of hardstands were left to rewild to enhance biodiversity without impacting the safety of our service providers, we rolled this out across a number of additional sites during 2023.

CASE STUDY 3



Enhancing wildlife with Hare's Corner

We are proud to provide funding to the Hare's Corner project through our partnership with the Burrenbeo Trust. This innovative project plays a crucial role in supporting landowners in County Clare, Ireland, to enhance local biodiversity and wildlife by creating various habitats such as ponds, native orchards and mini woodlands.

By January 2024, the Hare's Corner project will have successfully facilitated the creation of 25 mini woodlands, which will include 352 endangered Burren pine trees. Additionally, the project will have contributed to the establishment of 16 ponds, 41 mini orchards and the development of 29 professionally produced 'Plans for Nature'. In total, these efforts amount to 111 new biodiversity actions in County Clare during 2023.

One of the notable aspects of the Hare's Corner project is its commitment to supporting the local economy. Where possible, all trees, materials and contractors involved in the project are locally sourced. By prioritising local resources, the project not only contributes to the conservation of biodiversity but also fosters economic growth within the community.

Through our partnership with the Burrenbeo Trust and support for the Hare's Corner project, we are actively promoting sustainable practices and making a positive impact on the environment and the local community in County Clare. We are delighted to continue this partnership in 2024 and to see the roll out of the service to new counties where we have renewable energy assets including the counties of Galway, Leitrim, Meath and Mayo.

3.3.2 Habitat management

Habitat management for renewable energy assets involves a strategic approach to preserving and enhancing local ecosystems, ensuring the coexistence of renewable energy infrastructure and biodiversity. A proportion of our assets have habitat management plans in place as a local authority planning requirement based on an internal risk assessment. Where required, we also conduct EIAs and regular monitoring of environmental impacts such as noise and shadow flicker levels.

Where necessary, we develop species and habitat management plans. These plans encompass ongoing monitoring, habitat management and reporting on bird, bat and mammal activity. These practices align with industry standards and have been formulated in collaboration with key stakeholders, including specialist ecological consultants and the National Parks and Wildlife Service.

Through these measures, we also ensure compliance with all applicable laws, regulations and planning consents as administered by the local environmental regulators, health protection agencies, local authorities and any other applicable regulatory body.

CASE STUDY 4

Offshore habitat management plans

Environmental management is incorporated into the detailed due diligence of all assets, including our newly acquired offshore wind farms. This due diligence includes assessing the potential environmental impact of the project, planning obligations, risk mitigation and any ongoing monitoring. If an ESG risk is deemed substantial, risk mitigation plans are implemented and become part of the formal Investment Committee approval process.

During offshore wind construction, risk mitigation may involve pre-piling deterrence, soft starts to piling, the use of bubble curtains, noise mitigation screening and noise threshold monitoring. During offshore wind operations, continuous monitoring is conducted in line with the planning conditions and reported to the Manager's asset management team. The Manager routinely engages with service providers and reports on ESG matters and will bring any significant issues to the Board's attention.



4.0 Social

It is critical that our portfolio of wind assets goes beyond a consideration of just environmental benefits and impacts to also consider the social impacts and benefits of our projects. We are committed to having a positive social impact on our communities either directly – through job creation and the provision of clean energy – or indirectly – through our community fund investments and the obligations we place on service providers regarding human and labour rights.

We contribute to community fund investments either as part of local planning conditions or on a voluntary basis. Obligatory community fund investments are managed by a third party as part of the planning requirements.

Voluntary contributions are managed by a third party who administrates the allocation of funds. Voluntary community fund investments made up 73% of 2023's financial contributions. Our contributions towards these projects is aligned with our responsible investment commitments and support the Company in maintaining positive community relationships and a licence to operate. Our approach is designed to provide long-term support for EU wind and solar farms and help the sector continue to expand.

Operationally, ensuring the health and safety of service providers and residents is a crucial social responsibility that we take seriously. We comply with all relevant safety standards and take a proactive approach to improving our health and safety procedures to minimise the risk of incidents, and to protect those directly involved in a project and those living in the vicinity.

Through contractual provisions and auditing, we seek to ensure that service providers at all our sites are paid fairly, have a positive working environment and can access additional support when they need it. The Manager's Employee Assistance Programme provides a confidential helpline and external counselling service should service provider employees wish to raise any concerns.

Following the two social audits completed last year, ethical employment audits were carried out on four of our operational management companies, using a third-party auditor, to ensure that there had been no human rights violations and that the companies we work with have robust processes in place.



4.1 Health and safety

Key performance indicators

Number of reportable working days lost to injuries, accidents or illness⁽²⁵⁾

2023	8
2022	0
2021	0

Number of assets that have received independent health and safety audits

2023	13
2022	15
2021	8

Percentage of staff that have completed health and safety training⁽²⁶⁾

2023	100
2022	100
2021	100

(25) Worker sustained mild bruising and abrasion on his ankle and returned to work after 8 days of sick leave.

(26) Staff employed by the Manager.

Number of audits and inspections undertaken across our assets

2023	444
2022	405
2021	182

Percentage of new assets that had an independent health and safety audit undertaken

2023	100
2022	100
2021	100

Number of assets that had a health and safety audit by our operating managers

2023	39
2022	35
2021	23

4.1.1 Our health and safety principles and practices

Health and safety for our service providers and the public is paramount for us. We promote the highest standards of health and safety and environmental practices in managing our assets. Health and safety is a standing item for discussion in Schroders Greencoat's Management and Risk Management committees, as well as at the operating asset company board meetings. The Manager has a Health and Safety Forum, an internal group of experts from across different teams, which meets regularly to share lessons learnt and experiences from various health and safety practices and outcomes and to facilitate

knowledge sharing. During 2023, Schroders Greencoat became a member of the offshore industry's Global Offshore Wind Health and Safety Organization ('G+'), and is actively involved in the initiative.

We implement health and safety regulations and best practice through asset-specific policies, project management, contractual arrangements, staff training and stakeholder education. Health and safety measures are implemented through the life cycle of our investments to ensure a robust system is in place to minimise risk.

Pre-investment

Prior to investment, we thoroughly evaluate the health and safety performance of an asset, assess its health and safety track record and, if required, introduce mitigation plans and safety measures to ensure compliance with applicable laws, regulations and widely accepted industry standards. Investments that fail to meet our stringent health and safety standards are rejected, to uphold the highest safety standards.

Post-investment

Clear direction is provided in our health and safety policies and standards, which are implemented by the boards of all operating asset companies. While we aim to ensure that our operations and maintenance ('O&M') providers comply with all relevant labour laws and health and safety regulations, we recognise the importance of creating a positive workplace culture where strong health and safety practices are embedded into the day-to-day operations of the wind farm. We take a collaborative approach to working with our O&Ms to ensure that suitable mitigation measures are put in place and that contractors are wearing the appropriate personal protective equipment. We aim to foster a 'safety aware' culture, actively encouraging prompt reporting of all potential risks, regardless of magnitude, which are then actively monitored by our asset management teams. Third-party service providers conduct monthly on-site inspections to observe O&M activities and behaviours.

Monitoring and reporting

We use independent third-party firms to audit and provide advice on health and safety. Detailed key performance indicators ('KPIs') and the results of audits are regularly reviewed by the Board and action taken where necessary. Health and safety KPIs are reviewed monthly by the Board. Having senior management fully engaged in health and safety issues is essential for nurturing a proactive safety culture. Increasing our capacity for health and safety audits and inspections remains a key objective.

4.1.2 Our ongoing actions

We assess and monitor health and safety practices through asset-specific risk identification and prevention activities. During 2023, the Manager conducted 41 safety walks at 38 of our wind farms, and independent audits were conducted by an accredited professional at 13 of our wind farms. This included an audit of the overall standards of health and safety management of the turbine maintenance contractors and the O&M contractors on the sites. No material areas of concern were identified on any audits and safety walks performed in the year. The Manager has set

a 2024 target to carry out up-tower turbine inspections on 24 sites. There was one lost time incident in 2023 to report. During a routine inspection, a technician sustained minor injuries to their lower leg and subsequently took eight days of sick leave. The incident was attributed to excess grease on the turbine, which was identified as the root cause. In response, technicians have been duly notified and instructed to thoroughly clean up after routine inspections to prevent similar occurrences in the future.

CASE STUDY 5

Health and safety

Health and safety on Glencarbry Wind Farm

Following previous work to mitigate risks associated with third-party forestry contractors, in 2023, we developed an interface document which outlines the specific requirements and expectations of third-party contractors working on the site. The implementation of the interface document has had a significant positive impact on on-site behaviours and has greatly enhanced the health and safety standards for the asset. By engaging and clearly communicating the site rules with our third-party contractors, we have fostered a culture of ownership, helping to ensure that all activities are conducted in a safe and compliant manner.

Continued governance on Electrical Safety

In continuation of our efforts to improve governance around electrical safety, one of the most significant risks associated with electricity generation, we continued our electrical safety audit plan on the Operations Managers in our Irish portfolio. The latest audits included compliance with legislation, best practice and their contractual obligations and they were also used to evaluate the progress made by our Operations Managers since our last audit. Overall, the audits found that the Operations Managers were substantially in compliance with legislation, best practice, and their contractual obligations.

These audits help to ensure that HV maintenance is performed by competent personnel using a standardised safe system of work. Our commitment to governance and safety remains unwavering as we continuously enhance our practices for reliable operations and the wellbeing of our service providers and other stakeholders that interact with our assets.

Emergency Response planning in Offshore wind

We successfully completed multiple emergency response drills on one of our offshore wind farms.

This included exercises on the wind turbines and associated equipment by the Operations Managers, Wind Turbine Service Providers, and other stakeholders. It included rescue from inside a blade, the power unit level, transition piece from nacelle to winch area and a simulation of a helicopter incident on the helideck. Overall, the drills were considered a success and have provided valuable lessons learned for the wind farm. In a bid to continuously improve health & safety, these lessons learned have provided inputs to the health and safety plan for 2024.

The Global Offshore Wind Health & Safety Organisation (G+)

In line with the expansion into offshore wind and with the Company's approach to engagement with industry bodies, we have become a member of G+. G+ is a global organisation comprised of companies across the sector with a core focus on health and safety. The organisation has four main work areas: incident reporting, good practice guidance, safe by design workshops and learning from incidents. Most recently, the Investment Manager attended the annual stakeholder forum on the 6th March 2024 which included a review of 2023 and planning for 2024. All learnings from the forum have been shared with the Operations Managers for our Butendiek and Borkum offshore wind farms.

Integration of new assets into the portfolio

In 2023, the Company acquired four new renewables energy assets which included onshore wind, offshore wind and solar across Europe. To ensure good governance and to manage the health and safety risk appropriately, the Company has a specific onboarding checklist. This checklist includes various health and safety matters such as the creation of; a safety statement, risk assessments, key performance indicators, an audit plan and the role of the Operations Manager. This onboarding checklist was successfully implemented for 100% of the new assets acquired in 2023.

4.2 Human rights and modern slavery

We are alert to the potential risks of forced labour and modern slavery in our supply chains and take necessary measures to mitigate such risks. Our intention is that all new key service providers will adhere to the Schroders Greencoat Code of Conduct Side Letter, aligning with legislation in their operating jurisdictions. Additionally, we have made a voluntary Modern Slavery and Human Trafficking Statement, which describes how we tackle any potential modern slavery and human trafficking issues in our business and supply chains.

Schroders Greencoat also seeks to ensure the Company's key service providers are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles set out in the eight fundamental conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights (together, the 'Minimum Safeguards'). The Company supports the Manager's objective through the implementation of the following:

- Greencoat Renewables' and the Manager's ESG policies.
- The Manager's Supply Chain Policy.
- Due diligence and ongoing reviews of key service providers.
- The contractual obligations of key service providers to comply with the principles underlying these standards and to report any non-compliance to the Company.

CASE STUDY 6

Employment audits for suppliers

In 2023, we conducted modern slavery audits on several of our key service providers, bringing the total number of audited providers to six. The purpose of these audits was to assess and address any potential risks related to modern slavery within our immediate supply chain. The audits found that there was no evidence of modern slavery. These results were shared with our key service providers, and we will actively engage in discussions to identify areas for improvement in relation to policies and processes.

The audits covered a wide range of issues, including but not limited to wages, modern slavery and supply chain management. By examining these areas, we aimed to ensure that fair and ethical practices are upheld throughout our operations.

By conducting these audits and actively addressing the findings, we demonstrate our commitment to combating modern slavery and promoting responsible business practices within the sustainable energy sector.



4.2.1 Addressing modern slavery risks in the solar supply chain

In preparation for our expansion into solar assets, we leveraged existing expertise of the Manager to develop an appropriate risk-based approach to assessing human rights-related risks around this new technology.

We recognise the inherent modern slavery risks associated with the global solar industry's supply chain. To address the complexities associated with these supply chain risks, the Manager conducts thorough due diligence on behalf of the Company during the due diligence process. This involves assessing suppliers through an in-depth screening process, taking into account their commitment to standards such as Social Accountability International's SA8000, UNGC, company ESG policies and supplier standards, and tracing the origin of major components used in new solar investments, where possible. We prioritise working with suppliers that score most favourably following this screening process.

The Manager's approach to managing modern slavery risks is to lead by example through active engagement with and influence on our supply chain to enhance ESG transparency and performance. Disengagement with a supplier is considered a last resort, and only if initial engagement fails to mitigate ESG risks to an acceptable level. In cases where the risk is deemed unacceptable, we proactively seek alternative suppliers. Additionally, we develop sector-level engagement plans to reduce and mitigate risks through collaboration with industry bodies, stakeholder engagement and by influencing supply chains.

Contractual terms and conditions are crafted to include anti-modern slavery clauses and protections, providing an additional layer of mitigation against potential risks. Key service providers are expected to comply with the Manager's Code of Conduct Side Letter, reinforcing the Company's commitment to ethical and responsible business practices.

The Manager actively participates in industry initiatives to address modern slavery and supply chain risks. Schroders Greencoat is a member of the UK Department for Energy Security and Net Zero ('DESNZ') Supply Chain and Innovation subgroup, SolarPower Europe's Solar Stewardship Initiative ('SSI') and sits on the board of the Responsible Sourcing Group. As a founding member of the SSI through Solar Energy UK ('SEUK'), one of the Manager's private market funds contributes to the development of industry standards, including SolarPower Europe's Solar Sustainability Best Practices Benchmark. This benchmark aims to improve traceability and ensure full disclosure of environmental and social aspects in the solar supply chain, specifically modern slavery issues linked to polysilicon production in high-risk areas. The initiative is also developing an assurance process to address data gaps and enhance traceability, reflecting our dedication to continuous improvement and shared learnings within Schroders Greencoat.

CASE STUDY 7

Supply chain audits

As the Company commences its investments in solar assets, we have placed a significant focus on our supply chain, particularly in light of recent reports highlighting issues of forced labour and modern slavery during the manufacturing process of polysilicon, a key component of solar panels. The industry has turned the spotlight on this issue following the 2021 report *In Broad Daylight* by Sheffield Hallam University⁽²⁷⁾, and its 2023 follow up *Over-Exposed*.⁽²⁸⁾

For our first operational asset, Torrubia, our operator, Lightsource, conducted thorough due diligence of the solar panels and manufacturer to ensure that there were no issues related to forced labour within the supply chain.

For our next forward sale of a solar asset, we were involved at an earlier stage of the construction process, allowing us to play a more significant role in carrying out supply chain due diligence. During this process, the Manager identified the solar PV modules as the component with the highest risk of forced labour. As a result, extensive due diligence was conducted on both the site construction manager's procurement processes and the solar panel manufacturer ("the Manufacturer").

The site construction manager issued a comprehensive questionnaire to seven major global module suppliers, and the selected solar panel manufacturer scored relatively strongly compared to its peers. The Manufacturer holds certifications for ISO 9001 and ISO 14001, which demonstrate its commitment to quality and environmental management system standards. Additionally, as a listed entity, the Manufacturer is held to specific standards and is required to adhere to international laws. Furthermore, the Manufacturer has signed as a member to SEUK, further indicating its commitment to responsible practices.

By conducting comprehensive due diligence and actively addressing any potential risks, we are committed to ensuring that our investments in solar assets align with our values and uphold ethical standards.

Schroders Greencoat is a member of the Solar Stewardship Initiative ("SSI"), which demonstrates our commitment to driving a more responsible, transparent, and sustainable solar value chain.⁽²⁹⁾ A key objective of the SSI is to enable transparency and traceability right back to the source (quartz) and therefore verifiable forced labour-free supply chains.

(27) Murphy, L. and Elimä, N. (2021). "In Broad Daylight: Uyghur Forced Labour and Global Solar Supply Chains." Sheffield, UK: Sheffield Hallam University Helena Kennedy Centre for International Justice.

(28) Crawford, A. and Murphy, L. T. (2023), "Over-Exposed: Uyghur Region Exposure Assessment for Solar Industry Sourcing," Sheffield, K: Sheffield Hallam University Helena Kennedy Centre for International Justice, Online.

(29) <https://www.solarstewardshipinitiative.org/about-ssi/members/>

4.3 Supporting local communities

The Company recognises the importance of retaining and enhancing community relations for its licence to operate and for the health of its future pipeline of investment opportunities. Therefore, we place importance on our ongoing engagement activities with local communities.

Through this ongoing engagement, we prioritise the preservation of land and access rights while managing our wind farms in accordance with planning permissions. This commitment to the local environment fosters positive outcomes for communities. Over the years, our contributions have centred on various initiatives to enhance community wellbeing, including support for education through site visits, grants and prize sponsorships. We have also invested in the improvement of athletic clubs and associations, the construction and upkeep of public amenities like footpaths, playgrounds and parking facilities, as well as upgrades to community centres and facilities. Our commitment extends to promoting energy efficiency within local communities and providing support to locally active charities. We participate in community fund investments either as mandated by local planning conditions or voluntarily. In 2023, voluntary contributions accounted for 73% of our financial commitments.

4.3.1 Giving back to society

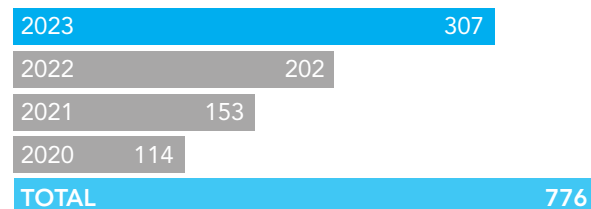
Key performance indicators

Amount invested in community benefit funds and social projects



Cumulative contribution since 2020.

Number of community projects supported



Cumulative total since 2020.

73%

In 2023, voluntary contributions accounted for 73% of our financial commitments to community funds.



CASE STUDY 8



Promoting healthy lifestyles in Hollyford

The Glencarbry Wind Farm, County Tipperary, has awarded a grant to the Hollyford National School to promote wellbeing and sports activities.

The children have taken part in a variety of active experiences, including cross-country running, taekwondo and yoga lessons, and competed in Gaelic Athletic Association games.

The funding will support the continuation of these activities throughout the year, with the children looking forward to Active School Week and sports day activities.

The activities have had a fantastic impact on the children, who enjoy coming to school, are developing strong relationships with their peers and have had the opportunity to participate in various experiences that they would not have had otherwise.

CASE STUDY 9



Kilflynn Half Marathon for Bru Columbanus

We sponsored the Kilflynn half marathon, County Kerry, which passed through the Ballincollig Hill Wind Farm. The race was completed by a director of the wind farm in support of the Bru Columbanus project.

The Bru Columbanus is an incredible charity that provides accommodation for friends and family of critically unwell patients in nearby Cork hospitals. Bru Columbanus hosts 26 en suite family rooms with supporting kitchens and lounges where families can meet and draw support from one another at a difficult time.

CASE STUDY 10



T: 066 719 5560



Kerry Cancer Support Group

Three of our portfolio wind farms, Cordal, Tullahennel and Ballincollig Hill, in Kerry awarded funding to a transport service for cancer patients.

The Kerry Cancer support service provides transport for service users to access treatment on a one-off basis where there is no other service that meets their needs.

The service is run by volunteer drivers who travel between eight different centres. All patients who use the service also receive a care pack including a handmade blanket (made by volunteers), as well as specialised products like toothpaste, deodorant, soap and lip balm that are safe to use during treatment.

CASE STUDY 11



Supporting local sports in Finland

The Company provided funding to a local ice hockey team for 16 year olds near the Kokkoneva wind farm in Finland. The newly formed club was founded to provide local access to an ice hockey club instead of having to travel the great distances which are involved in the country. The club is managed on a voluntary basis, is regulated and includes players from Pihlputaa to

Oulu, including Siikalatva. It recently competed for the first time in the top division series, the Finnish Championship and will compete in the Mestis series in Q2 2024. The funding enabled the club to purchase winter jackets, jerseys and hockey sticks for their members.

CASE STUDY 12

Dualla community field redevelopment project

The Company provided funding to the Dualla Community Association, Tipperary, for the redevelopment of the community hall, car park and field. The original field facilities, established in 2003, are now outdated and the playing surface of the pitch requires significant remedial work. The development plans will entail drainage works, upgrading and hard surfacing the walking track, enhancing field lighting for winter use, and the construction of a multiuse games area among other improvements.

The first phase of the project commenced in May 2023 with the construction of a new running and walking track, providing a safe exercise space for the community during winter and serving as a valuable resource for local schools. The second phase, now ready to begin, will involve the installation of multiuse artificial grass surfacing and a hurling wall. Alongside the completed refurbishment of the community hall and car park, the improved field facilities will enhance people's experience of community events.

CASE STUDY 13



Supporting associations in Sweden

The Company provides annual funding to four local community associations for Erstrask South & Erstrask North wind farms, Sweden. The associations are based on the geographical areas adjacent to the cluster and include Lillpite älvdals, KostVind, Rokådalen & Markbygden. They include representatives from local villages, sports clubs, arts, and crafts. In 2023, funding distributed from the wind farms provided props and materials for a local theatre group, solar panel installation for a recreational facility and also the local football, scooter and fishing clubs.

5.0 Governance

We believe in the value of embedding robust governance practices and in having oversight of ESG matters across our Company. This is important in maintaining the confidence of investors and in continuing to deliver on our promise of long-term returns.

5.1 Role of the Board

The Board is responsible for the determination of the Company's investment objectives and policy. It also oversees the day-to-day management of the Company and its investments, including ESG and climate-related risks and opportunities.

The Board monitors performance by regularly reviewing operational reports that encompass health, safety and environmental considerations, including climate change. Quarterly meetings and annual risk reviews are conducted, focusing on ESG matters that could affect our activities or the communities in which we operate.

In 2023, the Manager organised ESG training for our Board using third-party consultants to facilitate knowledge sharing and continuous learning. The Board gained valuable knowledge of emerging ESG trends, the evolving regulatory and reporting landscape, ESG risks and opportunities, materiality and key ESG frameworks. There was strong engagement from all and a follow-up session was scheduled in January 2024 to address all queries raised at the training session.

5.2 Business ethics and conduct

Key performance indicators

Percentage of assets that have implemented internal controls/audit system/board level oversight and relevant ESG policies

2023	100
2022	100
2021	100

Our success depends on having the highest standards of ethics and integrity in governance. We recognise that earning trust and confidence from stakeholders is integral to our long-term success. Greencoat Renewables is a member of the UK's Association of Investment Companies and applies its Code of Corporate Governance to ensure best practice.

We hold ourselves accountable to the governance standards set out in our ESG Policy, including, but not limited to:

- Complying with applicable anti-bribery, anti-corruption and AML laws and regulations.
- Identifying and managing project and business risks, and incorporating robust, transparent and timely reporting lines.
- Conducting thorough due diligence to verify the reputation of service providers within their respective fields.
- Complying with all employment and health and safety laws, including those related to human rights, human trafficking, modern slavery and public safety.

5.3 Expectations and requirements of third parties

As the renewables sector expands, demand for raw materials, resources and labour to support this development grows too, and the sustainability risks present in this global supply chain evolve. Schroders Greencoat strives to ensure its high ESG standards and values are consistently applied throughout the supply chain, supporting its investments, developments and operations. We adhere to the Manager's Supply Chain Policy, which provides the principles and practices to ensure ethical, sustainable and efficient sourcing and management of goods and services.

5.3.1 Enhancing supply chain due diligence

We conduct due diligence on key service providers and counterparties, such as equipment suppliers, O&M contractors, Fund administrators and advisers. This involves verifying the presence of suitable policies and attestations at the respective provider. In cases where these are lacking, we require to the extent possible the provider to adhere to our Code of Conduct Side Letter, ensuring equivalent compliance with relevant laws and regulations. The Side Letter includes clauses related to bribery and corruption, data protection and privacy, governance, business ethics and integrity, environmental management, worker health and safety, community engagement and modern slavery. We also require evidence of compliance with international modern slavery regulations. Oversight of these procedures is carried out by the Manager's risk department.

We acknowledge that the extent of control and influence we exercise over our global supply chain is not universally comprehensive. Our goal is to ensure transparency and understand our supply chain, and we take proactive measures to minimise ESG risk to the lowest practical level. In instances where ESG risk exists in the supply chain beyond our contractual influence or control, we acknowledge our responsibility as a responsible investor to facilitate and promote change through our market influence and engagement with industry bodies. In addition to staying vigilant regarding emerging ESG risks, we commit to staying informed about industry trends, including technology-based solutions aimed at enhancing traceability.

One of the Manager's investment teams contributes to the development of industry standards, including SolarPower Europe's Solar Sustainability Best Practices Benchmark, aimed at improving traceability and disclosure of environmental and social aspects in the supply chain.

5.3.2 Ongoing monitoring

Third-party monitoring is a critical aspect of our operations for ensuring compliance and upholding safety standards. We conduct regular audits of our service providers, including health and safety audits, and review their environmental practices. These audits serve to evaluate service providers' adherence to health, safety and environmental protocols. Prior to entering into contracts, we perform a competency assessment of our service operators and O&M providers.

A key process that has been adopted by the Manager in 2023, and will be applied going forward, is the Schroders' Global Norms Framework ("the Framework"). The Framework, developed by Schroders PLC, aims to assess the compliance of companies to global norms, namely responsible practices regarding human rights, labour, environment and corruption, including supply chain issues. The Framework results in a Global Norms list ("the List") that sets out companies that are deemed to cause significant harm, have inadequately addressed identified issues through transparent communication and action, and have not provided suitable remedies for affected stakeholders.

The Manager intends to apply this Framework to monitor the adherence of its key service providers to Global Norms as well and consider this list as part of pre-investment due diligence. Where direct investee companies are on the Global Norms List, there is a requirement to either divest or to establish engagement plans to remediate identified issues. The Manager intends to apply this approach to its key service providers as well. In instances where the Manager disagrees with the findings of the Global Norms list, there is a mechanism in place for the Manager to present its case to the Global Norms Committee to challenge the classification of an investment or service provider.



5.4 Cybersecurity

We recognise the significance of maintaining the confidentiality, integrity and information security of our data and systems, and we aim to embed security into all stages of the technology life cycle. Taking a comprehensive and consistent approach to the security management of information minimises the likelihood of occurrence and the impacts of any information security incidents.

Our IT and operational technology ('OT') governance is overseen by the Schroders Greencoat IT, Business Intelligence and Change ('IBC') Steering Committee, which is comprised of four senior Schroders Greencoat employees and a member of the Management Committee. Schroders Greencoat's IT Security Policy and Data Privacy and Protection Policy were revised and updated in 2022, with an annual review performed by our service provider. We regularly review our systems, conducting frequent network penetration tests and retaining the services of industry experts to continuously enhance our cybersecurity measures.

An external specialist company carries out periodic penetration tests on the assets in our portfolio. Any vulnerabilities or weaknesses are remedied by the operations managers and reported as a KPI in monthly meetings with Schroders Greencoat SPV directors.

Greencoat Renewables was declared an Operator of Essential Services ('OES') in Ireland, obligating it to comply with the Network and Information Systems ('NIS') Regulations, including NIS 2, effective from 2024. In anticipation of this regulatory requirement, the Manager conducted a self-assessment in 2023 to identify gaps with NIS standards and devised a comprehensive action plan. This self-assessment, along with the action plan, has been shared with the Department of Environment, Climate and Communications ('DECC'). The implementation of the action plan is scheduled to commence in 2024, with the primary objectives of enhancing communication, monitoring the network to detect potential attacks

and vulnerabilities, and establishing the necessary policies mandated by the NIS Regulations.

In addition to the NIS Regulations, we have implemented the following measures to enhance our cybersecurity:

- The Manager has a dedicated Schroders Greencoat Cyber Framework, providing a structured approach to cybersecurity.
- Encryption and access controls on our information protection strategies. We utilise SharePoint as our primary document management system, enforcing authentication requirements, implementing varying levels of permissions and instituting a thorough onboarding process. Information shared with third parties is secured with end-to-end encryption.
- To enhance cybersecurity awareness, the Manager conducts training sessions for new employees and regularly runs phishing campaigns to ensure vigilance among our staff.
- The external facing internet protocols of assets provided by the Manager undergo penetration scans conducted by a third party, validating the security of our systems.
- The Manager collaborated with a third-party consultant to assess our cyber strategy and develop a target operating model, ensuring alignment with industry best practice.
- The Manager established an internal Cyber Forum, facilitating collaboration and knowledge exchange on cybersecurity matters across Schroders Greencoat.

6.0

Looking forward

As we conclude our 2023 ESG Report, we acknowledge that the journey towards a net zero economy has never been more pressing. The need for swift and decisive action to combat climate change underscores the vital role Greencoat Renewables plays in realising Europe's renewable energy targets and aligning with the broader net zero transition.

We understand the role of increased disclosure and enhanced transparency in building trust among our shareholders and other stakeholders. We will continue to respond to the evolving regulatory landscape and best practice, we will continue to disclose against ongoing ESG reporting requirements. We remain committed to implementing measures to meet reporting and disclosure obligations, such as the SFDR PAI disclosures. We will continue to monitor developments such as the CSRD and prepare well in advance where it applies to the Company.

We will build upon our recent CDP success and seek to further improve our CDP submission for the next reporting period. We will continue to improve our TCFD implementation through climate scenario modelling. While the Company has reported in line with the recommendations of TCFD in its Annual Report for the past three years, in 2024 it will fall into scope of the FCA's rules around TCFD reporting; as such, product-level TCFD disclosures will be made available on our website and the Manager will publish its entity-level disclosures by 30 June 2024. As part of enhancing our TCFD disclosures, a priority for 2024 is to evolve our climate scenario analysis approach and related disclosures.

Over the coming year, a key focus for the Company is to expand its approach to biodiversity. We are generally supportive of the new guidance from the TNFD and recognise the need for greater transparency around biodiversity data. We will continue to seek out impactful bio-diversity initiatives in the geographies we operate.

Recognising the pivotal role of stakeholder engagement in effective ESG management, we are committed to further engaging with key service providers, local communities, environmental stakeholders and other professionals. Maintaining robust health and safety standards remains paramount, and the Company commits to upholding a best-practice approach. As part of Schroders Greencoat's membership in the G+, we will actively collaborate and support industry-wide efforts to enhance health and safety standards.

Our 2023 ESG Report stands as a testament to our unwavering commitment to sustainable practices, responsible investment, engagement and positive impact. As we reflect on the strides made in 2023, we envision a future where our investments make even greater headway towards global decarbonisation goals and leave a positive legacy on the environment and communities in which we operate. Looking ahead, we retain our ambition of continual growth in our portfolio of renewable energy generation while forging a path towards a greener, more resilient future for generations to come.



7.0

Key performance indicators

KPIs as of 31 December 2023

Metric	2021	2022	2023
Overview			
1. Total number of assets at all stages	30	38	41
2. Total number of operating assets	25	35	39
3. Total number of forward sale and under construction assets	5	3	2
4. Total installed capacity of assets at all stages (MW)	800	1,385	1,586
5. Total installed capacity of operating assets (MW)	800	1,164	1,496
6. Total installed capacity of forward sale and under construction assets (MW)	n/a	329	90
7. Renewable energy generated (GWh)	1,522	2,487	3,422
8. Cumulative renewable energy generated since inception (GWh)	4,425	6,912	10,334
9. Number of homes (equivalent) powered by clean energy	347,630	538,958	752,756
10. Number of people (equivalent) whose energy needs can be met (million)	0.9	1.4	1.9
Environment			
11. Tonnes of CO ₂ avoided ⁽³⁰⁾	608,856	685,997	1,324,359
12. Percentage and number of assets that have habitat management plans or any environmental planning requirements in place	100 (9 assets)	100 (13 assets)	100 (14 assets)
13. Number of reportable environmental incidents	0	0	0
14. Number of assets that had an independent ecological/environmental assessment	30	38	41
15. Total GHG emissions (Scope 1, 2 and 3) (tonnes of CO ₂ e) ⁽³¹⁾	125,757	212,272	239,974
16. Scope 1 emissions (tonnes of CO ₂ e)	19 ⁽³²⁾	60	273
17. Scope 2 emissions (tonnes of CO ₂ e)	41 ³²	472	941
18. Scope 3 emissions (tonnes of CO ₂ e)	125,697 ³²	211,737	238,760

(30) Based on the marginal generation displaced in each jurisdiction. Gas generation for Ireland and Spain at 385gCO₂/kWh, nuclear generation for France and Sweden at 0gCO₂/kWh, biomass generation for Finland at 0gCO₂/kWh and coal generation for Germany at 935gCO₂/kWh. This approach is the preferred option under Partnership for Carbon Accounting Financials ('PCAF') guidance ('operating margin') for measuring carbon avoided and replaces the methodology used in 2022 that applied average grid intensity per region.

(31) Values in this report have been rounded to the nearest tonne of carbon dioxide equivalent (CO₂e) and therefore the values quoted for individual scopes may not add up to the values quoted for total emissions.

(32) 2021 GHG emissions were calculated using an internal estimation approach. From 2022, the Company has applied the methodology set out in the GHG Protocol with support from external consultants.

Metric	2021	2022	2023
Social			
19. Number of assets that have received independent health and safety audits	8	15	13
20. Number of assets that have received health and safety audits from operating managers	23	35	39
21. Percentage of staff involved in operations that have completed health and safety training	100	100	100
22. Number of recordable lost time incidents	0	0	1
23. Number of reportable working days lost to injuries, accidents, fatalities or illness	0	0	8
24. Amount invested in community funds or social projects (million)	€1.0	€1.0	€1.3
25. Number of community funds or social projects invested in	153	202	307
Governance			
26. Number of assets that have undergone cybersecurity vulnerability and penetration tests	24	35	35
27. Number of assets that have carried out additional cybersecurity enhancing activities	5	7	2
28. Number of assets that implemented internal controls, audit systems, board level oversight and relevant ESG policies	25	35	39
Sustainability			
29. Sustainable Financial Disclosure Regulation classification	n/a	Article 9	Article 9
30. EU Taxonomy alignment (percentage)	n/a	100	100
31. CDP score	n/a	C	B+
32. Institutional Shareholder Services (ISS) ESG Corporate Rating	n/a	n/a	B+

8.0 Glossary



Battery energy storage system (BESS): A system that stores electricity generated from renewable sources or during times of low demand for later use, typically using batteries.

Carbon dioxide equivalent (CO₂e): A standard unit that measures the total greenhouse gas emissions from various sources, expressed in terms of the amount of carbon dioxide that would have the same warming effect.

Circular economy: An economic model designed to minimise waste and maximise resources by promoting product longevity, recycling and sustainable practices.

CDP: Formerly the Carbon Disclosure Project, it is a global nonprofit organisation that helps companies and cities to disclose their environmental impacts.

Corporate Sustainability Reporting Directive (CSRD): Legislation within the European Union that requires certain companies to report on sustainability matters in their annual reports.

COP28: The 28th Conference of the Parties, referring to the annual United Nations Climate Change Conference where global leaders, negotiators and stakeholders discuss and negotiate climate-related policies and actions.

EU Sustainable Finance Disclosure Regulation (SFDR): A regulation that aims to standardise and improve the transparency of sustainability-related disclosures in the financial services sector within the European Union.

EU Taxonomy: A classification system that defines environmentally sustainable economic activities, helping investors and companies to identify and communicate them.

Fluvial flooding: Flooding caused by rivers overflowing their banks, often due to heavy rainfall or rapid snowmelt.

Key performance indicators (KPIs): Quantifiable measures used to evaluate the success or performance of an organisation or a specific activity.

Net zero: A state where the balance between the amount of greenhouse gases emitted and removed from the atmosphere is neutral, typically achieved by reducing emissions and investing in carbon removal or offset projects.

Net Zero Asset Managers (NZAM) initiative: An initiative involving asset managers committed to supporting the goal of global net zero greenhouse gas emissions by 2050.

Non-financial Reporting Directive (NFRD): European Union directive that requires certain large companies to report on their environmental and social impacts.

Offshore wind: Wind energy generation that takes place in bodies of water, typically the ocean, using wind turbines installed on platforms or underwater structures.

Onshore wind: Wind energy generation that takes place on land, utilising wind turbines to convert wind energy into electricity.

Operations and maintenance (O&M): The activities involved in the day-to-day operation and maintenance of infrastructure or facilities.

Organisation for Economic Co-operation and Development (OECD): An international organisation that works to build better policies for better lives.

Principal Adverse Impacts (PAI): Significant negative effects on sustainability factors that occur as a result of an organisation's activities or operations.

Guarantees of Origin: Certificates issued to guarantee that a certain amount of electricity is generated from renewable sources.

Scope 1 emissions: Direct greenhouse gas emissions from sources that are owned or controlled by the reporting entity, such as emissions from combustion processes.

Scope 2 emissions: Indirect greenhouse gas emissions associated with the consumption of purchased or acquired energy, such as electricity.

Scope 3 emissions: Indirect greenhouse gas emissions that occur in the value chain of the reporting entity, including both upstream and downstream emissions.

Social Accountability International's SA8000: A standard for social accountability in the workplace, focusing on issues such as child labour, forced labour and workplace safety.

Solar photovoltaic (PV): A technology that converts sunlight directly into electricity using semiconductor materials.

Special purpose vehicle (SPV): A subsidiary created by the parent company, which operates as a separate legal entity.

Task Force on Climate-related Financial Disclosures (TCFD): A framework developed to help organisations disclose climate-related financial risks and opportunities.

Taskforce on Nature-related Financial Disclosures (TNFD): A framework developed to help organisations to report and disclose their dependencies and impacts on nature.

Thermal generation: The production of electricity using heat, often derived from burning fossil fuels or other heat sources.

UN Global Compact (UNGC): A voluntary initiative that encourages businesses to adopt sustainable and socially responsible policies.

UN Principles for Responsible Investment (PRI): A set of principles designed to guide investors in incorporating environmental, social and governance factors into their decision-making processes.

UN Sustainable Development Goals (SDGs): A set of 17 global goals established by the United Nations to address various social, economic and environmental challenges by 2030.

Disclaimer: This Report (the “Report”) has been prepared and issued by Greencoat Renewables PLC (the “Company” or “Greencoat Renewables”). Whilst this Report has been prepared in good faith, the information contained in it has not been independently verified and does not purport to be comprehensive. Subject to their legal and regulatory obligations, the Company and Schroders Greencoat LLP (the “Investment Manager”) and each of their respective officers, employees, agents and representatives expressly disclaim any and all liability for the contents of, or omissions from, this Report, or any obligation to provide any additional information or to update this Report or to correct any inaccuracies that become apparent, and for any other written or oral communication transmitted or made available to the recipient or any of their officers, employees, agents or representatives. This Report may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “plans”, “projects”, “will”, “explore” or “should” or, in each case, their negative or other variations or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They may appear in a number of places throughout this Report and may include, but are not limited to, statements regarding the intentions, beliefs or current expectations of the Company, the Directors and/or the Investment Manager concerning, amongst other things, the investment objectives and investment policy, environmental, social and governance issues, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

This Report does not constitute or form part of, and should not be construed as, an offer, invitation or inducement to purchase or subscribe for any securities of the Company nor shall it or any part of it form the basis of, or be relied upon in connection with, any contract or investment decision relating to such securities, nor does it constitute a recommendation regarding the securities of the Company. It is not marketing material.

Visit www.greencoat-renewables.com or call +44 (0)20 7832 9400 for more information. The Financial Conduct Authority (FCA) is the competent authority of Schroders Greencoat LLP.