TRIG
The Renewables Infrastructure Group

Generating Sustainable Value

Annual Report & Financial Statements for the year ended 31 December 2021

2021 Highlights

119.3p

Net Asset Value (NAV) per share[1]
(2020: 115.3p)

6.84p

Dividend target set for the following year[3]
(2020: 6.76p)

10.0p

Earnings per share
(2020: 5.9p)

4,125GWh

Renewable electricity generated[4]
(2020: 3,953GWh)

£2,726m

Directors' portfolio valuation[2]
(2020: £2,213m)

£479m

Investments made
(2020: £588m)

11.3%

Total shareholder return for the year (share price appreciation plus dividends paid)
(2020: -2.9%)

9.5%

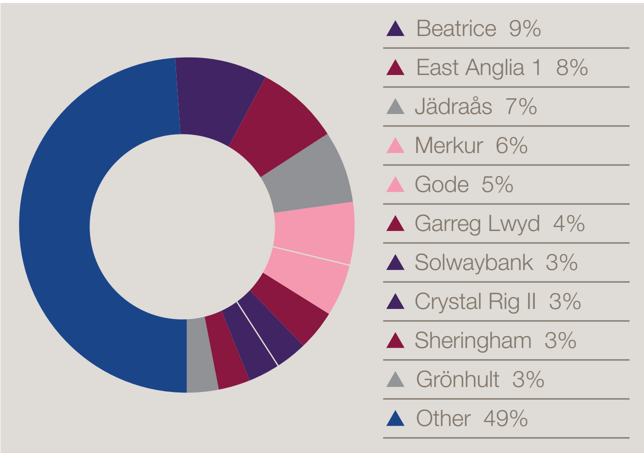
Total NAV return for the year (NAV per share appreciation plus dividends paid)
(2020: 6.1%)

This Annual report and accounts contains Alternative Performance Measures ('APMs'), which are financial measures not defined in International Financial Reporting Standards ('IFRS'). These include NAV per share, directors portfolio valuation, investments made, total shareholder return on a share price basis and total NAV return for the year. The definition of each of these measures is shown on page 173.

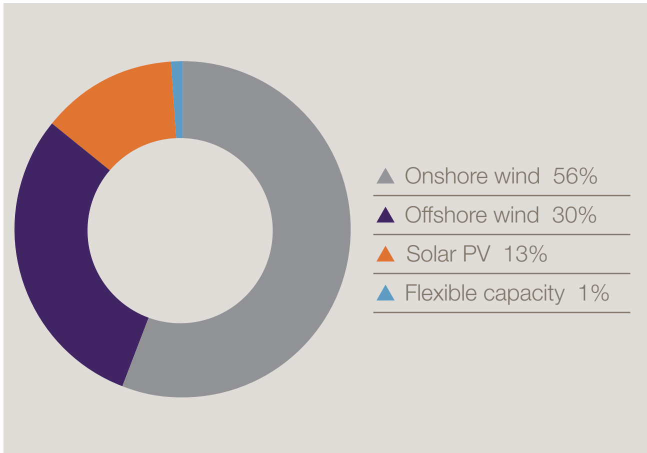
1 The Net Asset Value (NAV) per share at 31 December 2021 is calculated on the basis of the 2,267,246,415 Ordinary Shares in issue at 31 December 2021 plus a further 857,254 Ordinary Shares to be issued to the Managers in relation to part-payment of Managers' fees for H2 2021 and a NAV of £2,706m.
2 On an Expanded Basis. Please refer to Section 2.8 for an explanation of the Expanded Basis.
3 The 6.76p per share dividend relates to performance during the 2021 financial year. The 6.84p is a dividend per share target for financial performance during 2022.
4 Calculated based on each project's generation capacity pro-rated for TRIG's share of subordinated debt and equity capital.

Investment portfolio

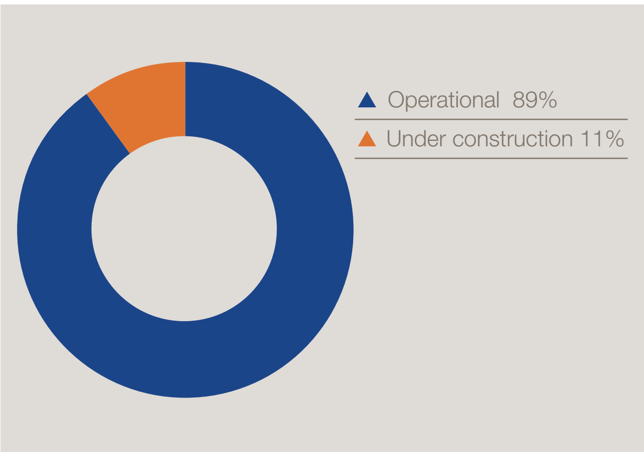
Top 10 assets by value[1]



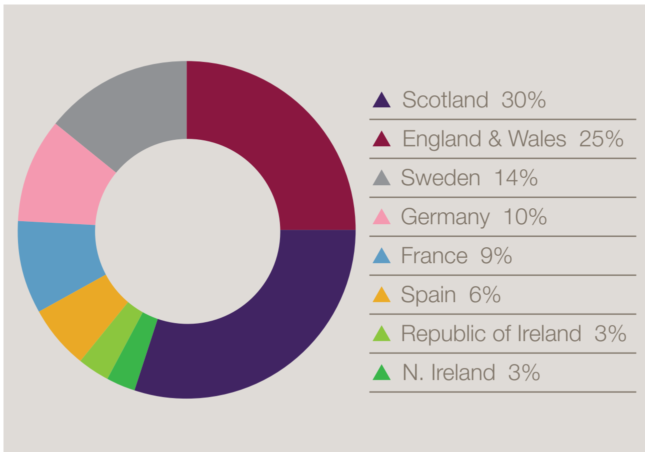
Technology[1]



Construction exposure[1]



Geography[1,2,3]



1 Segmentation by portfolio value as at 31 December 2021. Under construction assets relate to projects where TRIG retains construction risk and are included on a fully committed basis, including construction costs.
2 Northern Ireland and the Republic of Ireland form a Single Electricity Market, distinct from that operating in Great Britain.
3 Scottish ROC projects represent half of the 30% of the portfolio in Scotland.

Sustainability Highlights

Portfolio capable of powering

1.3m

homes with clean energy[2]

1.4m

tonnes of CO_2 avoided in 2021[1]

Supporting

38

community funds

£1.3m

budgeted for community contributions in 2022

0.21

reportable lost time accidents per 100,000 hours worked[3]

InfraRed maintains an

A+

PRI score[4]

A £10,000 investment in TRIG[5]

powers

5 homes with clean energy for a year

avoids

6 tonnes of CO_2 emissions a year

[1] Based on the IFI Approach to GHG Accounting. Current operational portfolio as at 31 December 2021 is capable of avoiding 1,630,000 tonnes of CO_2 per year and powering 1,310,000 homes per year.

[2] Once the projects in construction are operational the portfolio will be capable of powering the equivalent of 1.5 million homes with clean energy per year and avoiding 1.9 million tonnes of carbon emissions per year.

[3] Reportable Lost Time Accidents include all injuries resulting in the injured party being unable to resume normal duties within 7 days of the incident.

[4] Principles for Responsible Investment ("PRI") ratings are based on following a set of Principles, including incorporating ESG criteria into investment analysis, decision-making processes and ownership policies. More information is available at https://www.unpri.org/about-the-pri

[5] Based on the portfolio as at 31 December 2021 and once projects in construction are complete. A £10,000 investment is defined as a £10,000 share of TRIG's market cap of £3.0bn as at 31 December 2021. Based on the IFI Approach to GHG Accounting.

Contents

Blary Hill, Scotland (Credit: Keith Arkins)

01

Highlights and Chairman's Statement

Chairman's Statement

Helen Mahy CBE
Chairman

I am pleased to present the 2021 Annual Report & Financial Statements for The Renewables Infrastructure Group Limited ("TRIG" or the "Company"). The NAV as at 31 December 2021 was 119.3p per share and earnings for 2021 were 10.0p/share. TRIG's NAV total return from IPO to 31 December 2021 has been 8.3%, including dividends paid.

NAV total return for 2021 of 9.5% represents solid performance and reflects the Managers' continuing work to enhance our portfolio (organically and through acquisitions), the sustained market demand for renewable energy generating assets, and an increase in current and near-term forward power prices. The impact of these factors was dampened by reductions in medium- to long-term power price forecasts, expected cuts to older solar feed-in tariffs in France and the increase in future corporation tax rates in the UK.

Climate change continued to dominate the political agenda, culminating in November 2021 with the 26th United Nations Climate Change conference (COP26). Whilst the main achievements of COP26 were to focus on reducing coal-powered generation and to raise the profile of methane emissions, increasing renewables generation as an alternative to fossil fuels remains core to public policy. TRIG makes a significant contribution to this agenda[1]. We are proud that TRIG's current operational portfolio of 1.7GW is capable of powering 1.3 million homes and avoiding approximately 1.6 million tonnes of carbon emissions per annum[2]. Once our projects in construction become operational, TRIG's generation capacity will grow to 2.2GW[3].

There is increasing discussion of accelerating electrification; however, action needs to be faster and greater in areas such as flexible capacity, space and water heating, and industrial processes. InfraRed and RES (the Company's Investment Manager and Operations Manager, respectively) continue to engage actively in the policy debate. InfraRed attended the pre-COP26 Global Investment Summit, RES participated in the Energy Transition Hub at COP26, and TRIG and its Managers made submissions to the UK Government's *Enabling a High Renewable, Net Zero Electricity System: Call for Evidence*.

The Company's portfolio has been further diversified through acquisitions during the year and this was enabled by the support of our shareholders. The Company conducted two successful fundraises in 2021 that raised £440m, in aggregate, from existing and new, institutional and retail investors. These fundraises were accretive to existing shareholders at an average issuance price of 7.7% premium to the NAVs prevailing at the time, and together with their related acquisitions provide further portfolio diversification and economies of scale (TRIG's Ongoing Charges Ratio for 2021 was 0.97%).

1 In 2021, TRIG's portfolio generated the equivalent of 3% of the UK's total renewable electricity generation.
2 On a committed basis at the date of this report. Based on average regional household electricity consumption figures and the IFI Approach to GHG Accounting for Renewable Energy.
3 Calculated based on each project's generation capacity pro-rated for TRIG's share of subordinated debt and equity capital. Capacity is from both generation and battery output and includes expected capacity arising from investment commitments as at 31 December 2021.

Dividends

Wind resource in 2021 has been unusually weak and was an outlier in TRIG's nearly nine-year history. In the UK and similar European latitudes (Ireland and Germany), wind levels have been at their lowest since 2010. Against this backdrop, we are pleased that dividend cover for the year was 1.06x, which with the benefit of scrip dividends rose to 1.12x cash cover, and is after the repayment of £145m project-level debt, reflecting the strength of the Company's business model. If the Company adopted the alternative business model of not repaying debt on a systematic basis over each project's subsidy life, then, for comparison purposes, dividend cash cover could have been 2.1x.

I am pleased to report a dividend target[4] for 2022 of 6.84p/share, an increase of 1.2% on the 2021 dividend. In setting the 2022 dividend target the Board considered positive factors including elevated near-term power prices and inflation, and was mindful of medium term political and regulatory headwinds, such as the increase in UK corporation tax rates, and the uncertainties in medium and longer-term power price forecasts relating to the rate of renewables deployment versus the growth rate of electricity demand. The long-term sustainability of the Company's dividend remains a priority for the Board.

Portfolio Construction and Investment Activity

Portfolio construction and the generation of attractive risk-adjusted returns are key to the assessment of acquisition opportunities, the benefits of which have been evident in 2021. Whilst wind resource has been very low by historical standards across much of the portfolio, generation in the Nordics has been above budget for the second successive year and solar resource has once again been in line with budget.

The investments made in 2021 will increase the proportion of portfolio generation in the Nordics when the Grönhult and Twin Peaks (Ranasjö and Salsjö) projects commence operations in late 2022 and early 2024 respectively. These sites will increase our generation capacity[5] in the Nordics by nearly 90%. In addition, TRIG's first investment on the Iberian Peninsula in a portfolio of four ready-to-build solar projects will more than double TRIG's solar generation capacity when they become operational at the end of 2022.

TRIG's largest investment in 2021 was in the Beatrice offshore wind farm in the UK, which receives a Contract for Difference subsidy. The project commenced full operations in 2019 and its 84 Siemens Gamesa 7MW turbines are able to power c. 450,000 homes. InfraRed maintains its prudent approach to assessing opportunities, which is particularly important in sectors with subsidy tariffs where competition for assets is high, with a focus on yield and limiting single asset concentration.

Creating off-market, bilateral opportunities through well-established relationships, and leveraging TRIG's reputation for deliverability, is central to InfraRed's development of further attractive investment opportunities. TRIG's acquisition focus remains unchanged, targeting renewables and related infrastructure investments[6] in the UK and Europe[7]. The wider Nordic, Iberian and Benelux regions would be a natural fit for TRIG's portfolio. Other geographies in Europe, where there is a significant renewables deployment target, may be considered following a rigorous analysis of the legal, regulatory and operational environment.

InfraRed continues to screen flexible capacity opportunities, particularly batteries, whose financial performance is driven by intermittency of renewables and power price volatility, thereby having low correlation to wholesale power price levels and forecasts. The majority of opportunities in flexible capacity technologies relevant to TRIG are at late-stage development or the "shovel-ready" point of construction with suitable risk-reward profile for long-term asset owners.

Value Enhancement and Portfolio Performance

As the Covid-19 pandemic continues, the health, safety and welfare of the workforces of our Managers, on our sites and in our supply chains remains paramount. We have continued to operate Covid-aware practices and maintain our focus on the health and safety of contractors on our sites. The portfolio's overall asset availability was consistent with budgeted levels.

As noted, the performance of TRIG's portfolio during the period was impacted by low weather resource, particularly in Great Britain, Ireland and Germany. Overall, production for 2021 was 12.6% below budget.

Power prices captured in the period and near-term power price forwards were higher than forecast, principally driven by high global gas prices due to supply constraints in Europe and a rapid rebound of global demand following the contraction in 2020. The volatility of power prices over the past 24 months caused by external factors, including the Covid-19 pandemic and commodity price changes, underscores the need for a prudent approach to revenue risk management.

Our Managers are focused on the sustainability of shareholder returns, one component of which is to manage the overall portfolio's sensitivity to changes in power price through subsidy-supported revenues and actively applying power price fixes / hedges. This approach means that TRIG does not suffer the full

4 The Company's dividend policy is to increase the dividend when the Board considers it prudent to do so, considering forecast cash flows, expected dividend cover, inflation across TRIG's key markets, the outlook for electricity prices and the operational performance of the Company's portfolio.
5 Calculated based on each project's generation capacity pro-rated for TRIG's share of subordinated debt and equity capital.
6 Including onshore wind, offshore wind, solar PV and flexible capacity technologies. Flexible capacity is generation technologies that can store energy and respond to electricity demand levels and pricing signals, such as batteries, pumped hydro storage and green hydrogen. Within flexible capacity technologies, the Investment Manager's current principal focus is on battery storage projects.
7 To date the Company has invested in the UK, France, Germany, Ireland, Spain and Sweden.

Chairman's Statement (continued)

impact of low prices nor gain as much as may be possible from high prices, as seen in 2020 and 2021 respectively. Over the next five years, approximately 65% of forecast portfolio revenues benefit from fixed power pricing per megawatt hour through subsidies or hedging instruments. The medium to long-term power price forecasts have reduced as greater renewables rollout is incorporated into projection models without the same level of increase in assumed flexible demand resulting from the energy transition, including from electric vehicles and domestic heating.

Projects affected by retroactive cuts to historically-set French feed-in tariffs for solar projects have exercised rights to appeal under the legislation. This commences a dialogue with the relevant authority to revisit proposed tariffs which may continue into 2023. In parallel, Syndicat des Énergies Renouvelables ("SER"), the French renewables trade association of which TRIG is a member, has initiated an action for annulment of the legislation. InfraRed and RES have also been in dialogue with officials at the Ministre de L'Economie, des Finances et de la Relance and the UK's Department of International Trade. After provisions of 1.6p/share, the remaining carrying value of affected projects within TRIG's portfolio is 1.6p/share.

As reported in June 2021, following routine inspections at the Merkur offshore wind farm in Germany, generation was paused as a precautionary safety measure after cracks were identified in the emergency evacuation rear frames of some turbines. The turbine manufacturer has been monitoring the turbines and has implemented an interim welding solution that enabled 50, on average, of the 66 turbines to operate during Q4 2021 and 60, on average in January 2022. Lost revenues are due to be compensated through contractual protection mechanisms. Root cause analysis has been completed and a long-term solution is being developed, which the turbine manufacturer plans to substantially implement during 2022. The cost of remediation remains with the manufacturer. No material impact is expected on the carrying value of the project nor the financial performance of Company, though the timing of distributions from the project are expected to be delayed.

The construction of the 35MW Blary Hill project, in Scotland, was completed ahead of schedule and on-budget in early 2022. The construction of Haut Vannier (43MW in France), Grönhult (67MW in Sweden) and the four sites comprising Project Cadiz (234MW in Spain) remain on track to be completed in 2022. The construction of the Twin Peaks projects (242MW[8] in Sweden) commenced in Q3 2021 and is scheduled to complete in 2024. Projects with construction risk exposure represent 11% of TRIG's portfolio by value at 31 December 2021.

Responsible Investment and Sustainability

The Board and the Managers believe that investing responsibly and the consideration of environmental, social and governance ("ESG") factors is essential for maintaining a sustainable business model over the long term. TRIG's ESG objectives are designed to improve outcomes for shareholders and the portfolio's stakeholders. We report against these objectives in our Sustainability Report, available on the Company's website, and in Section 2.4 – Sustainability.

The £500,000 TRIG Covid-19 Community Fund has now supported over 60 community organisations. These funds are in addition to the circa £1.1m[9] that the portfolio companies contribute to their local communities each year.

In line with our commitment to the UN Sustainable Development Goal 13 *Climate Action*, TRIG's Managers continue to expand their assessment of the potential impact of climate change, including in respect of the physical risks associated with adverse climate change. The Company reports against all 11 recommendations of the Task Force on Climate-related Financial Disclosures in Section 2.4 – Sustainability.

Social responsibility is integral to InfraRed's investment process and our Managers' risk-based approach to due diligence. Supply chain working conditions were a key focus in the due diligence of Project Cadiz in Spain, particularly in relation to the manufacture of solar PV panels. In doing so, we look to exert influence to improve transparency and practices in the supply chain.

We continue to align the Company's financial performance with our sustainability goals, and have integrated key health & safety, decarbonisation and community support metrics into TRIG's revolving credit facility and certain hedging instruments.

Corporate Governance

Board composition is regularly discussed by the Board's Nomination Committee to ensure that the Company's non-executive Directors have a diverse range of relevant expertise and experience to apply to the oversight of the Company and to engage effectively with the Managers.

We are now approaching nine years since TRIG's IPO, and the initial three Non-executive Directors, including myself, will be retiring in 2022. Shelagh Mason and Jon Bridel will be retiring as Non-executive Directors in February and May 2022 respectively. On behalf of my fellow Directors and the Managers, I thank them for their significant contributions to the success of the Company since our IPO in 2013.

I am pleased to welcome John Whittle (appointed July 2021) and Erna-Maria Trixl (appointment as of March 2022) to the Board. John brings significant infrastructure investment and accounting experience, and will succeed Jon Bridel as Audit Committee Chairman and Shelagh Mason as Senior Independent Director. Erna-Maria is an energy, infrastructure and sustainability expert and adds to the TRIG Board's depth of energy and wider-infrastructure sector experience.

8 Total project size in which TRIG has a 50% ownership.
9 Pro-rated based on TRIG's % ownership of portfolio companies.

A process is underway, utilising the services of a third-party adviser, to select and appoint my successor as Chairman of the Board.

These appointments continue the Nomination Committee's recruitment and orderly succession plan which incorporates appropriate handover periods, the principles and provisions of the AIC Code[10], and the recommendations of the Hampton-Alexander and the Parker Reviews.

Principal Risks and Uncertainties

The Board and the Managers monitor and, where practicable, mitigate a range of risks to TRIG's strategy. The main risks for the Company continue to be:

- Regulation: government or regulatory support for renewables changing adversely;
- Power prices: electricity prices falling or not increasing as expected; and
- Production performance: portfolio electricity production falling short of expectations, including as a result of unfavourable weather and asset unavailability.

These risks are considered in the Portfolio Construction and Value Enhancement sections above and are expanded on in Section 2.10 – Risks and Risk Management.

Outlook

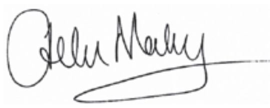
The climate change agenda will take another step forward in 2022 as countries attend COP27 in Egypt with promises of revised action plans to steepen the rate of decarbonisation. Our strategy is aligned with this and, increasingly, TRIG is delivering new capacity having built c. 200MW capacity across nine projects since IPO and with a further c. 450MW currently in construction across four investments comprising eight sites.

As the renewables infrastructure market continues to mature and attract more investors, an increasing proportion of relevant projects are trading to long-term hold investors earlier in their development cycle, including at or around the ready-to-build stage rather than in the early years of operations. Moreover, the Company itself is commencing developments on repowering, and further such opportunities can be expected as older sites mature.

Construction and development projects constitute 11% of TRIG's portfolio value; as compared to the investment policy limit on such activities of 15% of portfolio value, which may pose a constraint on future diversification of the portfolio. On the back of TRIG and its Managers' extensive track record, the Board is considering, subject to continuing positive feedback from shareholder discussions, asking shareholders to increase TRIG's Investment Policy development and construction limit from 15% to 25% at the next AGM in May 2022. A construction case study is provided in Section 2.5 – Portfolio that illustrates some of our Managers' deep expertise in this area.

The energy transition is being fuelled by renewable electricity generation, presenting further exciting investment opportunities for TRIG. As the investable universe expands, so too has the volume of capital seeking to invest in this sector. In that context, InfraRed's portfolio construction and investment discipline as well as RES's asset management expertise are more important than ever.

I am grateful to TRIG's shareholders for their continuing support of the Company and me as its Chairman. It has been a pleasure to serve you as Chairman of TRIG since IPO, and I remain confident that TRIG's business model, which has successfully prevailed in 2021, will enable the Company to continue to generate sustainable returns and contribute towards a net zero carbon future.



Helen Mahy CBE
Chairman

17 February 2022

10 The AIC Code has been endorsed by the Financial Reporting Council (FRC) and the Guernsey Financial Services Commission (GFSC).


Jädraås, Sweden (Credit: Vestas)

02 Strategic Report

2.1
TRIG's Investment Proposition

TRIG's purpose is to generate sustainable returns from a diversified portfolio of renewables infrastructure that contribute towards a net zero carbon future.

TRIG's diversified portfolio predominantly consists of operational wind farms and solar parks in the UK and Europe. The Company aims to provide its investors with long-term, sustainable dividends and to retain the portfolio's capital value through re-investment of surplus cash flows after payment of dividends.

TRIG's key **financial objectives** are to provide its shareholders with:

- **an attractive, long-term, income-based return** by focusing on strong cash generation across a portfolio of renewable energy generating assets;
- **prudent financial management** in the approach to cost control, cash management, financing arrangements and hedging; and
- **a diversified investment portfolio at scale** to spread risk, increase share liquidity and realise efficiencies.

TRIG's Board and its Managers place responsible investment practices at the heart of TRIG's business, as they are core to a sustainable business model over the long-term. Our approach is underpinned by the Company's Sustainability Objectives, which are to:

- **mitigate climate change;**
- **preserve our natural environment;**
- **positively impact the communities TRIG works in; and**
- **maintain ethics and integrity in governance.**

Garreg Lwyd, Wales

TRIG's investment approach is based on the following two factors:

The renewables market opportunity

- The long-term public and political commitment in European countries towards creating a cleaner, more secure and sustainable energy mix
- The shortfall in current power generation capacity compared to expected future demand due principally to the reduction in coal-fired and nuclear generation facilities due to emissions, safety and/or age
- The EU-wide renewables target requiring 32%[11] of energy to be generated from renewable sources by 2030 and the UK's target to decarbonise all power generation by 2035. Both the UK and EU have net zero targets by 2050, and there are broader United Nations initiatives to achieve challenging long-term de-carbonisation goals
- Extensive opportunities for investment in renewable generation assets to fulfil the requirement to fund the construction of new capacity, and as developers (including utilities) recycle capital

+

The ability to construct a diversified portfolio across established, low-risk technologies, electricity markets, weather systems and revenue types

- Diversification across predominantly operational assets providing a long-term investment proposition, delivering sustainable income together with NAV resilience
- Proven operational track record including predictable operating costs
  - Focus on markets with a robust long-term energy demand outlook and a well-established political/regulatory commitment to renewables
- Investing in established technologies, including wind and solar PV (which currently dominate new power capacity installations in the EU) providing
  - Future potential for incremental improvements in design, scale and efficiency
- Variability of weather patterns across Europe adds to diversification provided by exposure to wind and solar energy sources
- Further diversification is realised through investment in projects across different regulatory regimes and power price markets
- Stability of revenues enhanced by contracts with utility counterparties and/or state subsidies in the short-to-medium term with greater power price exposure in the long term

11 In July 2021, in view of EU climate ambitions as part of the *Fit for 55* package, revision of the target to 40% by 2030 was proposed.

Investment Approach

In order to achieve its investment objective to generate sustainable returns, the Company invests in infrastructure that contributes towards a net zero carbon future through the generation of electricity from renewable energy sources, with a particular focus on wind farms and solar PV parks. The Company also invests in infrastructure that supports the energy transition, such as flexible capacity.

The Group aims to achieve portfolio diversification principally through investing across Europe (including UK & Ireland) and a mix of renewable energy technologies, in order to improve the stability of shareholder returns by reducing risks of single asset concentration, power markets, regulatory frameworks and local weather patterns. The Company's portfolio extends across six countries, with the largest generating capacity of the London-listed renewables investment companies.

TRIG's Board and the Managers (InfraRed Capital Partners, as Investment Manager, and Renewable Energy Systems, as Operations Manager) adhere to an Investment Policy in pursuit of the Company's investment objective. The key investment limits below provide a summary of the parameters within which investments are made. The full wording of the Investment Policy can be found on the Company's website at the following link: www.trig-ltd.com/about-us/why-invest-with-trig/business-model/investment-policy.

Key investment limits

- Investments are made in the UK and other European countries where The Board and Managers believe there is a stable renewable energy framework.
- Up to 65% of the Portfolio Value[12] may be invested in projects that are located outside the UK.
- Whilst investments are predominantly made in wind farms and solar projects, the Company may also invest in infrastructure that is complimentary to renewables, such as flexible capacity, up to a limit of 20% of Portfolio Value.
- Up to 15%[13] of the Portfolio Value may be invested in development or construction projects (including repowering of existing assets).
- In order to manage single asset concentration risk, no more than 20% of Portfolio Value may be invested in any single project.
- Short-term debt (principally drawings on the Company's revolving credit facility) is limited to 30% of the Portfolio Value.
- Long-term debt (typically amortising project finance debt) is limited to 50% of the Gross Portfolio Value (being the total enterprise value of the Portfolio).
- Historically, the Company has often made investments in 100% or majority equity ownership of assets. As renewable energy projects increase in size, the Company is increasingly acquiring minority equity stakes. Where minority positions are taken, the Investment Manager will secure TRIG's shareholder rights (including voting rights) through shareholder agreements and other transaction documentation.

Other policies covering revenue management, hedging, cash balances, the origination of further investments, repowering and material amendments to the Investment Policy can be found in the full Investment Policy on the Company's website.

12 Portfolio Value is calculated on a committed basis and at the time of investment. This applies to all instances of Portfolio Value used throughout the Investment Policy.
13 The Board is considering asking shareholders to increase TRIG's Investment Policy construction limit from 15% to 25% of portfolio value on a committed basis at the May 2022 AGM.

2.2
TRIG's Business Model and Strategy

Purpose

To generate sustainable returns from a diversified portfolio or renewables infrastructure that contribute towards a net zero carbon future.

Introduction

TRIG was the first geographically and technologically diversified investment company investing in renewable energy infrastructure listed on the London Stock Exchange, completing its IPO in 2013. The Company has been a member of the FTSE 250 Index since 2015, has been accredited as a Guernsey Green Fund since 2019 and retains the London Stock Exchange's Green Economy Mark. TRIG is managed by its Investment Manager, InfraRed, and its Operations Manager, RES.

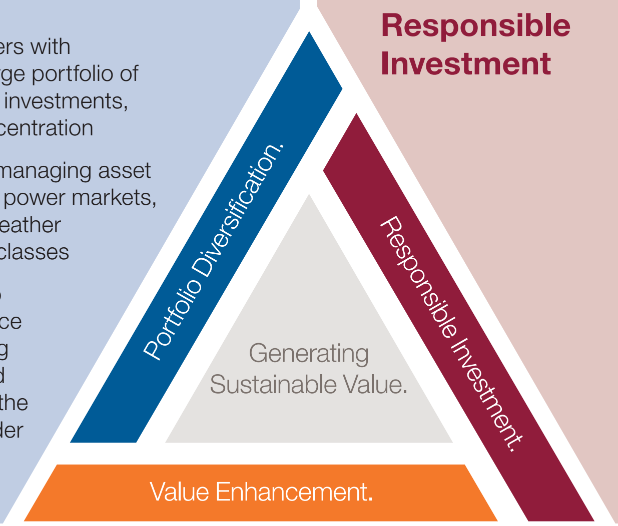
With the support of shareholders, TRIG's growth since IPO has enabled the Investment Manager, InfraRed, to diversify the investment portfolio across technologies (currently onshore wind, offshore wind, solar PV and battery storage) and geographies (currently UK, Ireland, France, Germany, Sweden and Spain), with other geographies considered following a rigorous analysis of the legal, regulatory and operational environment. TRIG operates the largest diversified portfolio of renewable energy investments within the Investment Company sector.

Strategy

TRIG seeks to enhance the long-term sustainability of shareholder returns in three ways:

01 Portfolio Diversification

- TRIG provides shareholders with immediate access to a large portfolio of renewables infrastructure investments, with low single asset concentration
- TRIG's strategy includes managing asset concentration risk across power markets, regulatory frameworks, weather patterns and technology classes
- A well-diversified portfolio helps improve the resilience of the Company's ongoing financial performance and valuation, contributing to the sustainability of shareholder returns



02 Responsible Investment

- Many of TRIG's investments have asset lives of 30 years or more, requiring a long-term view to be taken and sustainable business practices applied
- TRIG's Sustainability Policy is aligned to the United Nations Sustainable Development Goals, and the Company is a signatory of the Science Based Targets initiative
- The implementation of the Company's Sustainability Policy relies on InfraRed and RES' responsible and sustainable approach to investment and asset management

03 Value Enhancement

- Extracting the most value from our portfolio includes action by InfraRed and RES targeted at both the preservation and the enhancement of investment value, whilst being mindful of sustainability opportunities and risks
- Proactive asset management is undertaken to optimise generation and minimise equipment downtime whilst operating safely with a prudent approach to risk management, including construction opportunities
- Active portfolio management and technical enhancement activities help to increase energy yield and reduce operating costs to enhance value for shareholders

Management

The Company has a board of independent non-executive Directors, for whom biographies can be found in Section 3 along with, as the Company is in its ninth year, details on succession planning. The Board's role is to manage the governance of the Company in the interests of shareholders and other stakeholders. In particular, the Board monitors adherence to the Investment Policy, determines the risk appetite of the Group (the Company, all of its subsidiaries, and investments), sets Group policies and monitors the performance of the Investment Manager, the Operations Manager and other key service providers.

The Board meets a minimum of four times per year for regular Board meetings and there are several ad hoc meetings dependent upon the requirements of the business. In addition, the Board has five committees covering the areas of Audit, Nominations, Remuneration, Management Engagement and Market Disclosure, chaired by respective members of the Board, which receive and consider specialist independent adviser reports and presentations. Health & safety, risk management, and sustainability each feature as dedicated agenda items in the Board's regular, quarterly meetings.

The Board takes advice from the Investment Manager, InfraRed, as well as from the Operations Manager, RES, on matters concerning the market, the portfolio and new investment opportunities. Day-to-day management of the Group's portfolio is delegated to InfraRed and RES, with investment decisions within agreed parameters delegated to an Investment Committee constituted by senior members of the Investment Manager.

Other key service providers to the TRIG Group include Aztec Financial Services (Guernsey) Limited providing Company Secretarial and Administrative services, Investec Bank PLC and Liberum Capital Limited as joint brokers, Maitland/AMO as financial public relations advisers, Carey Olsen as legal advisers as to Guernsey law, Norton Rose Fulbright LLP as legal advisers as to English law, Link Asset Services (Guernsey) Limited as registrars and Deloitte LLP as auditor. Lenders to the Group's revolving credit facility are National Australia Bank, Royal Bank of Scotland International, ING Group, Sumitomo Banking Corporation, Barclays and Santander.

> The Board reviews the performance of all key service providers, including the Investment Manager and Operations Manager, and their adherence to TRIG's Sustainability Policy, at least on an annual basis through its Management Engagement Committee.

Roos, England

2.2
TRIG's Business Model and Strategy (continued)

Group structure

Through the group structure, the Company owns a portfolio of renewable energy infrastructure investments in the UK, Ireland, France, Germany, Sweden and Spain.

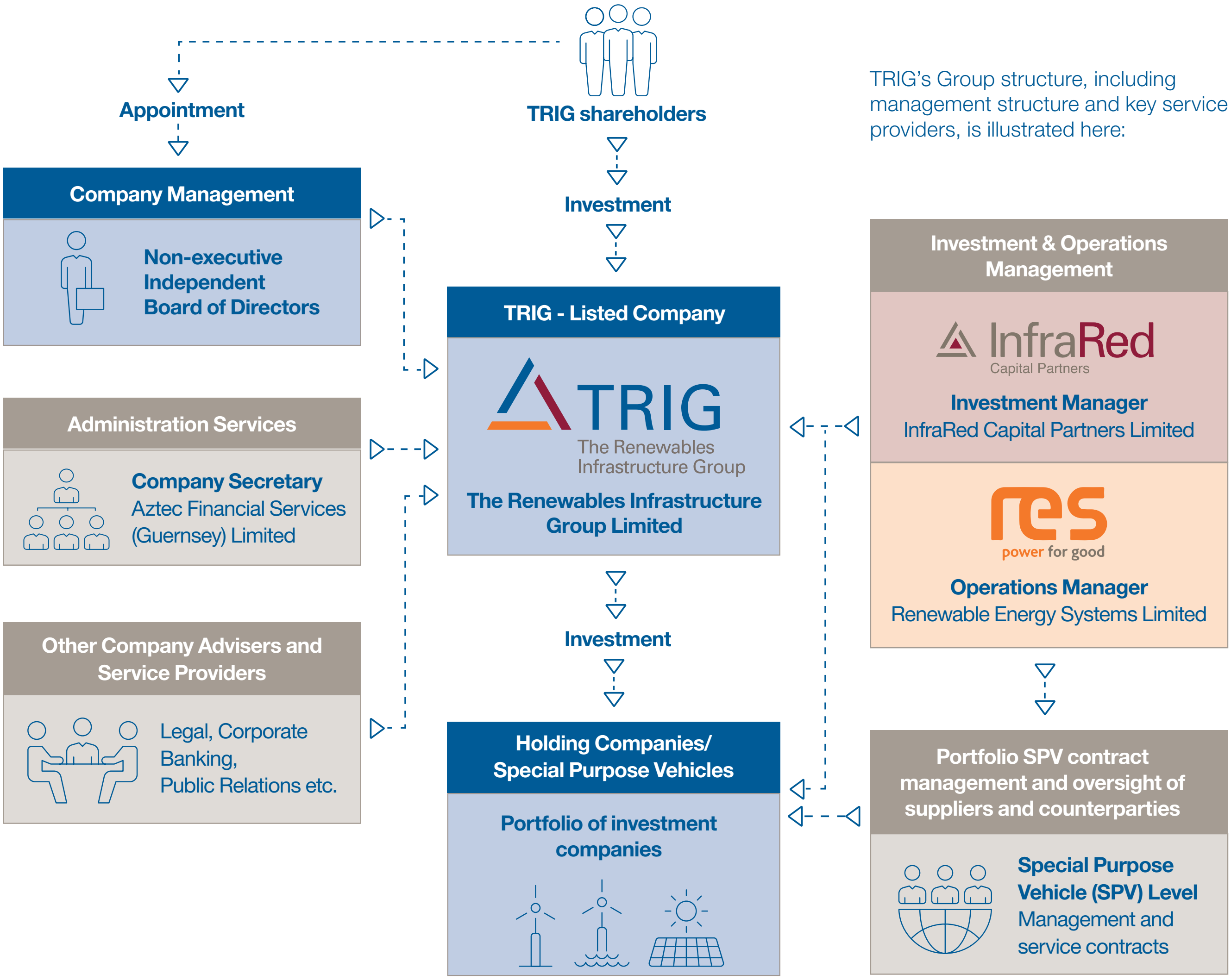
TRIG seeks to protect and enhance the income from, and value of, the existing portfolio through active management and sourcing of new investments that enhance the diversification and scale of the portfolio, utilising the expertise of the market-leading Investment and Operations Managers appointed by the Company.

The Company has a 31 December year-end, announces interim results in August and full year results in February. The Company pays dividends quarterly and is a self-managed Alternative Investment Fund under the European Union's Alternative Investment Fund Managers Directive.

TRIG is a Guernsey-registered investment company (which is not uncommon for UK-listed investment companies). Tax is paid by the portfolio companies in the markets in which they operate and by the Company's shareholders on the dividends they receive (according to the jurisdiction and taxation status of each shareholder). The structure ensures investors are not in a disadvantageous tax position compared to direct investors in infrastructure projects; in effect this emulates the structure formalised for real estate investors by the creation in the UK of Real Estate Investment Trusts ("REITs"). A similar tax treatment can be achieved by UK Investment Trust Companies located onshore by applying the UK's Investment Trust (Approved Company) (Tax) Regulations (2011) where companies deem a portion of their dividends paid to investors as interest distributions (although we note that for certain UK shareholders the tax treatment of interest income is different to dividend income).

The Board keeps the Company's residency and domicile under regular review.

TRIG's Group structure, including management structure and key service providers, is illustrated here:



InfraRed Capital Partners

InfraRed Capital Partners Limited ("InfraRed") is TRIG's Investment Manager. InfraRed has day-to-day responsibility for the investment management of TRIG.

InfraRed is a specialist infrastructure investment manager[1]. With over 165 members of staff across four countries, InfraRed has over 25 years of investment experience and over US$10bn of infrastructure equity under management.

At InfraRed, a long-term, sustainability-led mindset is essential to delivering lasting success, and this mindset directs its assessment and management of the Environmental, Social and Governance ("ESG") aspects of its business. InfraRed has been a signatory of the Principles of Responsible Investment since 2011 and maintains an A+ score. It is also a member of the Net Zero Asset Managers Initiative, a certified CarbonNeutral® company[2] and is a TCFD supporter.

InfraRed is a part of SLC Management, the institutional alternatives and traditional asset management business of Sun Life. Over the past 25 years, InfraRed has established itself as a highly successful developer and custodian of core infrastructure and renewable energy assets that play a vital role in supporting sustainable communities. Further details can be found on their website at www.ircp.com.

InfraRed's responsibilities as Investment Manager for TRIG include:

- Overall day-to-day management
- Sourcing, transacting and approving new investments
- Advising the Board on strategy and dividend policy
- Advising on capital raising
- Risk management and financial administration
- Investor relations and investor reporting
- Appointing all members of the Investment Committee
- Assessing sustainability risks and integrating into each stage of the investment decision-making process
- Hedging strategies for key risks, including interest rates, inflation, FX and power prices

[1] In August 2021 InfraRed announced the sale of its European Real Estate Investment Management business to ARA Dunedin. Disclosed figures are representative of the infrastructure business only.
[2] In accordance with The CarbonNeutral Protocol. Further information is available at https://carbonneutral.com/ the-carbonneutral-protocol.

res power for good

Renewable Energy Systems Limited ("RES") is TRIG's Operations Manager. The role of RES is to be responsible for overseeing the asset management of the portfolio. This includes oversight of operating and construction projects; operational reporting for all project companies; and designing and implementing portfolio performance optimisation plans. RES also provides support in the assessment of acquisition activities and investor relations.

RES is the world's largest independent renewable energy company having developed and/or constructed over 22GW of projects. RES also supports an operational asset portfolio of 9.1GW with operations in 10 countries and over 2,500 employees globally. RES is a pure-play renewables company with the expertise to develop, construct and operate projects around the globe across a range of technologies including onshore and offshore wind, solar, energy storage and transmission & distribution.

A large, dedicated team of RES staff provide portfolio-level operations management to the Company and its subsidiaries. RES also draws on the experience and skills of a much wider pool of expertise from within the company in order to fulfil its Operations Manager role, utilising nearly four decades of renewables experience to provide project-level services to TRIG and support the evaluation of investment opportunities for the Group. TRIG benefits from a right of first offer on RES' pipeline of assets.

RES has a strong focus on safety and ESG (Environment, Social, Governance), and provides a complete range of services for renewables projects – from development and design, through construction and engineering, to financial, technical and commercial asset management services, and operations and maintenance services. Further details can be found on their website at www.res-group.com.

RES's responsibilities as Operations Manager for TRIG include:

- Providing operational management services for the portfolio
- Implementing the strategy for electricity sales, insurance and other areas requiring portfolio level decisions
- Maintaining operating risk management policies and compliance
- Appointing senior individuals to the Advisory Committee alongside InfraRed to advise TRIG on operational and strategic matters
- Community engagement and implementing sustainability initiatives at an asset level

2.3 Market Development

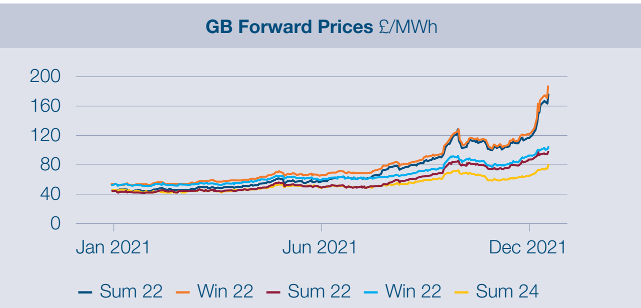
Power prices

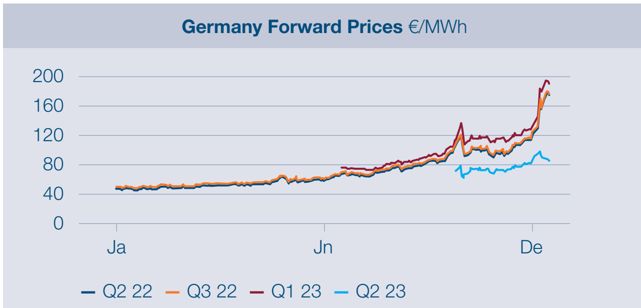
Current and near-term power prices

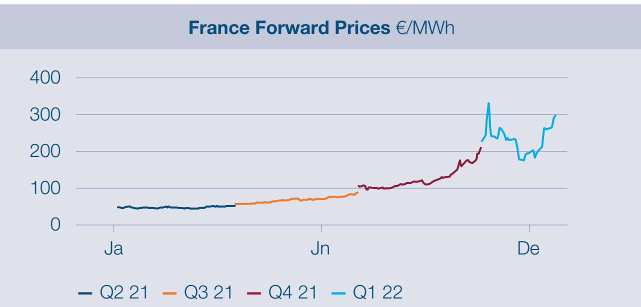
The power price environment over recent months has been remarkable. From the pandemic induced lows of Q1 2021 we have now seen wholesale power pricing rise to the highest levels since the Company's IPO in 2013. Two factors dominate this surge: high commodity prices and low weather resource for renewables generators; with other factors such as increasing geopolitical concerns, supply outages and a rapid recovery in demand also contributing.

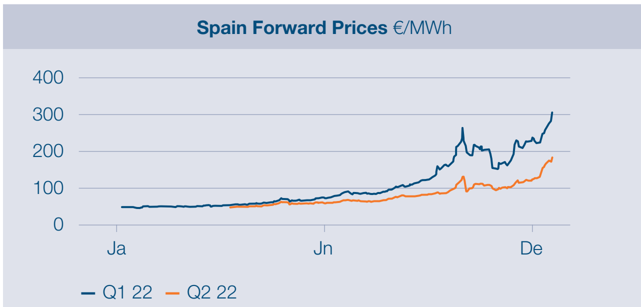
Elevated spot power prices are flowing into season ahead forward power prices. For instance in the GB market, which has been one of the most affected, forward power prices for the coming summer and winter seasons increased by an average of 166% over the last six months of 2021; indicating an expectation from the market that elevated power prices will continue for the next year or so. There is a similar pattern across all markets where TRIG has investments.

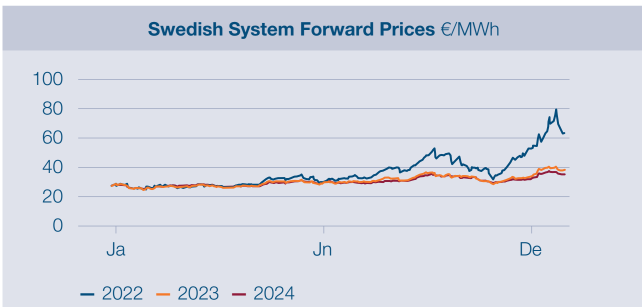
The power price environment over recent months has been remarkable.











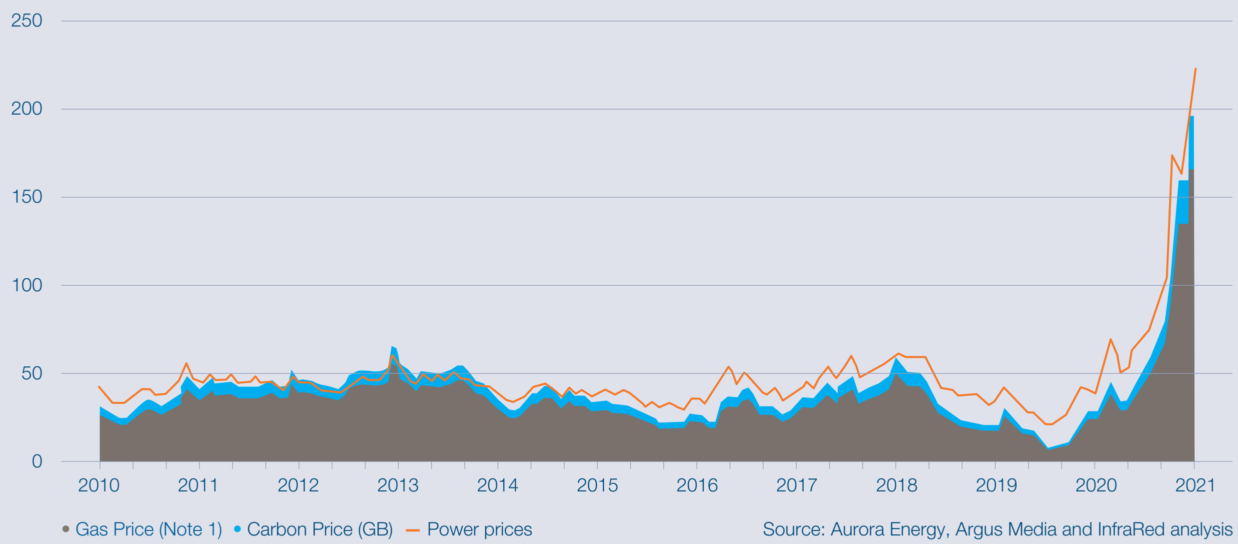
Source: Argus Media and Bodecker

Natural gas and carbon prices have been the principal commodity drivers of elevated power prices in GB and Europe, where gas plants often set the power price as the marginal electricity generator. The chart below illustrates this correlation with reference to the GB market

Gas prices have surged due to depleted gas storage levels which were not subsequently replaced after a cold 2020-21 winter in Europe, combined with significantly increased demand from Asia for liquified natural gas (LNG). European gas storage levels in December 2021 were 17% and 40%[14] below the average seasonal minimum and maximum levels, respectively, seen in recent times. Increasing the supply of gas into Europe can also be impacted by international politics, particularly geopolitical concerns in Eastern Europe. Forward pricing of gas in Europe indicates that elevated gas prices are expected to remain into 2023.

Gas prices have surged due to depleted gas storage levels which were not subsequently replaced after a cold 2020-21 winter in Europe, combined with significantly increased demand from Asia for liquified natural gas (LNG).

GB monthly average prices £/MWh



Source: Aurora Energy, Argus Media and InfraRed analysis

14 Aggregated Gas Storage Inventory (agsi.gie.eu).

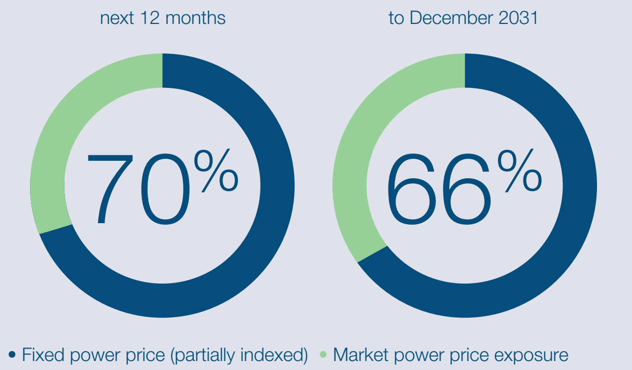
2.3
Market Development (continued)

2021 saw historically low levels of wind resource in Europe for renewable electricity generators, which resulted in upwards pressure on power prices as more gas-fired electricity generation was required to compensate for the lack of wind resource in particular. For example, in the UK, the average wind resource was the lowest it has been in over decade.

The UK and European carbon prices reached all-time highs peaking above €89 a tonne during the year, influenced by demand from coal and gas generators competing to fill the gap created by low wind resource. Higher carbon prices are consistent with policy encouraging industry to invest in cleaner technologies.

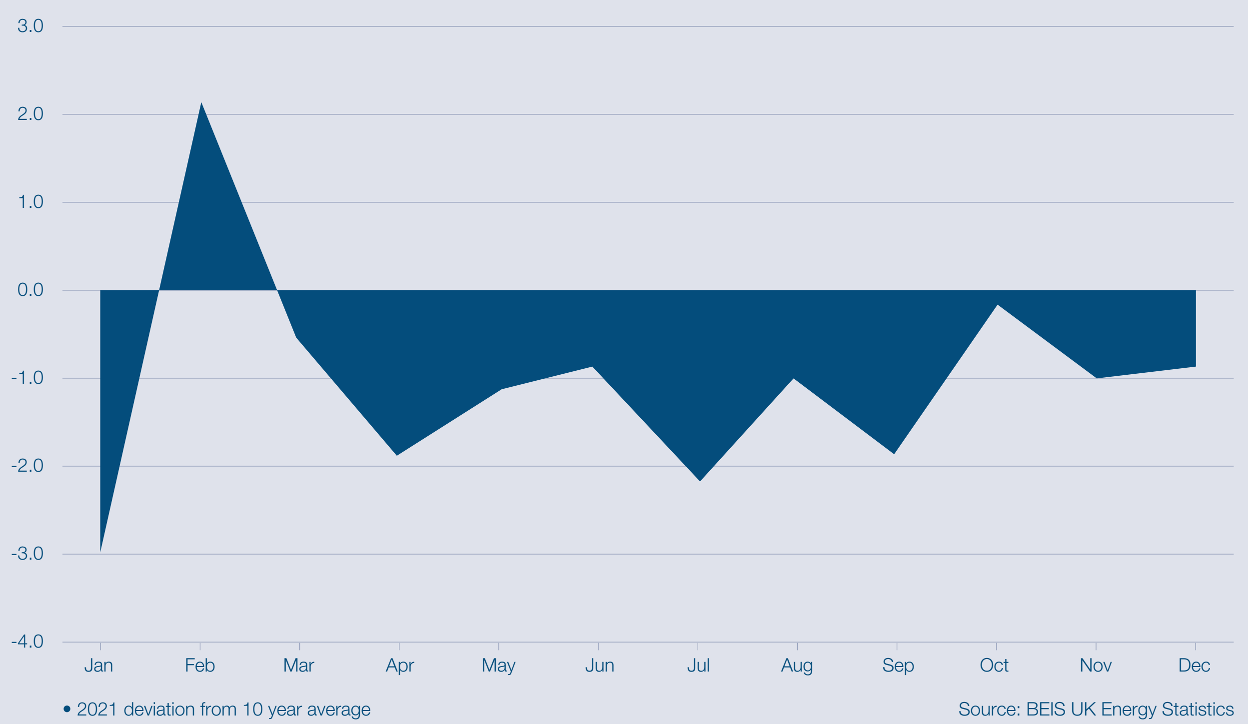
The Company's geographic diversification dampened the impact of this low weather resource on TRIG's portfolio as a whole. Electricity generation of TRIG's UK wind assets was 16% below budget, whilst TRIG's Scandinavia wind and UK solar assets performed broadly in line with budget. This diversification has reduced the budget variance for the portfolio from 16% for the UK alone to 12.6% at a portfolio level. The diversification of the portfolio will be increased by the commencement of generation at TRIG's Iberian solar projects, expected to be by the end of 2022, and the completion of TRIG's onshore wind construction projects in Sweden.

Forecast proportion of fixed vs. market revenues



In the UK, the average wind resource was the lowest it has been in over decade.

Variation from 10-year average wind speeds in UK Knots



Source: BEIS UK Energy Statistics

The Company is seeking to benefit from these elevated near-term forward power prices by entering into forward fixes, supplementing its longer-term fixed revenues per megawatt hour from government subsidies. This is consistent with the Company's low-risk, yield-oriented investment proposition. Over the next 12 months, 70% (2020: 84%) of revenues are fixed per unit of generation and over ten years this figure is 66% (2020: 74%). The decline in these numbers is largely driven by the elevated power prices in the near-term compared to last year's assumptions.

Longer-term power prices

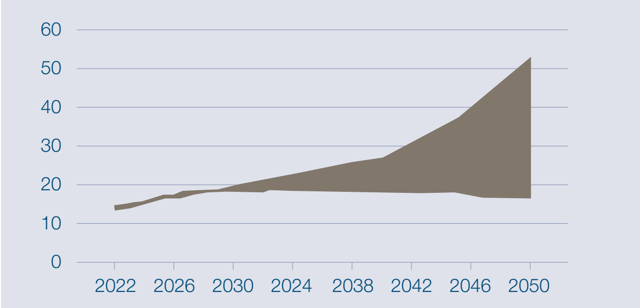
The long-term outlook for power prices in Europe remains intrinsically linked to the expected roll out of renewables and demand for electricity. Market forecasts that feed into TRIG's valuation, on average, have increased both the expected supply of renewables capacity and the demand for electricity.

Forecasters are taking a cautious approach to reflecting stated government objectives on renewables deployment and electrification in their projections. Their power price forecasts do not currently reflect electricity demand levels commensurate with whole-economy decarbonisation, particularly in relation to heating, industry and heavy transport.

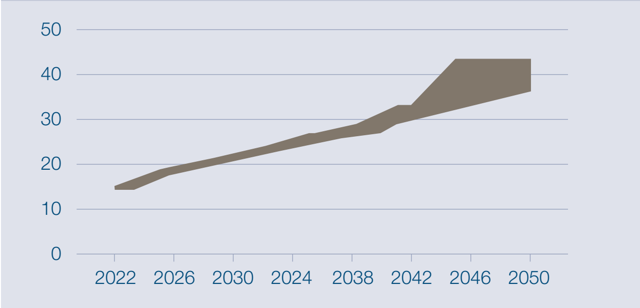
These are charts that show the range of forecasts for key assumptions relating to the GB market. Also indicated is the government target for offshore wind capacity in the UK, with forecasters assuming slightly slower than targeted deployment. On electricity demand, the forecast used in TRIG's valuation assumes a slower, and overall lower, level of electricity demand growth that is assumed in the government's pathway to net zero emissions.

The long-term outlook for power prices in Europe remains intrinsically linked to the expected roll out of renewables and demand for electricity.

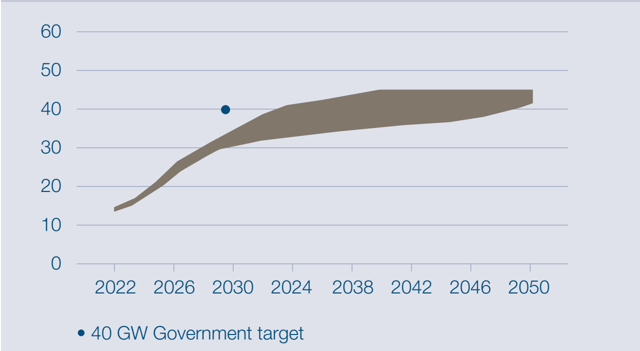
GB Forecast Onshore Capacity GW



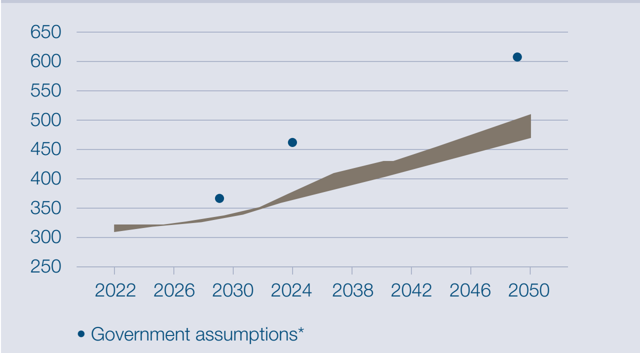
GB Forecast Solar Capacity GW



GB Forecast Offshore Capacity GW



GB Annual Electricity Demand TWh



Source: Range of forecasts used for TRIG's valuation purposes
*Lower end of the range taken for each government assumption

2.3 Market Development (continued)

Policy & regulation

United Kingdom

In October 2021, the UK government published its net zero strategy setting out how it plans to meet the country's climate goals to achieve net zero by 2050. Their strategy covers key policies on renewable energy generation (target for the UK to be powered entirely by clean electricity by 2035), light vehicle road transportation (ban of sales of new petrol and diesel cars and vans by 2030), home heating (some funding for heat pumps) and hydrogen production (target of 5GW of low carbon hydrogen capacity by 2030) that provide a clearer framework for the UK's journey to a net zero carbon emissions economy by 2050.

UK climate change policy has taken a significant step in the right direction through publication of the *Net Zero Strategy: Build Back Greener* report. However, key questions remain relating to the decarbonisation of heavy transport and aviation as well as the mechanism through which the UK's natural gas heating infrastructure will be phased out. Whilst the UK's target for 100% renewable electricity by 2035 is welcome news, a whole-economy approach needs to be taken to decarbonisation, with key investments needed in grid and flexible capacity (highlighted by 2021's poor wind resource) in order to ensure security of supply for consumers as well as incentivisation for consumers to make the fundamental lifestyle changes needed.

Beyond climate change policy, the Spring Budget of 2021 included an increase in the UK's corporation tax rate from 19% to 25% by April 2023. This has been fully reflected in the Company's valuation, with the underlying modelling assuming an increased tax rate of 25% into perpetuity from April 2023, resulting in a decrease in NAV per share of 3p, as previously reported.

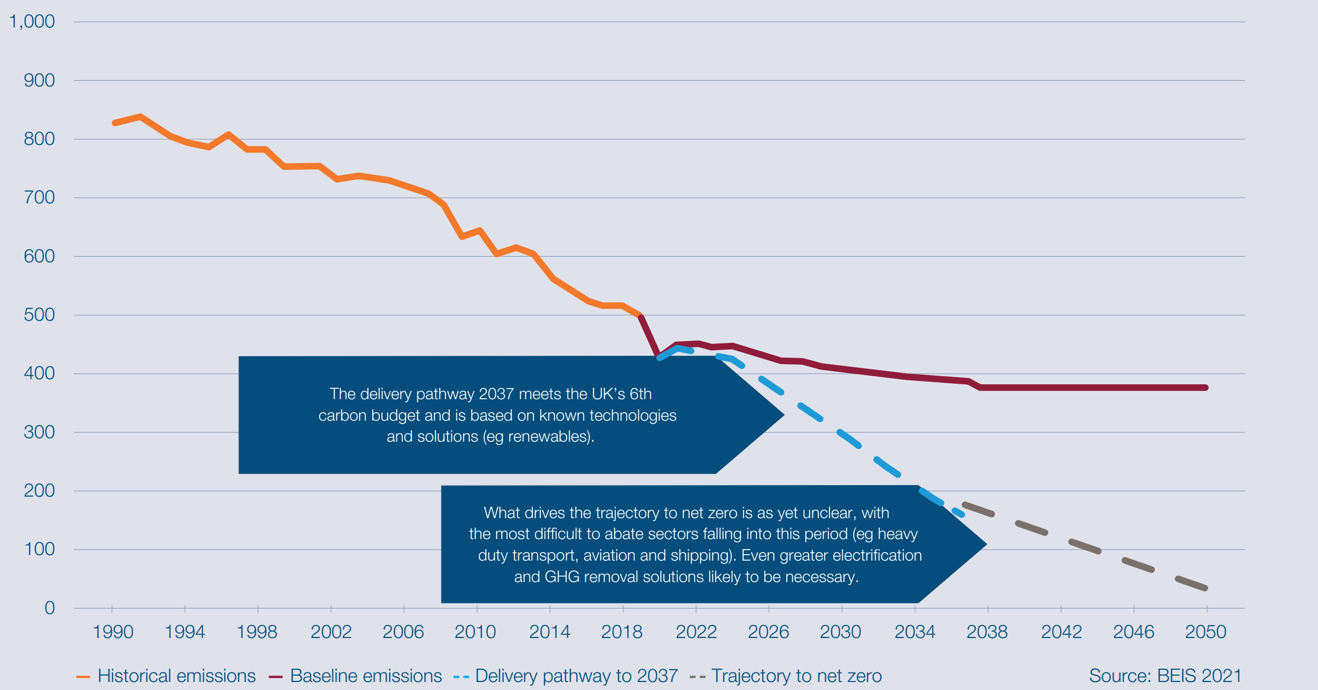
Further developments relating to taxation could emerge in light of the stretched government balance sheet and elevated consumer household bills. The opposition parties in the UK have advocated a one-off windfall tax on North Sea oil and gas production companies to reduce the burden on consumers from high gas prices, whilst the UK has also seen 26 retail energy suppliers collapse since August 2021.

European Union

The European Green Deal, introduced in 2020, included the target of achieving climate neutrality by 2050. In July 2021 and in line with this initiative, the EU raised its 2030 climate ambition by committing to cut emissions by at least 55% by 2030 in its 'Fit for 55' strategy. The European Green Deal package covers policies including strengthening the EU emissions trading scheme and a carbon border adjustment mechanism, increasing member states' emissions reduction targets, increasing renewables energy share target from 32% to 40% by 2030 and increased energy efficiency targets.

This suite of policies provides significant impetus for the increased electrification and deployment of renewables across all member state economies, which we expect to broaden

UK emissions projections MtCO$_2$e



Source: BEIS 2021

TRIG's addressable market, including opening up new potential technologies, such as green hydrogen, in the medium to long-term.

During December 2021, Germany's nuclear phase-out entered its penultimate phase, as the country shut down half of its six nuclear plants still operating, with the remainder due to be retired by the end of 2022. Coupled with the closure of a number of lignite plants during the year, 2021 was an important year for Germany's energy transition. Elections in Germany also brought in a new coalition government, with the Green party a significant coalition partner and co-leader Robert Habeck set to lead the Economy and Energy Ministry. The coalition agreement policy sees significant expansion in both the supply of, and demand for, renewable electricity as Germany accelerates its net zero ambitions.

Consumers across Europe, including in the UK, face a period of high energy costs – with some analysts estimating a doubling of energy bills[15], following what has been a period of decreasing wholesale prices. This increases regulatory risk as governments look to enact mechanisms to limit the impact on household bills. The government in Spain introduced temporary measures to subsidise retail prices funded by a levy on electricity generators benefiting from "windfall" power prices that reflect increased gas costs but do not use gas as an input source – therefore including renewables; dampening the benefits from current high power prices.

During the year, the French Parliament enacted its planned changes to historical solar feed-in-tariff levels, as discussed in last year's annual report. For certain assets, such as those located on the French islands/in overseas departments and those integrated into buildings or projects which are agricultural in nature, the Managers are identifying exemptions and mitigations that may apply. The Company has joined Syndicat des énergies renouvelables ("SER") which is pursuing action for the annulment of the new legislation. InfraRed and RES have also been in dialogue with officials at the Ministre de L'Economie, des Finances et de la Relance and the UK's Department of International Trade. It remains likely that this matter will take time to resolve and the final outcome to become clear. A partial provision against the affected assets has been taken and is discussed in more detail in Section 2.7 – Valuation of the Portfolio.

Portfolio construction & pipeline

The Company made four investments during the year that all contributed to improving portfolio resilience and diversification. The investments were made across three geographies, including the Company's first investment in Spain, three technologies and comprised a balance of subsidised and unsubsidised revenues. The power price sensitivity remains broadly unchanged as a result of these acquisitions, as the Managers seek to maintain the risk profile of the Company. The benefit of having a large and diversified portfolio has been especially evident this year, as the impact of regulatory and wind resource challenges on the portfolio as a whole have been reduced by geographic, technological and revenue diversification.

TRIG's construction projects have progressed well during the year, with Blary Hill commissioned in early 2022. TRIG's Swedish, Spanish and French construction projects are all proceeding well, with 340MW of capacity due to be delivered in 2022 in addition to the 200MW of construction projects delivered to date. Throughout the construction of these projects, TRIG is ensuring that sustainability considerations remain at the forefront by making efforts to reduce concrete usage work with local communities and implement habitat management plans.

Both of TRIG's Managers have strong track records in delivering renewable energy projects. InfraRed has invested in 1.7GW of renewable capacity through construction and is developing a further 8GW, whilst RES has constructed or developed 22GW of renewable capacity and is developing a further 16GW.

On the back of TRIG and its Managers' extensive track record, the Board is considering asking shareholders to increase TRIG's Investment Policy development and construction limit from 15% to 25% at the next AGM in May 2022.

The Managers continue to see construction and late-stage development projects as attractive opportunities to leverage the depth of their expertise and combined track record for the benefit of TRIG to gain early access to investment opportunities in a competitive market as well as presenting the opportunity for NAV growth as projects are de-risked through to their operational phase. As the Company's portfolio matures there will also be significant repowering opportunities that would require development activities, such as the Company's current repowering work in France. Further details on the progress of TRIG's construction projects can be found in Section 2.5 - Portfolio.

Outlook

The outlook for the Company remains strong. Whilst realised and near-term forward power prices have provided support to earnings and portfolio valuation, and have mitigated the impact of a period of low wind levels, it is the long-term and structural factors underpinning Europe's transition to a net zero carbon economy that provides the basis for sustainable returns to shareholders. With policymakers beginning to address the greater need for electrification, flexible capacity and the demand side of the equation, complementing the significant pipeline of renewable energy projects, the opportunity set for the Company remains attractive. TRIG's diversified approach to investing in the energy transition, across geographies, technologies and revenue types, ensures it remains well placed to continue in its purpose of providing sustainable returns to shareholders whilst contributing to a net zero carbon future for Europe.

15 According to estimates from Exane BNP Paribas.

TRIG's Four Sustainability Goals

The Company seeks to fulfil these with every investment made and in day-to-day conduct.

- Mitigate climate change
- Positively impact the communities we work in
- Preserve our natural environment
- Maintain ethics and integrity in governance

Blary Hill, Scotland (Credit: Keith Arkins)

2.4 Sustainability

TRIG's purpose is to generate sustainable returns from a diversified portfolio of renewables infrastructure that contribute towards a net zero carbon future.

Our investments, many of which have asset lives of 30 years or more, require a long-term view to be taken and sustainable business practices applied, both in the initial investment decisions and the subsequent asset management.

TRIG's core business of generating renewable electricity is central to a positive sustainability contribution. The TRIG Board and its Managers recognise that TRIG's responsibility goes beyond climate-related environmental considerations alone and seek to incorporate sustainability throughout the Company's activities.

TRIG's actions are aligned with our sustainability goals. Contributions towards the United Nations Sustainable Development Goals (SDGs) are made through our investments and our impact on the local communities around our assets. Primarily, the Company's portfolio contributes towards SDG 7 *Affordable and clean energy,* and SDG 13 *Climate action*. Our ESG commitments have a broader reach, and overall TRIG actively contributes to 11 out of the 17 SDGs.

TRIG's Core Sustainable Development Goals Contributions[16]

Affordable and Clean Energy

Our business is focused on owning and operating renewable energy assets. By investing in renewables, TRIG is helping to provide clean energy across the UK and Europe, through construction funding of new greenfield infrastructure and the acquisition of operational assets from developers that then recycle capital into the build-out of more renewables assets.

The recycling of capital enabled by asset owners such as TRIG has contributed significantly to the reduction in cost of deploying renewables. TRIG's current operational portfolio is capable of powering the equivalent of 1.3 million homes with clean energy[17].

Climate Action

TRIG's portfolio contributes towards a zero carbon future and is currently capable of offsetting more than 1.6 million tonnes of CO_2 emissions annually, generating 4,125GWh of renewable electricity during 2021[18].

Climate change measures are integrated into TRIG's policies and planning as the Company seeks to raise awareness of how to mitigate climate change. We assess and report the climate-related risks and opportunities associated with our portfolio, as well as taking steps to reduce our carbon footprint.

Sustainability regulation

The Sustainable Finance Disclosure Regulation (SFDR)

The SFDR is an EU regulation that classifies funds by the extent to which sustainability is integrated into its objectives and investment decision making. TRIG is in the process of considering its classification under SFDR. Currently the fund adheres to the level 1 requirements of Article 8. The Board and TRIG's Managers are considering whether Article 9 classification would be appropriate for TRIG. Full disclosure is provided in the Company's Article 23 Disclosure on the website.

EU Taxonomy

TRIG is eligible to be within the EU Taxonomy regulation. The Company's investments seek to contribute substantially to the environmental objectives relating to climate change mitigation and climate change adaptation. In partnership with an external consultant, the Managers are undertaking a detailed assessment of TRIG's portfolio[19], against the technical screening criteria laid out. Pilot projects have been used to represent the sustainability contribution and risks of the wider portfolio. Full disclosure is provided in the Company's Article 23 Disclosure on the website and further progress will be reported in the 2022 Sustainability Report.

16 https://www.un.org/sustainabledevelopment
17 During 2021, TRIG's operational portfolio generated enough clean energy to power the equivalent of 1.1m homes. Once the projects in construction are operational the portfolio will be capable of powering the equivalent of 1.5 million homes with clean energy.
18 During 2021, TRIG's operational portfolio generated enough clean energy to avoid 1.4m tonnes of carbon emissions. Once the projects in construction are operational the portfolio will be capable of offsetting 1.9 million tonnes of CO_2 emissions annually. Calculated in accordance with the IFI Approach to GHG Accounting for Renewable Energy.
19 The Managers' initial assessment, performed in conjunction with a third party expert, is that at least 75% of the Company's investments would qualify as environmentally sustainable economic activities, including 1% in enabling activities (TRIG's battery storage investment).

2.4
Sustainability (continued)

Environmental

Mitigate climate change

Our business is focussed on owning and operating renewable energy assets. TRIG's primary sustainability goal is to mitigate climate change, and all investments in the portfolio contribute towards this.

TRIG's Investment Policy only permits investment in renewables and other forms of infrastructure that is complementary to, or supports the roll-out of, renewable energy generation. Reducing greenhouse gas (including carbon) emissions is central to the purpose of TRIG and its Managers.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

TRIG is a signatory to the Science Based Targets Initiative (SBTi), a standard for corporate emissions reduction targets, which certifies commitment and progress through third party validation. To develop a robust understanding of the Company's carbon footprint, current emissions and appropriate mitigation pathways, the Company has engaged a recognised technical adviser.

TRIG's application of SBTi will result in the establishment of appropriate data collection processes and emissions reduction pathways, through close collaboration with the Company's value chain and key stakeholders. This SBTi net zero strategy aligns with the vision of both Managers', InfraRed and RES being signatories of the Net Zero Asset Manager initiative and SBTi respectively, and TRIG's purpose.

InfraRed and RES are both carbon neutral companies and offset their business's carbon emissions, including those associated with electricity usage and business travel. In addition, emissions are offset for the TRIG Board for business travel. Details on TRIG's greenhouse gas emissions are included in the TCFD disclosures at the end of this section.

2021 Performance

CO_2

1.4m
tonnes of carbon emissions avoided (2020: 1.2m)[20]

1.1m
homes (equivalent) powered by clean energy
(2020: 1.1m)

4,125GWh
of renewable electricity generated in the year
(2020: 3,953GWh)

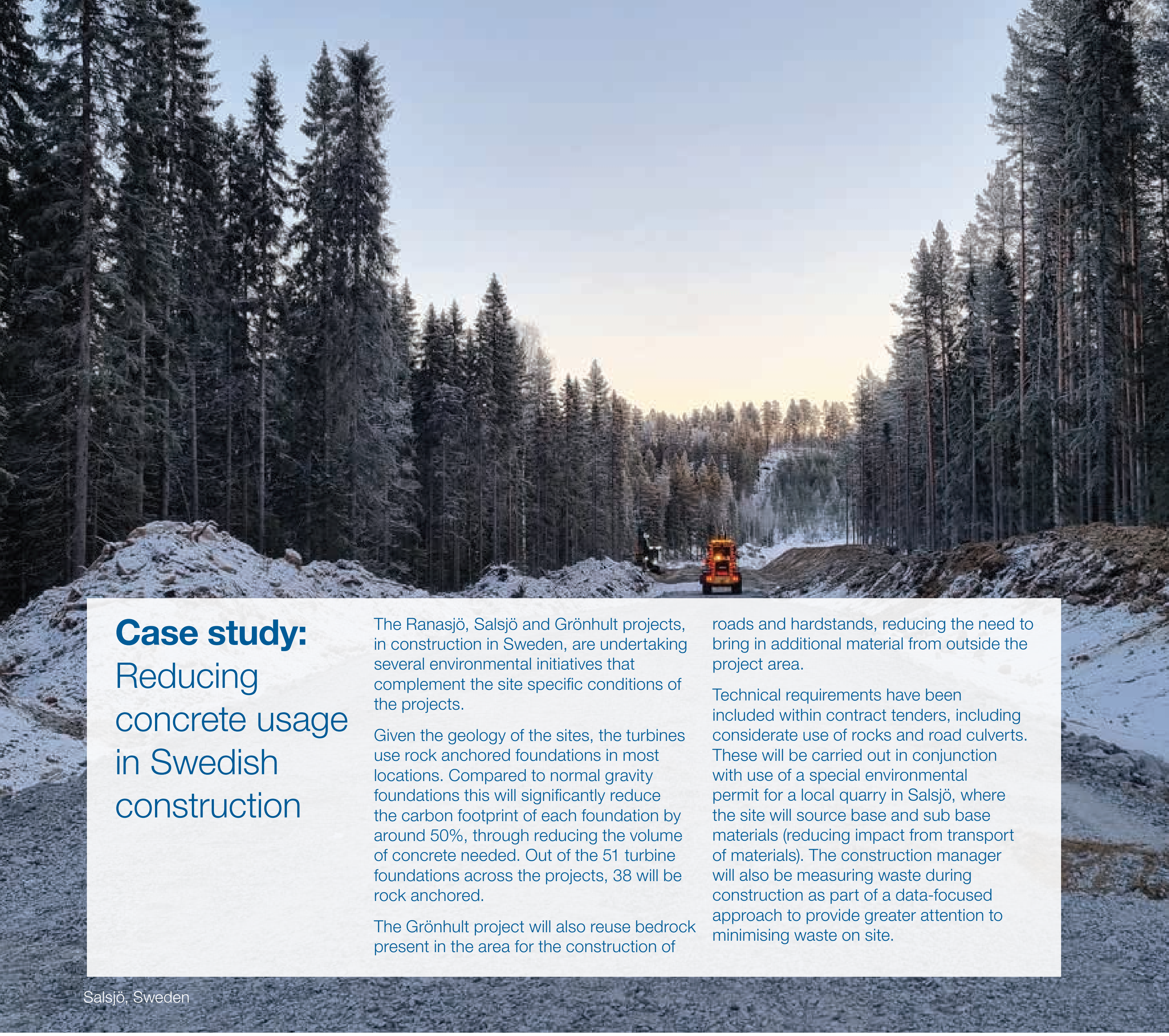
72%
of UK portfolio sourcing electricity on site under Renewable Electricity Supply Contracts
(2020: 72%)

SDG alignment[21]

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

20 Actual values calculated in accordance with the IFI Approach to GHG Accounting for Renewable Energy. Portfolio at year end is capable of mitigating 1.6m tonnes of carbon emissions p.a.
21 https://www.un.org/sustainabledevelopment



Case study: Reducing concrete usage in Swedish construction

The Ranasjö, Salsjö and Grönhult projects, in construction in Sweden, are undertaking several environmental initiatives that complement the site specific conditions of the projects.

Given the geology of the sites, the turbines use rock anchored foundations in most locations. Compared to normal gravity foundations this will significantly reduce the carbon footprint of each foundation by around 50%, through reducing the volume of concrete needed. Out of the 51 turbine foundations across the projects, 38 will be rock anchored.

The Grönhult project will also reuse bedrock present in the area for the construction of roads and hardstands, reducing the need to bring in additional material from outside the project area.

Technical requirements have been included within contract tenders, including considerate use of rocks and road culverts. These will be carried out in conjunction with use of a special environmental permit for a local quarry in Salsjö, where the site will source base and sub base materials (reducing impact from transport of materials). The construction manager will also be measuring waste during construction as part of a data-focused approach to provide greater attention to minimising waste on site.

Salsjö, Sweden

Case study: Enhanced integration of ESG in financial arrangements

Building on TRIG's sector-first ESG-linked revolving credit facility, introduced during Q4 2020, InfraRed has worked to link TRIG's performance against its key sustainability measures such as the Company's FX and inflation hedging costs. The ESG key performance indicators (KPIs) that TRIG's performance will be judged on annually are consistent across TRIG's revolving credit facility, FX hedges and inflation swaps:

- Environmental: increase in the number of homes powered by clean energy from TRIG's portfolio
- Social: increase in the number of community funds supported by TRIG
- Governance: maintaining a low Lost Time Accident Frequency Rate (LTAFR)[22]

These agreements, and the further integration of ESG into the Company's processes, underlines TRIG's commitment in contributing to SDG 13 *Climate Action* and directly links TRIG's ESG performance to its financial performance for shareholders.

22 A safety at work metric which measures the number of personnel injured and unable to perform their normal duties for seven days or more, for each hundred thousand hours worked.

2.4
Sustainability (continued)

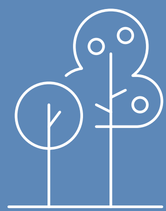
Preserving our natural environment

RES, as Operations Manager, works with individual project asset managers to preserve the natural environment by executing environmental management plans agreed with the authorities during the project consenting process, undertaking vegetation surveys, preventing biodiversity loss, recycling where possible and careful usage of materials.

Further opportunities for habitat improvement are being explored by asset managers to investigate and implement changes in accordance with site specific construction method statements, habitat management plans and environmental consultants where appropriate.

The offshore projects in the portfolio are subject to extensive ornithological, marine and other environmental surveys pre-construction and throughout operations. These surveys help to contribute to industry understanding of any potential impacts on species. There are high levels of biodiversity around offshore turbines with studies[23] showing that the infrastructure provides fish with both shelter, and food from the organisms that grow on the turbines.

2021 Performance



14

active environmental management projects

(2020: 14)[24]

SDG alignment[25]

Case study: Environmental management in construction

Initiatives to reduce the impact of the construction of Blary Hill onshore wind farm in Scotland, which was completed in early 2022, have included:

- The use of on-site borrow pits and an on-site concrete batching plant, both of which reduce the need, and subsequent environmental impact of, importing stone and concrete onto the site.
- A tailored surface water quality monitoring plan has also been created to manage the quality of watercourses draining the wind farm in line with best practice site management, which minimises the potential pollution during the construction phase.

A bespoke habitat management plan is now being implemented across 53 hectares together with compensatory planting on 237 hectares (both on-site and off-site).

The habitat management plan will:

- Improve the condition of the existing habitat, including heather.
- Enhance moorland bird habitats and provide a preferred nesting habitat.
- Improve the overall quality of the blanket bog habitat.
- Increase the small mammal population within the area which will increase hen harrier and short-eared owl prey availability and provide a suitable breeding habitat.
- Increase the suitability for breeding curlew, providing an enhanced breeding habitat over 500m from the wind farm.
- Increase the food source for black grouse.

23 Oceanography, Vol.33, No.4
24 Number of operational TRIG sites engaged in pro-active habitat management plans that exceed standard environmental maintenance. This number increases when new pro-active measures are put in place, and when habitat management plans commence on completion of the construction stage.
25 https://www.un.org/sustainabledevelopment

Turbine components being delivered at Blary Hill onshore wind farm in Scotland. A bespoke habitat management plan has been implemented to improve the condition of the existing habitat and support wildlife.

Blary Hill, Scotland (Credit: Keith Arkins)

2.4
Sustainability (continued)

Social

Positively impact the communities in which TRIG works

We are sensitive to the impact that a renewable energy generating facility can have on its local community. TRIG's assets are often in rural areas where communities may experience limited employment options or unemployment and limited social and health facilities.

Tangible local benefits can be generated through initiatives such as:

- Using local employment and materials where possible.
- The Local Electricity Discount Scheme (LEDS), whereby properties closest to certain wind farms in the UK are eligible for a discount on their electricity bills.
- Educating the next generation about sustainability and renewable energy through school education days on TRIG sites, when possible and in line with Covid-related government guidelines.
- Supporting local good causes, often via community funds, such as donating to help fund social hubs, local healthcare, schools and entertainment.

Asset managers across TRIG's portfolio proactively engage with their local communities, meeting with the public on a regular basis and have protocols in place to govern community benefit arrangements, which are typically administered by local organisations who are best placed to understand local priorities.

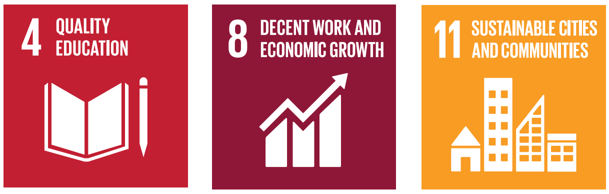
TRIG has no direct employees, but actively engages with its Managers in respect of their employee engagement programmes. Alongside this, both InfraRed and RES look to give back to wider society through various social initiatives.

2021 Performance

38
community funds (2020: 33)

£1.2m
community investment (2020: £1.2m)[26]

SDG alignment[27]



Case study: Grants for solar and electric charging points

At the Four Burrows solar farm community fund over £24k was awarded in grants to local organisations. Successful applicants included Kenwyn Parish Council who were awarded £10.6k for the installation of solar panels and an electric car charging point at Shortlanesend Village Hall. This not only benefits local residents, but also helps further the environmental ambitions for the wider community, which directly links to the target of SDG 11 *Sustainable Cities and Communities*. It's also key to reaching SDG7 of reliable and sustainable energy for all.

26 Including amount distributed via additional TRIG Covid-19 funding.
27 https://www.un.org/sustainabledevelopment

TRIG's Managers' initiatives

InfraRed Capital Partners

Social initiatives at InfraRed are overseen and managed by the company with support from initiative owners across the business.

- **InfraRed £1m Charitable Foundation** issued its first grants, focused on improving employment opportunities for ex-offenders and reducing re-offending rates:
  - **Switchback:** enables young men to find a way out of the justice system and build a stable, rewarding life they can be proud of
  - **Working chance:** helps women with convictions to develop the confidence, skills and self-belief they need to overcome barriers to employment

- **Lifecycle project:** Since the start of the project, over 250 bikes have been donated to NHS staff at six hospitals within InfraRed's portfolio
- **Creating better futures program:** InfraRed collected, repurposed and donated 69 laptops/tablets to three schools during the first half of 2021
- **Community Fridge:** an initiative at Failsworth School, supported by Oldham Schools, in which food supplies are provided using a 'community fridge' to parents of the school and members of the community most in need, with the intention of providing support whilst helping break down the stigma of food banks. Launched nearly a year ago, the project received a Community Award in 2021

res power for good

RES has put sustainability at the heart of its activities since commencing operations in 1981, engaging with local communities throughout the wind and solar farm development process, supported by a full-time community engagement team.

- **Diversity and Inclusion strategy:** RES' five Affinity Networks were launched in 2021, as an evolution of RES' D&I strategy. An Affinity Network is a group formed around a shared experience or concern for a given issue – RES' five groups are: race, gender, LGBTQ+, age and disability. The purpose of each group is to provide a platform across the company to raise awareness and support positive change in areas such as culture, policies and unconscious bias, to enable all employees to achieve their full potential. Affinity Networks each have their own distinct committee and executive sponsor
- **Supporting charities:** RES supports charities through a range of initiatives, including matching donations of up to £500 a year per person for staff fundraising events and personal donations. Staff are also offered up to 4 days of paid leave a year for voluntary work, to participate in charity work and non-profit initiatives
- **Renewable World:** RES has been a long-time supporter of Renewable World, a charity that aims to tackle poverty through the installation of renewable energy projects. In 2021, the charity expanded energy access for two communities in the Lake Victoria region of Kenya. For more information about their work see www.renewable-world.org
- **Mentoring:** RES operates a global mentoring programme and supports virtual learning and development
- **Sir Robert McAlpine Foundation:** The owners of RES have operated a Foundation for over 50 years which gives grants to support small charities situated throughout the UK that fall within specific categories – namely children, youth, the elderly, social and medical research

Governance

Maintain ethics and integrity in governance

Responsible investment practices and strong ethics and integrity in governance are key to long-term success, including health & safety, managing conflicts of interest, and maintaining policies.

The Board has overall responsibility for TRIG's Sustainability Policy[28] and its application, whilst the day-to-day management of the portfolio is delegated to both Managers.

Sustainability is integrated into each stage of InfraRed's investment process; from negative screening against firm and fund exclusion lists to deal screening, due diligence and investment approval. InfraRed publishes its own sustainability report and sustainability policy, including its approach to the integration of sustainability considerations into the investment cycle, on its website.[29]

The Operations Manager leads management of project level ESG policies and activities, whilst keeping active sight of TRIG's ESG KPIs, community outreach activities, and health and safety standards. RES works together with InfraRed to ensure that sustainability considerations are also prioritised in the ongoing management and reporting of the assets throughout the ownership period. The Project Company Boards maintain a responsibility to review and update SPV policies on an annual basis. This includes HSQE, tax, ESG, and cybersecurity.

Both Managers stress ethics and integrity in their own governance and believe it is vital to consider the needs of all stakeholders. They maintain policies on Sustainability, Modern Slavery, Diversity & Inclusion, Procurement, and Whistleblowing and publish their own Sustainability Reports available on both their respective websites. Please refer to page 44 of TRIG's 2021 Sustainability Report for more information on the policies held by TRIG and its Managers.

SDG alignment[30]

2021 Performance

0.21
reportable lost time accidents per 100,000 hours (2020: 0.49)[1]

A+
PRI score maintained by InfraRed

50%
female board (2020: 60%)[2]

31%
of the directors that the Managers provide to the 93[3] project companies are female (H1 2021: 33%)

1 The LTAFR is calculated on the basis of the number of accidents which have occurred in the period divided by the number of hours worked multiplied by 100,000 to give a rate for every 100,000 hour worked. Whilst all accidents are recorded by RES, only accidents that have resulted in the incapacitation of a worker for more than seven days are included in this calculation in line with reportable accidents as defined UK HSE RIDDOR regulation.

2 There are currently 6 Directors on the TRIG Board. John Whittle joined during 2021.

3 TRIG project companies are the number of project level companies registered within a given region. There may be some assets which have multiple company registrations, due to the size and locations of the individual sites (such as smaller solar and wind farms.

28 Found on the reports and publications section of TRIG's website: https://www.trig-ltd.com/investors/reports-and-publications/
29 https://www.ircp.com/sustainability
30 https://www.un.org/sustainabledevelopment

A core component of good governance is promoting thought leadership and best practice in the wider industry. InfraRed and RES are actively engaged in public policy debates, engaging directly with policy makers and through trade bodies such as the Global Infrastructure Investor Association (GIIA), The Infrastructure Forum and the Association of Investment Companies. During the year:

- The Managers made submissions to the UK government in relation to their *Enabling a High Renewable, Net Zero Electricity System: Call for Evidence.*
- InfraRed attended the Global Investment Summit.
- RES hosted the Energy Transition Hub during COP26 in conjunction with industry bodies EnergyUK and RenewableUK. The Hub staged a large number of sessions tackling the issues associated with the scale of the energy transition.
- InfraRed and RES continue to meet with stakeholders including the Department for Business, Energy and Industry Strategy (BEIS) and the Department for International Trade, and provides responses to the varying planning and policy consultations in the regions where TRIG is active.
- InfraRed, hosted by the GIIA, engaged with the Scottish devolved government on private capital investment in infrastructure.
- InfraRed engaged with the UK government and Solar Energy UK in relation to sustainability considerations in the solar industry supply chain.
- The Managers engaged with the French government in respect of retrospective cuts to certain historical solar feed-in-tariffs.
- InfraRed input to the AIC's response to the FCA consultation on board diversity.

TRIG has published its full ESG disclosures with the Association of Investment Companies (AIC). These can be found under the Company's page on the AIC website.

Taurbeg, Ireland

2.4
Sustainability (continued)

Case study: Emergency evacuation drills

TRIG seeks to ensure Emergency Response Plans (ERPs) are in place at all sites to ensure teams can respond effectively to health & safety incidents and other emergencies that might occur. They are tested and evaluated proactively.

At Egmere, a TRIG solar site in the England, these plans were tested through an unannounced emergency exercise in collaboration with St. John's Ambulance. The operations & maintenance and asset management teams were tested with the simulation of an accident to a lone worker, putting the ERP into practice.

A similar scenario was tested at Altahullion, a TRIG wind farm in Northern Ireland, where a technician arriving in a turbine nacelle discovered an unconscious "casualty" (a dummy) with a simulated leg injury. The casualty was extracted from the hub and evacuated down the outside of the tower. The casualty went into a simulated cardiac arrest upon reaching the ground where the ground crew took over applying the site's defibrillator and resuscitation techniques until simulated medical assistance arrived.

Both tests were completed successfully and were useful in identifying further practical actions to take to ensure safety of personnel on site, including the development of training plans and IT systems to encourage an efficient and rapid response.

Case study: Contractor management

Safety of the work environment, supported by robust processes, is paramount. On commencement of construction projects, contractor engagement days are typically held to share knowledge on best practice and communicate the safety standards expected on TRIG sites.

Across the portfolio, staff working on projects are encouraged and empowered to 'stop the job' and report whenever something is considered unsafe rather than putting themselves or others at risk. During a lifting operation at one of the offshore sites the activity was stopped due to the bag swaying uncontrollably even though the conditions were within the safe lifting limits.

Where contractors are found to breach protocol and put health & safety at risk, prompt action is taken, which may include contractor termination. During the year, it was discovered that two unrelated teams were operating on a turbine at the same time. This was in contravention of the permit to work that was in place and the second team should not have commenced their works. The team working higher in the turbine should not have done so due to the risk of falling objects that could harm the team working at the base of the turbine. The operatives involved were immediately stood down and later removed from the site.

Haut Cabardés, France

Task Force on Climate-related Financial Disclosure

The recommendations of the Task Force on Climate-Related Financial Disclosures, of which TRIG is a supporter, is the established framework for consistent, comparable and clear reporting on a company's approach to climate change and assessing its potential impact on the company.

TRIG began voluntarily reporting against the TCFD recommendations in its 2019 Annual Report & Financial Statements, and has added to these disclosures in subsequent reporting periods. The following disclosure reports against all eleven of the TCFD recommendations. TRIG has complied with the requirements of LR 9.8.6R by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures.

The Grange, England

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TRIG's disclosure in relation to all eleven recommendations of the TCFD is set out over the following pages.

Governance

Recommendation	Disclosure
1 Describe the Board's oversight of climate-related risks and opportunities	As previously reported, the Board has overall responsibility for the oversight of TRIG's sustainability risks and opportunities, of which climate change is an important subset. Its approach is set out in TRIG's Sustainability Policy, which is available on TRIG's website. The Board and Managers meet on a quarterly basis, during which they review the risks facing the Company, including risks related to climate change. TRIG's investment strategy is intertwined with progress towards a net zero carbon future. As such, consideration of the transition and physical consequences of climate change features in the discussions. The Board considers climate-related events through its discussions with the Managers, notably in respect of opportunities through the Company's annual strategy reviews and risks through the Company's risk management framework. The Board's Management Engagement Committee reviews the Managers' performance annually, including their adherence to the Company's Sustainability Policy. The Board's Audit Committee considers the Company's climate-related disclosures.
2 Describe management's role in assessing and managing climate-related risks and opportunities	TRIG's Sustainability Policy, including climate change considerations, applies to both making new investments (throughout the deal screening and due diligence processes) and running of the current portfolio (asset management activities, monitoring and reporting). Day-to-day management of TRIG's portfolio is delegated to its Investment Manager, InfraRed, and its Operations Manager, RES. The Managers monitor climate-related government policy, engaging with policy makers where appropriate, and physical changes in the climate, to inform the application of TRIG's strategy and the Managers' assessment of the risks faced by the Company. Quarterly, TRIG's Advisory Committee, comprised of representatives from both Managers, considers TRIG's strategy and risks, the output of which is reported to and discussed with the Board. InfraRed and RES each report on their sustainability related activities, including relating to climate change. Their reporting is available on their respective websites. RES and/or InfraRed are represented on the board of each project company. Through this role, they ensure that climate change related risks are considered by project company management teams and reflected in project company risk registers.

Strategy

Recommendation	Disclosure
3 Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	TRIG's business model is specifically designed to take advantage of the investment opportunities arising from the decarbonisation of energy usage – over the short, medium, and long term. The pace of the transition to a net zero carbon future will dictate the size of the investment opportunity for TRIG. Under current plans for renewables deployment spread over the range of European countries in which TRIG invests, coupled with the expected need for the replacement of existing installations in due course, the Managers expect there to be significant investment opportunities for the Company over the long term. This is further expanded upon in response to recommendation four. Notwithstanding this, TRIG recognises that risks relating to climate change could have an impact on the Company. These risks are explored later in the scenario analysis relating to recommendation five.

2.4 Sustainability (continued)

Strategy

Recommendation		Disclosure
4	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	The table below sets out a selection of key climate-related opportunities and risks as they apply to TRIG. Risks arising from climate change overlap with the Company's principal risks: energy yield, energy pricing and government / regulations. The table includes a qualitative assessment of the impact of climate-related opportunities and risks on: ▲ TRIG's investments, strategy and financial planning; ▲ Incorporating the expected timeframes.

Climate related opportunities and risks for TRIG

Impact	Opportunities	Risks
Portfolio investments	In the short and medium term, government policy aimed at the transition to a net zero carbon economy may present opportunities for follow-on investments in the existing portfolio such as: ▲ The co-location of storage, which may enhance the asset and provide access to new revenue streams; ▲ Repowering existing sites to extend asset life and enhance investment performance. In France, for example, repowered sites are able to bid for new subsidies; ▲ Expanding sites to efficiently increase investment scale whilst utilising existing site knowledge and, potentially, grid infrastructure.	In the near and medium term, transition risks to portfolio investments arise from unexpected changes to government policies. An increase in renewables build-out ambition without sufficient demand-side action can reduce power price forecasts. In the medium and longer term there is a risk that developments in renewables and other clean generation technologies results in unforeseen changes in wholesale power prices, due to either changes in the marginal cost of generation which sets prices or policy changes to the system for setting prices. This is reflected in the Company's principal risk reporting in Section 2.10 – Risks and Risk Management. Climate change means that portfolio investments will likely be exposed to more frequent extreme weather events over time, increasing the risk of physical damage to on-site infrastructure and off-site transmission and distribution systems, alongside additional safety risks and operational considerations. Such events may be acute, including: ▲ Forest, grassland or peat fires; ▲ Flooding; or ▲ Storms and high-speed wind gusts. Or chronic, including: ▲ Increased temperatures such that the thermal capacity of equipment could be exceeded; ▲ Changes to ground conditions from increased rain; or ▲ Changes to cloud cover impacting ground-level solar irradiation. Risks also include potential long-term changes to weather patterns causing a material increase or decrease in an asset's energy yield from that expected at the time of investment. Mitigation comes from portfolio diversification across geographies and technologies. This reduces the overall impact of action taken by an individual government, of any local extreme weather event or of any single asset failure.

Impact	Opportunities	Risks
Strategy	Government policies across Europe have shown renewable energy has a central role to play in decarbonising our energy usage. This has resulted in significant growth in markets where TRIG has an investment focus. In the near term, the greatest investment activity in TRIG's key markets is expected to be from subsidised offshore wind in the North Sea and onshore wind in France, and unsubsidised onshore wind in the UK and Nordics and solar in Iberia. The geographies and technologies within the portfolio are likely to increase as the Investment Manager, InfraRed, also considers a broader range of investment opportunities within the Company's investment remit. The development of renewables frameworks across Europe (if they are considered to be credible, stable and robust) could result in broadening TRIG's diversification to further geographies. As newer storage technologies mature, investment opportunities may arise in such projects. This may include the production and storage of 'green' hydrogen and its subsequent use to generate electricity.	Economics are pushing projects to greater scale, which may result in fewer opportunities by number. This coupled with an increasing volume of capital looking to deploy into sustainable investment themes, means that renewable energy projects can be highly sought after, and investment discipline is key. "Off-market" transactions sourced by the Investment Manager, InfraRed, remain an important route to attractive opportunities. In the long term, as portfolios mature and subsidy periods come to an end, the power price exposure of renewable investment portfolios will naturally increase. The risks associated with power price exposure of projects exposed to merchant power price may be mitigated in part through offtake agreements or hedging instruments. Further analysis of the potential transitional impact of climate change on power prices is presented in the scenario analysis relating to recommendation five.
Financial planning	The strength of the renewables investment theme is underpinned by both its strong ESG credentials, including the positive impact on climate change, and investors' desire for long-term sustainable income. This provides the opportunity for TRIG to continue to grow. For existing shareholders, this means greater diversification through further acquisitions, increased economies of scale, and accretion through raising capital at a share price in excess of the Company's net asset value per share. In 2020, TRIG entered into a new ESG-linked revolving credit facility. This provides the opportunity to reduce the margin and commitment fees under the facility should TRIG meet certain targets, including increasing the number of homes powered by clean energy from TRIG's portfolio.	Increasing penetration of intermittent renewable electricity generators in the energy system risks increasing the volatility in the prevailing and forecast power price. In the near term, exposure is reduced through managing the proportion of revenues with fixed power prices, achieved through the acquisition of investments with subsidised revenues, fixing under offtake agreements and the use of hedging instruments. Forecasted revenues are budgeted based on estimates of energy yield from individual projects. The accuracy of these budgets are subject to risks relating to generation including equipment downtime and low weather resource. In the medium term, the build-out of long-term storage infrastructure, charging infrastructure for electric vehicles and grid upgrades will help provide flexibility to the energy system. This will support the power price at times when renewables generation may exceed electricity demand, thereby reducing periods of low or negative pricing.

2.4
Sustainability (continued)

Strategy

Recommendation	Disclosure
5 Describe the resilience of the organisation's strategy, taking into consideration different future climate scenarios, including a 2°C or lower scenario	TRIG's portfolio returns and potential to grow the portfolio are subject to both transition risks and physical risks. **Transition risks:** Risks related to the transition to a lower-carbon economy. The risks can be grouped into four categories: policy and legal risk; technological risk; market risk; and reputational risk. **Physical risks:** Risks associated with physical impacts from climate change that could affect energy assets and operating companies. These impacts may include "acute" physical damage from variations in weather patterns (such as severe storms, floods, and drought) and "chronic" impacts (such as sea level rise, and desertification). The Board and the Managers have identified three key factors that will be impacted by the transition and physical risks of climate change: ▲ Power price forecasts, which are impacted by renewables build-out assumptions and the extent to which renewable electricity can be utilised when it is generated. This risk is most likely to manifest in a 2 degrees Celsius or lower scenario, where transition risks are greatest. The Investment Manager's analysis, having taken input from a leading third-party power forecaster, is set out below. ▲ Energy yield, which could be impacted by changes to weather patterns. Weather models are not able to forecast the impact of climate change scenarios on site-by-site weather patterns. ▲ Asset availability, maintenance costs and replacement costs will be impacted by changes in weather patterns that result in more severe events such as lightning strikes, hail and windstorms, floods and wildfires. This risk is most likely to manifest in a higher temperature scenario, where physical risks are greatest.

Forss, Scotland

Impact of different climate related scenarios

The Managers have now completed an assessment of the potential impact of a high transition risk scenario and a high physical risk scenario. This assessment covers the whole of TRIG's portfolio.

Current long-term power price forecasts do not assume that climate change is limited to 1.5-2 degrees and also do not correspond with a 4-degree temperature change scenario (as referenced in the next TCFD consideration, the high physical risk scenario).

Therefore, to assess the potential impact from climate change on power prices, net zero versions of power price forecasters were used across TRIG's portfolio to estimate the impact of a high transition risk scenario on TRIG's portfolio. Similarly for the higher physical risk scenario, the current energy mix is assumed to stay static as this is estimated to equate to a 4-degree temperature change – all else being equal.
It is important to note that these forecasts are incredibly complex, with a very large number of inputs that could be adjusted differently to arrive at either a high transition risk scenario or a high physical risk scenario. These scenarios could be arrived at through a number of different paths. It is not necessary, for instance, that in a high transition risk scenario that forecast power prices may be lower; greater than expected demand, public policy or a market "premium" on renewable electricity could result in power prices at a higher level than those we assume in the high transition risk scenario.

Equally, it is not necessary that in the high physical risk scenario that power prices would increase relative to a high transition risk scenario; for instance, electricity demand and commodity prices may be lower than forecast.

High transition risk scenario (typically associated with a 1.5-2 degrees Celsius temperature change)

Under this scenario, we assume that policy measures are put in place that accelerate the decarbonisation of energy production, including higher than expected levels of renewables deployment, and each country where TRIG invests achieving net zero carbon by 2050.

Physical risks from extreme weather events are less frequent and effective annual insurance coverage remains currently generally available.

In a high transition risk scenario:

- There is downward pressure on forecast power prices for renewables generators due to greater decarbonisation of the energy mix from that assumed in the independent power price forecasts used in the Company's valuation.
- This is, in part, offset by an increase in electricity demand as transport, industry and heating as these sectors move away from fossil fuels.
- An increase in carbon prices is expected; however, this is likely to be offset by lower gas prices and greater periods of time when non-emitting generation is setting the prevailing power price.

Although these scenarios are very difficult to quantify, modelling undertaken suggests a possible impact of this scenario being an approximate 5% reduction in the Portfolio Value on a committed basis, or approximately 7p per share. This impact could be reduced as a result of industry efficiencies, such as lower operating costs arising from greater competition between sub-contractors as the sector continues to scale up, or increased generation efficiencies and performance.

One of the challenges to achieving more renewables build-out than assumed in current power price forecasts, and therefore decarbonisation, is that as long-term power price falls, a feedback loop of making fewer new projects financially viable is created, which in turn reduces the rollout rate and therefore reduces the downward pressure on forecast power prices.

Governments across TRIG's target markets are beginning to set out detailed policies in relation to both supply and demand for renewable electricity, which may address this feedback loop, provide support to the power price and achieve the levels of renewables rollout required for net zero carbon by 2050.

2.4
Sustainability (continued)

High physical risk scenario (typically associated with a 3-4 degrees Celsius temperature change)

This is a climate change scenario that results in a temperature change of greater than 3 degrees Celsius, resulting in extreme weather events that could threaten the successful operation of assets within the portfolio.

We assume that under this scenario, renewables build-out lags expectations, the energy system is not decarbonised to an extent consistent with a lower impact from climate change and that insurance for damages may become unavailable or very expensive.

Whilst current power price forecasts are not prepared on the basis of an overall temperature change, the underlying assumptions, particularly relating to renewables build-out, are consistent with a 3 degrees Celsius scenario.

The Managers have undertaken analysis to consider the potential physical impact of climate change on TRIG's portfolio in a high-temperature change scenario. The IPCC's 6th Assessment Report (issued on 11 August 2021) has helped guide the assessment of the physical changes that may be seen in a high-temperature change scenario.

To assess the potential physical impact the portfolio has been segmented by region and technology, and reviewed for the risk of both chronic and acute physical changes over the expected life of each asset. Chronic changes refer to long-term and structural physical risks. Acute changes refer to the increased risk of specific, extreme short-term events. How events are categorised under these two headings is set out in the subsequent table.

The review suggests a possible adverse impact of physical risks in a high temperature change scenario of c. 1p to 3p per share. The estimated financial impact does not consider the offsetting impact of any insurance claims that may be possible.

In such a scenario, it is likely that the renewables rollout assumptions incorporated in current power price forecasts are unlikely to be met. Therefore, the Investment Manager considers that the medium to longer-term reductions seen in the power price forecasts in recent reporting periods may reverse and that there may be limited overall net impact on NAV. The estimated financial impacts are based on current views, which are likely to evolve as industry methods mature. A key mitigant to the portfolio as a whole suffering from a material event at any one asset is the portfolio's asset diversification including the geographic spread across six European countries, which helps to reduce the impact of localised weather events.

Sustainability considerations, including those relating to climate change, are integrated throughout InfraRed's investment process. Scenario and sensitivity analysis is also undertaken as part of due diligence and examined by the Investment Committee when considering investment approval.

The Managers have also undertaken analysis to consider the impact on long-term power price forecasts of a 4 degree temperature change scenario. In such a scenario, it is likely that the renewables rollout assumptions incorporated in current power price forecasts are unlikely to be met. The current energy mix across Europe broadly equates to a 4 degree temperature change and therefore the current power price assumptions from 2024 (upon normalisation of forecast power prices from current elevated levels) is applied across the forecast period as an approximation.

This, net of the impact of the physical risk assessment, results in an increase in Portfolio Value on a committed basis by approximately 4% or approximately 6p per share. The estimated financial impacts are based on current views, which are likely to evolve as industry methods mature.

Beatrice, Scotland

Physical risk assessment findings

The table below presents an update on the screening of TRIG's portfolio for the risk of physical damage due to climate change on a site-by-site basis, corresponding to a high physical risk scenario under the Task Force on Climate-Related Financial Disclosures (TCFD) guidance.

In addition to the mitigations set out, commercial protections are also used to mitigate such risks, such as insurance, supplier warranties or operation contractual scopes of work.

The review below suggests a possible adverse impact of physical risks in a high temperature change scenario of c. 1p to 3p per share.

Potential physical risk	Potential impact of physical risk	Mitigation measures in place
Wind and tropical storms	Increased incidence or intensity of wind and tropical storms may exceed the design wind-loading for solar sites with potential to uproot foundations, damage frameworks and panels or be accompanied by large hailstorms that damage panels. Windspeeds above the design parameters of the wind turbines and their cut-out generating wind speeds could cause internal mechanical damage or external structural damage to the wind turbine blades.	▲ Solar acquisition due diligence of wind loading assessments and embedded design principles, with framework or foundation reinforcements performed where material risks identified. ▲ Wind turbines' built-in high wind speed protection systems protect the turbines from damage, supported by real-time remote monitoring and software updates.
Fire	Wildfires can result in fire damage to the renewable asset or the associated sub-station and any overhead export cable. Any woodland in the vicinity of wind farms tends to be commercial forestry, which when dry can burn particularly fast and easily. Dry peat can also have a higher exposure risk to fire.	▲ Some habitat management plans include maintained firebreaks in accordance with site risk assessments. ▲ Monoculture forestry is removed from the immediate vicinity of each wind turbine to provide sufficient space during turbine erection which provides a degree of protection from fire. ▲ Some sites have wider forestry removal to improve energy yield performance which can be coupled with broadleaf compensatory planting elsewhere.
Icing	Exposure to icing changes as humidity levels increase in those areas previously less affected by icing. Wind turbine blades can be prone to ice build-up, impacting aerodynamic performance or causing turbines to pause due to rotor imbalances, thereby increasing downtime. Ice throw from blades can also pose a safety risk, or cause damage to infrastructure.	▲ Climatic conditions are considered during the design phase to determine the extent of any icing impacts on yield as well as the ice-throw risk (and potential throw distance). ▲ Turbines are set back from dwellings and roads minimising risk to people from ice throw. ▲ Turbines are available with anti-icing or de-icing systems. The reliability and effectiveness of such systems is however not well established at this stage.

2.4 Sustainability (continued)

Potential physical risk	Potential impact of physical risk	Mitigation measures in place
Flooding	Flash flooding due to increased intensity of rainfall caused by higher temperatures. Solar sites are generally considered to be more exposed to flooding due to their larger footprint, high volume of equipment mounted close or below ground level, with local topography and geology also a consideration.	▲ Solar acquisition due diligence of exposure to flooding and installed mitigations including drainage systems.
Lightning	Wind turbine blades can be susceptible to lightning damage through to severe structural damage or destruction of a blade. Offshore turbines may be more susceptible to damage due to salt build-up reducing the efficiency of lightning protection systems.	▲ Wind turbine exposure to lightning is well understood with extensive industry experience of lightning protection systems. ▲ Offshore turbines benefit from the knowledge gained onshore, with increasingly sophisticated protection systems installed.

Risk

Recommendation	Disclosure
6 Describe the organisation's processes for identifying and assessing climate-related risk	Overall, as previously noted, TRIG's business model is specifically designed to take advantage of the investment opportunities arising from the decarbonisation of energy usage. Nonetheless, climate-related risks exist and are identified and discussed through the Managers' wider risk management processes. They are identified and assessed by the Managers when making new investments (throughout the deal screening and due diligence processes) and in the running of the current portfolio (asset management activities, monitoring and reporting).
7 Describe the organisation's processes for managing climate-related risks	Climate-related risks identified through the acquisition process are managed through the acquisition business plan and investment pricing. The appropriateness of mitigating action is considered by the Investment Committee as part of the investment process. Representatives of RES and/or InfraRed sit on the board of each project company. Through this role, they ensure that climate change related risks are considered by project company management teams, reflected in project company risk registers, and appropriate mitigation plans are put in place. Those identified in the running of the current portfolio are managed through mitigating action, where possible. Management activities are discussed by the Advisory Committee through their quarterly review of portfolio performance.
8 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Climate-related risks are integrated into TRIG's risk management framework through the investment process and reported quarterly to the Board. The Board considers the completeness of the risks recognised and the sufficiency of controls and mitigation, identifying where it is felt further action is required.

Metrics

Recommendation		Disclosure
9	Disclose the metrics used by the organisation to assess climate-related risks and opportunities	The Company utilises a range of metrics to monitor the contribution of the portfolio to mitigating climate change, including the following: ▲ Renewable energy generation ▲ Tonnes of carbon emissions avoided ▲ Homes powered by clean energy, which impacts the margin and commitment fee paid under TRIG's ESG-linked revolving credit facility ▲ The proportion of portfolio sourcing electricity under renewable energy tariffs ▲ Number of Active Environmental Management projects The Board and Managers consider several metrics that relate to climate-related opportunities and risks: ▲ Renewables build-out assumptions in TRIG's investment and target acquisition markets, which impacts long-term power price forecast assumptions ▲ Percentage of revenues with fixed power prices, which impacts the extent to which fluctuations in power price forecasts affects the portfolio valuation and forecast cash flows ▲ Energy yield, where deviations from expectations are examined for climate-related risk factors, including those arising from asset availability
10	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions, and the related risks	The Greenhouse Gas (GHG) Protocol categorises greenhouse gas emissions into three groups, or 'scopes': Scope 1 covers direct emissions from owned/controlled sources; Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the company; and Scope 3 includes all other indirect emissions that occur in the Company's value chain. TRIG's Scope 1 and Scope 2 greenhouse gas emissions are disclosed below. TRIG has adopted the operational control boundary approach for the measurement of energy emissions for TRIG projects, as the Directors believe this reflects the level of emissions that can be actively controlled and reduced. Moving forwards, to fully represent TRIG's impact, we will capture the greenhouse gas emissions from the entire portfolio using the equity share approach, not just the assets where TRIG has operational control. TRIG will provide reporting on Scope 3 emissions within its 2022 Sustainability Report. Data gathering to support these estimates has commenced considering key areas where emissions are generated such as O&M and the elements of this that contribute, for example those associated with parts and spares and those associated with labour. TRIG has engaged a third-party provider to establish the company's baseline emissions and progress will be reported in the 2022 sustainability report. Emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. UK Government Conversion Factors have been utilised for UK investments and the latest EU RE-DISS values to calculate emissions for non-UK investments.

2.4
Sustainability (continued)

Disclosure	Year ended 31 December 2020	Year ended 31 December 2021
Scope 1 – direct emissions (tCO_2e)	0	0
Scope 2 – indirect emissions, location based (tCO_2e)	1,489	1,642
Total Scope 1 and 2 emissions (tCO_2e)	**1,489**	**1,642**
Intensity ratio (tCO_2e per MWh)	0.06%	0.08%
Scope 2 – indirect emissions, market based (tCO_2e)	666	868

During 2022, the Managers are seeking to understand and quantify the usage of other greenhouse gases, such as SF6, across the portfolio, and will provide an update in due course.

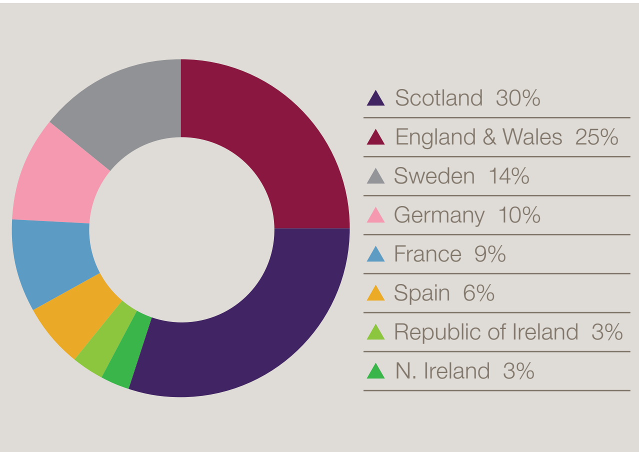
11	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	The Company's annual budgeting and semi-annual valuation process includes forecasts that may be influenced by the transition and physical impacts of climate change. These include expectations in respect of variables, in particular: ▲ Percentage of revenues with fixed power prices, which impacts the extent to which fluctuations in power price forecasts affects the portfolio valuation and forecast cash flows ▲ Energy yield, where deviations from expectations are examined for climate-related risk factors, including those arising from asset availability Deviations of these variables from budgets and changes to the variables in forecasts may serve as leading indicators of changes to climate-related opportunities, risks and performance. As noted above, further scenario analysis is underway, which may lead to further relevant metrics and targets being identified. TRIG is a signatory of SBTi – As part of this process we will be setting Science Based Targets by the end of 2023 for Scope 1, 2 and 3 emissions in line with our SBTi commitment signed during 2021. Scope 1 and 2 emissions are currently reported (see above). Establishing TRIG's Scope 3 emissions involves significant data collection and engagement with the Company's value chain. A third-party expert has been engaged to support calculation of baseline Scope 3 emissions. We intend to report TRIG's Scope 3 emissions in the Company's 2022 Sustainability Report, which will be published in Q2,, where we will also set out our approach to determine emissions reductions objectives.

2.5 Portfolio

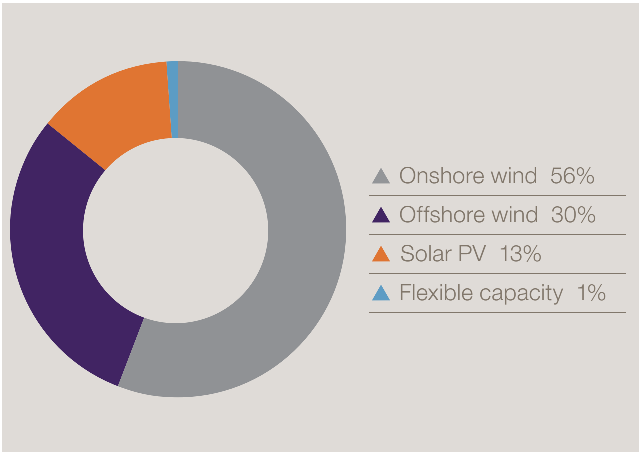
Portfolio diversification

The TRIG portfolio benefits from being diversified across jurisdictions, power markets and generating technologies providing multiple revenue sources, as well as a variety of geographic areas with differing meteorological conditions affecting wind speeds and solar irradiation, reducing year-on-year volatility. This is illustrated in the segmentation analysis below, which is presented by committed project value as at 31 December 2021.

Geography[31 32 33]



Technology[31]



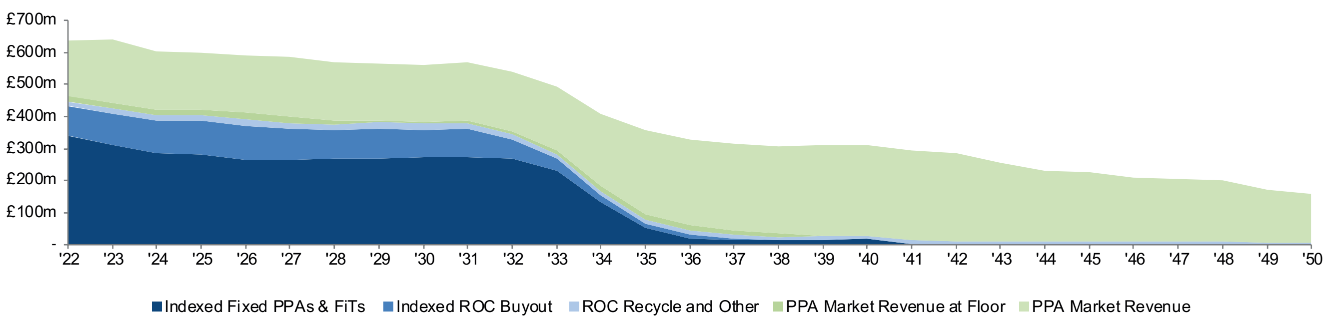
Revenue profile

TRIG has the benefit of being diversified across several separate power markets: Great Britain, the Single Electricity Market (of The Republic of Ireland and Northern Ireland), France and Germany (which sit within the main continental European power market), Sweden (which sits in the Nordic electricity market) and Spain (Iberian power market).

The TRIG portfolio has substantial near-term protection in cash revenues from movements in wholesale power prices as the portfolio receives a high proportion of its revenue from selling electricity generated via Power Purchase Agreements ("PPAs") with fixed prices, and from government subsidies such as Feed-in-Tariffs ("FiTs"), Contract for Differences ("CfDs"), Renewable Obligation Certificates ("ROCs") or from other hedges.

In the longer term, based on its current portfolio, TRIG is expected to have greater exposure to future wholesale electricity prices as subsidies and contracts with pre-determined pricing run-off. As existing fixed-price contracts expire, the replacement contracts may also have fixed-price elements, and any future additions to the portfolio may have subsidies, decreasing the merchant proportion shown below. The chart reflects the portfolio on a committed basis, and therefore includes revenues expected from construction projects.

Split of forecast project revenues by contract type for the portfolio (to 2050)



31 Segmentation by portfolio value as at 31 December 2021. Under construction assets relate to projects where TRIG retains construction risk and are included on a fully committed basis including construction costs.
32 Northern Ireland and the Republic of Ireland form a Single Electricity Market, distinct from that operating in Great Britain.
33 Scottish ROC projects represent 15% of the 30% of the portfolio in Scotland.

2.5 Portfolio (continued)

Acquisitions and outstanding commitments

In 2021, TRIG invested £479m in new projects. Investment commitments entered into during the year are listed in the table below:

Date Acquired	Project	Year commissioned	Equity Share	Net Capacity (MW)[34]	Revenue Type[35]	Location	% of portfolio on a committed basis[36]
January 2021	Beatrice offshore wind farm	May 2019	17.5%	102.9	Contract for Difference	UK	9%
February 2021	Grönhult onshore wind farm	Expected Q4 2022	100%	67	Wholesale Market	UK	3%
May 2021	Ranasjö	Expected Q2 2024	50%	78	Wholesale Market	Sweden	4%
	Salsjö			43			
September 2021	Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita)	Expected Q4 2022	100%	234	Wholesale Market	Spain	6%

Current outstanding commitments

The Company has outstanding commitments of £231m relating to the Swedish onshore wind farm construction projects (Ranasjö, Salsjö and Grönhult), and the Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita), broken down in the table below, by expected due date. The Company's acquisition facility was drawn £73m as at 31 December 2021.

	2022	2023	2024	Total
Outstanding Commitments (£m)	145	63	23	231

34 This is TRIG's equity share of the nominal capacity of the windfarm.
35 The main revenue type during the subsidy period. Thereafter all revenues are wholesale power market.
36 The segmentation above is on a fully committed basis and includes assets under construction at the time the investment was committed.

Projects in construction

By acquiring assets at an earlier stage in their development, TRIG seeks to access improved returns and enhanced investment opportunities. Importantly, TRIG has the benefit of its Managers' expertise in the construction process: InfraRed as a greenfield investor for the past 25 years and RES as a developer and/or constructor of over 22GW of renewable assets globally.

Recently completed

Blary Hill, Scotland

Located on the Kintyre Peninsula in Scotland, Blary Hill is a 35MW onshore wind farm consisting of 14 Nordex 2.5MW turbines.

The project was completed early in 2022. Construction was delivered by RES under an Engineering, Procurement and Construction ("EPC") wrap, a management model in which a principal contractor secures each of the supply contracts and has contractual commitments to deliver the project on time and on budget. This is the same management model that was used in the construction of Solwaybank, TRIG's 30MW onshore wind farm also located in Scotland.

Both the local community and the local environment have been considered throughout the construction process. Several local companies have been engaged for construction work, with local employment centres being utilised for the recruitment of labour operatives, and habitat management plans will be implemented along with compensatory planting, to improve the condition of the natural environment.

2.5
Portfolio (continued)

Under construction

Vannier, France

Located in the Haute-Marne department in France, Vannier is a 43MW onshore wind farm consisting of 17 Envision E-131 2.5MW turbines. Construction commenced in February 2020, with TRIG acquiring Vannier in October 2020. Construction is being delivered under an EPC wrap by an Envision-Velocita consortium, with RES hired as Owner's Engineer to provide independent construction monitoring.

Following permit issues at the site, construction was resumed in September 2021, with takeover scheduled for August 2022.

Hardstandings for the turbines have recently been resurfaced, pre-installation is complete for eight wind turbine generators and nacelles, hubs and blades have begun to be delivered to the site.

Grönhult, Sweden

Located in southwest Sweden, the 12 x Vestas V162 5.6MW (67.2MW) project was acquired from Vattenfall in Jan 2021; construction commenced in Q1 2021 and is scheduled for takeover in Dec 2022. Vattenfall continue to manage the project under a multi contract approach with RES hired as Owner's Engineer. Civil works are progressing well with 6 of 12 foundations complete.

Ranasjö and Salsjö, Sweden

Located in Sollefteå, Västernorrland County, Central Sweden, the two adjacent Ranasjö and Salsjö projects will consist of a total of 39 Siemens 6.2MW turbines (242 MW) with TRIG having 50% ownership share alongside another InfraRed managed fund: European Infrastructure Income Fund 4.

Construction commenced in September 2021 with initial forestry and civils works underway. The project is being managed by the developer Arise and is scheduled for take-over in February 2024. RES has been hired as Owner's Engineer on both Swedish construction projects providing additional oversight with respect to health and safety, quality and progress of works, spend against budget, compliance with consents and legislation and how activities are performed on site.

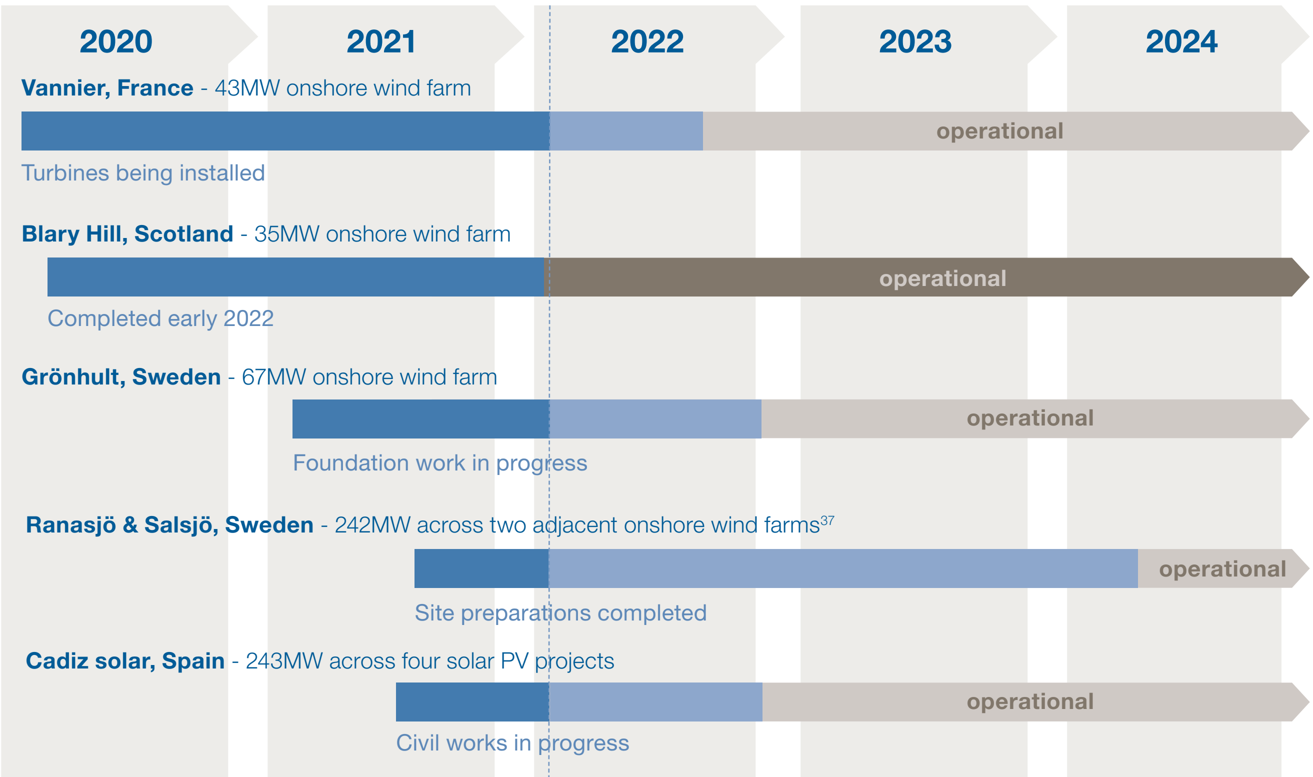
Other pre-operational

Arenosas, Malabrigo, El Yarte and Guita, Spain

Located in the province of Cadiz, Spain, the projects have a total capacity of 234MW. Construction on the projects began in September 2021 and is being delivered by Statkraft under an EPC wrap, with Statkraft also acting as Asset Manager. Ingenor have been hired as Owner's Engineer to provide independent oversight during construction. TRIG does not bear any construction risk for the Cadiz solar projects, due to a right to put any of the four projects back to Statkraft in the event that a project is not successfully commissioned by its respective long stop date.

Of the four projects, Arenosas is the most advanced, having finished site set-up and progressed well with civil and mechanical works. Both El Yarte and Malabrigo are in the earlier stages of similar works. La Guita has commenced construction following acquirement of necessary permits. Across all projects, consideration of the local community has been high, with events held to invite local contractors to understand the opportunities available.

Completion programme for projects in construction*



* Dark blue indicates the current construction progress of each project, with light blue showing the remaining construction time to completion.

37 TRIG has a 50% stake in the Ranasjö & Salsjö projects.

The Grange, England

Sustainability considerations during construction

▲ Community Engagement

At Blary Hill, a virtual 'Meet the Buyer' event was held by RES, in which local businesses discussed their skills and experience that could be utilised in the construction of the wind farm. Interest was overwhelming, with an additional event held the following day to accommodate the interest received.

▲ Concrete Usage

TRIG's Swedish construction projects, Ranasjö, Salsjö and Grönhult, have been implementing environmental initiatives to reduce the carbon footprint of their foundations. By using rock anchored foundations and reusing bedrock local to the site, the volume of concrete needed is reduced along with the need to bring in additional materials.

▲ Local Economy

TRIG's construction activities in the UK alone are estimated to have provided c. £10m of local investment over the last 4 years.

▲ Supply Chain

During TRIG's acquisition of four solar sites in Spain, the Managers' assessment of the investment considered the challenges associated with the supply chain of solar panel manufacturing. On-site tracing of components and confirmation of the practical application of codes of conduct is being undertaken during the manufacture of the panels to be used.

▲ Natural Habitat

Following construction at Solwaybank, compensatory planting has meant that more than 90,000 trees of varying varieties have been planted, including 14,000 native non-commercial broadleaf trees.

Ten Largest Investments

Set out below are the ten largest investments in the portfolio. As at 31 December 2021, the largest investment (Beatrice) accounted for approximately 10% of the portfolio by invested value. In total, the 10 largest projects accounted for approximately 54% of the project portfolio by value (2020: 55%).

Ten Largest Investments – Invested to date basis				
			% of portfolio by value at	
Project	**Location**	**Type**	**31 December 2021**	**31 December 2020**
Beatrice	England	Offshore Wind	10%	
East Anglia 1	England	Offshore Wind	9%	10%
Jädraås	Sweden	Onshore Wind	8%	9%
Merkur	Germany	Offshore Wind	6%	8%
Gode Wind 1	Germany	Offshore Wind	5%	6%
Garreg Lwyd	Wales	Onshore Wind	5%	5%
Solwaybank	Scotland	Onshore Wind	3%	4%
Crystal Rig II	Scotland	Onshore Wind	3%	3%
Sheringham Shoal	England	Offshore Wind	3%	4%
Blary Hill	Scotland	Onshore Wind	2%	
December 2021 largest ten investments			**55%[38]**	
Pallas	Ireland	Onshore Wind	2%	3%
Mid Hill	Scotland	Onshore Wind	2%	2%
December 2020 largest ten investments				**55%[37]**

The table below sets out the top ten largest investments in the portfolio, including investment commitments:

Ten Largest Investments – Committed basis			
			% of portfolio by value at
Project	**Location**	**Type**	**31 December 2021**
Beatrice	England	Offshore Wind	9%
East Anglia 1	England	Offshore Wind	8%
Jädraås	Sweden	Onshore Wind	7%
Merkur	Germany	Offshore Wind	6%
Gode Wind 1	Germany	Offshore Wind	5%
Garreg Lwyd	Wales	Onshore Wind	4%
Solwaybank	Scotland	Onshore Wind	3%
Crystal Rig II	Scotland	Onshore Wind	3%
Sheringham Shoal	England	Offshore Wind	3%
Grönhult	Sweden	Onshore Wind	3%
December 2021 largest ten investments			**51%**

38 This column does not cast due to rounding differences.

2.5
Portfolio (continued)

Investment Portfolio

The TRIG portfolio as at 31 December 2021, includes 83 equity investments in the UK, Republic of Ireland, France, Sweden, Germany and Spain, comprising 50 wind projects, 32 solar PV projects and one battery storage project. Additionally, the portfolio includes one mezzanine debt investment in a mixed portfolio.

Project	Market (Region)[1]	TRIG's Equity Interest[2]	Net Capacity (MW)	Year Commissioned[3]
Onshore wind Farms				
Roos	GB (England)	100%	17.1	2013
Grange	GB (England)	100%	14.0	2013
Tallentire	GB (England)	100%	12.0	2013
Garreg Lwyd	GB (Wales)	100%	34.0	2017
Crystal Rig 2	GB (Scotland)	49%	67.6	2010
Hill of Towie	GB (Scotland)	100%	48.3	2012
Mid Hill	GB (Scotland)	49%	37.2	2014
Blary Hill	GB (Scotland)	100%	35.0	2022
Paul's Hill	GB (Scotland)	49%	31.6	2006
Crystal Rig 1	GB (Scotland)	49%	30.6	2003
Solwaybank	GB (Scotland)	100%	30.0	2020
Green Hill	GB (Scotland)	100%	28.0	2012
Little Raith	GB (Scotland)	100%	24.8	2012
Rothes 1	GB (Scotland)	49%	24.8	2005
Freasdail	GB (Scotland)	100%	22.6	2017
Rothes 2	GB (Scotland)	49%	20.3	2013
Earlseat	GB (Scotland)	100%	16.0	2014
Meikle Carewe	GB (Scotland)	100%	10.2	2013
Neilston	GB (Scotland)	100%	10.0	2017
Forss	GB (Scotland)	100%	7.5	2003
Altahullion	SEM (N. Ireland)	100%	37.7	2003
Lendrum's Bridge	SEM (N. Ireland)	100%	13.2	2000
Lough Hill	SEM (N. Ireland)	100%	7.8	2007
Pallas	SEM (Rep. of Ireland)	100%	55.0	2008
Taurbeg	SEM (Rep. of Ireland)	100%	25.3	2006
Milane Hill	SEM (Rep. of Ireland)	100%	5.9	2000
Beennageeha	SEM (Rep. of Ireland)	100%	4.0	2000
Haut Vannier[4]	France (North)	100%	43.0	2022
Venelle	France (North)	100%	40.0	2020
Epine	France (North)	100%	36.0	2019
Rosières	France (North)	100%	17.6	2018
Energie du Porcien	France (North)	42%	16.3	2012
Montigny	France (North)	100%	14.2	2018
Les Vignes	France (North)	42%	5.2	2009
Fontaine-Mâcon	France (North)	42%	5.1	2011

Project	Market (Region)[1]	TRIG's Equity Interest[2]	Net Capacity (MW)	Year Commissioned[3]
Rully	France (North)	42%	5.0	2010
Val de Gronde	France (North)	37%	4.5	2011
Haut Languedoc	France (South)	100%	29.9	2006
Haut Cabardes	France (South)	100%	20.8	2006
Cuxac Cabardes	France (South)	100%	12.0	2006
Roussas–Claves	France (South)	100%	10.5	2006
Jädraås	Sweden	100%	212.9	2013
Salsjö – Twin Peaks[4]	Sweden	50%	77.5	2024
Grönhult[4]	Sweden	100%	67.0	2022
Ranasjö – Twin Peaks[4]	Sweden	50%	43.4	2024
Total onshore wind at 31 December 2021			**1,331.4**	
Offshore Wind Farms				
Beatrice	GB (Scotland)	17.5%	102.9	2018
East Anglia 1	GB (England)	14.3%	102.1	2020
Sheringham Shoal	GB (England)	14.7%	46.6	2012
Merkur	Germany	25%	99.0	2019
Gode Wind 1	Germany	25%	82.5	2017
Total offshore wind at 31 December 2021			**433.1**	
Solar Photovoltaic Parks				
Parley Court	GB (England)	100%	24.2	2014
Egmere Airfield	GB (England)	100%	21.2	2014
Stour Fields	GB (England)	100%	18.7	2014
Tamar Heights	GB (England)	100%	11.8	2014
Penare Farm	GB (England)	100%	11.1	2014
Four Burrows	GB (England)	100%	7.2	2015
Parsonage	GB (England)	100%	7.0	2013
Churchtown	GB (England)	100%	5.0	2011
East Langford	GB (England)	100%	5.0	2011
Manor Farm	GB (England)	100%	5.0	2011
Marvel Farms	GB (England)	100%	5.0	2011
Midi	France (South)	51%	6.1	2012
Plateau	France (South)	49%	5.9	2012
Puits Castan	France (South)	100%	5.0	2011
Chateau	France (South)	49%	1.9	2012
Broussan	France (South)	49%	1.0	2012
Pascialone	France (Corsica)	49%	2.2	2011
Olmo 2	France (Corsica)	49%	2.1	2011
Santa Lucia	France (Corsica)	49%	1.7	2011
Borgo	France (Corsica)	49%	0.9	2011

2.5
Portfolio (continued)

Project	Market (Region)[1]	TRIG's Equity Interest[2]	Net Capacity (MW)	Year Commissioned[3]
Agrinergie 1 & 3	France (Réunion)	49%	1.4	2011
Chemin Canal	France (Réunion)	49%	1.3	2011
Ligne des 400	France (Réunion)	49%	1.3	2011
Agrisol	France (Réunion)	49%	0.8	2011
Agrinergie 5	France (Réunion)	49%	0.7	2011
Logistisud	France (Réunion)	49%	0.6	2010
Sainte Marguerite	France (Guadeloupe)	49%	1.2	2011
Marie Galante	France (Guadeloupe)	49%	1.0	2010
Arenosas[4]	Spain (Cadiz)	100%	58.1	2022
El Yarte[4]	Spain (Cadiz)	100%	58.1	2022
Guita[4]	Spain (Cadiz)	100%	58.1	2022
Malabrigo[4]	Spain (Cadiz)	100%	58.1	2022
Total solar PV at 31 December 2021			**388.7**	
Flexible capacity/ Mixed portfolio				
Broxburn battery storage	GB (Scotland)	100%	20.0	2018
Phoenix SAS[6]	France	0%	-	2015

Total Portfolio at 31 December 2021 (83 assets)	**2,173.2**
Operating assets	1,709.9
Construction assets[4]	230.9
Contracted to acquire[5]	232.4
Total Portfolio at 31 December 2021 (83 assets)	**2,173.2**

Notes
1. SEM refers to the Irish Single Electricity Market.
2. This is TRIG's equity share of the nominal capacity of the asset.
3. Where a project has been commissioned in stages, this refers to the earliest commissioning date. For construction assets, this refers to expected completion date.
4. Ranasjö, Salsjö, Grönhult, Haut Vannier and the Cadiz solar projects are under construction. Due to contractual measures in place, TRIG does not retain any construction risk for the Cadiz solar projects.
5. This is the investment commitment to acquire the Cadiz solar projects.
6. This investment is in the form of mezzanine level bonds where the Company does not have an equity stake. The portfolio comprises five onshore wind farms in Northern France with a combined capacity of 74MW and four operational solar parks with battery storage located on the islands of Corsica and La Réunion with a combined capacity of 29MW ("the Portfolio"). All the Portfolio assets are backed by the French government's Feed-in-Tariff subsidy and have an average year of commission of 2015.

2.6 Operational Review

Operational metrics

The Company sets out below its key metrics which it utilises to track its performance over time against its objectives.

KPI		Largest single investment	Largest ten investments	Operating history (portfolio weighted average) years	Electricity Production % increase	Average Revenue (£/MWh)
		as % of portfolio by value[39]				
(Year to) 31 December	**2021**	10%	54%	5.4 years	4,125GWh +5%	121.83
	2020	10%	55%	4.7 years	3,953GWh +30%	96.22
	2019	11%	52%	5.6 years	3,036GWh +51%	90.55
	2018	9%	51%	5.4 years	2,042GWh +16%	105.63
	2017	10%	52%	5.7 years	1,766GWh +20%	92.44
	2016	11%	52%	6.7 years	1,469GWh +9%	82.83
	2015	12%	56%	5.9 years	1,344GWh +65%	78.63
	2014	10%	65%	5.0 years	814GWh +136%	84.43

TRIG portfolio update

Portfolio production for the year was 12.6% below budget. The shortfall in generation was primarily due to poor wind resource in all quarters, particularly during January, and through April to September in the UK and Ireland. The wind speeds seen in the UK region and the North Sea (also impacting the German offshore sites) were the lowest since 2010. Overall production for the portfolio was below the long-term budget P90 expectation (on a 10-year basis) but in line with the budget P90 assumption for a single year in isolation.

Within the portfolio, the poorest performing regions were Germany Offshore and Ireland. In addition to the low wind resource affecting both regions, Germany was also impacted by grid outages at Gode Wind 1 in addition to the ongoing turbine rear frame issue at Merkur which led to lower availability (Shortfalls resulting from the issue at Merkur are due to be compensated as described in the regional commentary below). Ireland experienced grid constraints and curtailment which were prevalent for all operators within the region.

With the exception of Merkur, regional availability has been close to budget, with target levels exceeded in Scandinavia and Ireland.

Recent GB wholesale electricity prices have risen significantly during the last quarter of 2021. The increase in Average Revenue / MWh in 2021 shown within the above table, reflects this increase in wholesale prices, along with a change in the composition of the portfolio, most notably the East Anglia 1 and Beatrice acquisitions. Changes to the portfolio compositions in the year equate to £7 of the £25 increase.

Regional commentary

The table below shows the TRIG share of production by region against budget across the year.

Technology	Region	Production		
		Actual GWh	Budget GWh	Performance vs Budget %
Wind Onshore	GB	1,110	1,329	-16%
	France	626	722	-11%
	Scandinavia	895	1,019	1%
	Ireland	556	553	-26%
Wind Offshore	GB	507	571	-12%
	Germany	267	359	-13%
Solar	GB & France	164	167	-2%
Total Portfolio		4,125	4,719	-12.6%

39 On an invested basis.

2.6 Operational Review (continued)

GB wind onshore

Generation was 16% below budget, almost entirely due to low wind resource during January, April to September, and December. Operational performance was good, and availability remained close to budget except for Little Raith and Crystal Rig 1 which have both had historic issues.

Little Raith has continued to underperform with further claims under the availability warranty to be made. RES, as Asset Manager for the project, have met with the O&M provider and an 18-month improvement plan is now in place. Crystal Rig 1 availability was lower than other sites for 2021 but improved as the year progressed with targeted works undertaken to address long running causes of downtime.

An extensive O&M tender was concluded in the latter part of the year with new O&M contract for 7 sites to be entered on expiry of the existing contracts through 2022 and 2023. This tender took advantage of TRIG's scale and technology diversification to achieve competitive pricing from four different suppliers. Ongoing maintenance works through the year were typical for a wind portfolio including blade repairs, main bearing replacements & foundation inspections.

Construction at the Blary Hill site in Scotland completed early in 2022, ahead of schedule. Turbine tests on completion are underway.

GB wind offshore

With the addition of the two offshore assets East Anglia 1 (EA1), acquired in late 2020, and Beatrice, acquired in January 2021, as operational assets, TRIG now considers GB offshore and German offshore as two separate regions.

GB offshore generation was 12% below budget, with low wind resource responsible for most of this shortfall and other key drivers including a grid constraint early in the year at Beatrice combined with inter array cabling issues at the site, with remediation works due to complete in Q1 2022.

There were some uncompensated grid outages at EA1 during Q3 due to OFTO snagging works. At Sheringham, Covid-19 related delays to servicing led to some minor faults with turbines and lower availability in the second half of the year. A new alternative O&M strategy in combination with the adjacent Dudgeon wind farm has now been implemented.

Germany offshore

German generation was 13% below budget due to low wind and some uncompensated grid outages. There was poor availability at Merkur, as a consequence of the turbine rear frame issue. Downtime associated with the Merkur issue is not included in the generation variance above as this is to be compensated under the service agreement availability warranty with the turbine supplier.

As reported in June 2021, following routine inspections at the Merkur offshore wind farm in Germany, generation was paused as a precautionary safety measure after cracks were identified in the emergency evacuation rear frames of some turbines. The turbine manufacturer has been monitoring the turbines and has implemented an interim welding solution that enabled 50, on average, of the 66 turbines to operate during Q4 2021 and 60 in January 2022. Root cause analysis has been completed and a long-term solution is being developed, which the turbine manufacturer plans to substantially implement during 2022. Compensation for lost revenues and the cost of remediation remains with the manufacturer. No material impact is expected on the carrying value of the project or the financial performance of Company though the timing of distributions from the project are expected to be delayed.

Gode Wind 1 suffered from grid outages in May and December, for which downtime is not compensated as the outage timeframes fell within the allowable number of days that the grid operator is permitted for undertaking scheduled and unscheduled maintenance.

France wind

French production was 12% below budget for the year, impacted by poor wind in the second half of the year and lower availability at two sites in the south due to maintenance campaigns and component replacement works. These works were required due to the age of the assets and the turbulent wind conditions these sites have experienced.

Progress is being made on the repowering of these projects with permission to bid for feed-in-tariffs granted by authorities.

Construction resumed at Vannier following the courts' dismissal of a technical challenge to the environmental permit in July 2021. Turbine deliveries and installation are underway with the site due to reach commercial operations in August 2022.

Scandinavia wind

Until completion of the Ranasjö, Salsjö and Grönhult construction projects, this region consists of the single large, wholly owned, site Jädraås. The project performed well in 2021 with availability above the budgeted level.

Both Swedish construction projects are progressing well and remain on programme. Ground works including cable laying are underway at the 67MW Grönhult project with completion on target for end of 2022. Forestry and civil works commenced at the Ranasjö and Salsjö sites, with the projects due to complete until early 2024.

Ireland (NI & ROI) wind

The region suffered from poor wind resource throughout the year which, combined with some ongoing grid constraints and curtailment at some sites, resulted in a large negative variance to budget of 26%. Budget production values do not reflect the high levels of constraint seen in recent years as the long-term picture is anticipated to improve as grid infrastructure improvements are made. Lost production was already lower in 2021 compared to 2020.

Site-based availability is running close to budget, due to the pro-active repairs, spares and maintenance approach taken by the asset management teams, particularly on older assets.

Solar

Solar generation saw a 2% negative variance to budget for the year, primarily driven by lower availability at some GB solar sites than budgeted due to EPC rectification works undertaken towards the end of the year. These works will ultimately lead to improved performance of these sites in the future. Three solar sites in Cornwall have benefited from inverter reconfiguration works which have resulted in production well above budget.

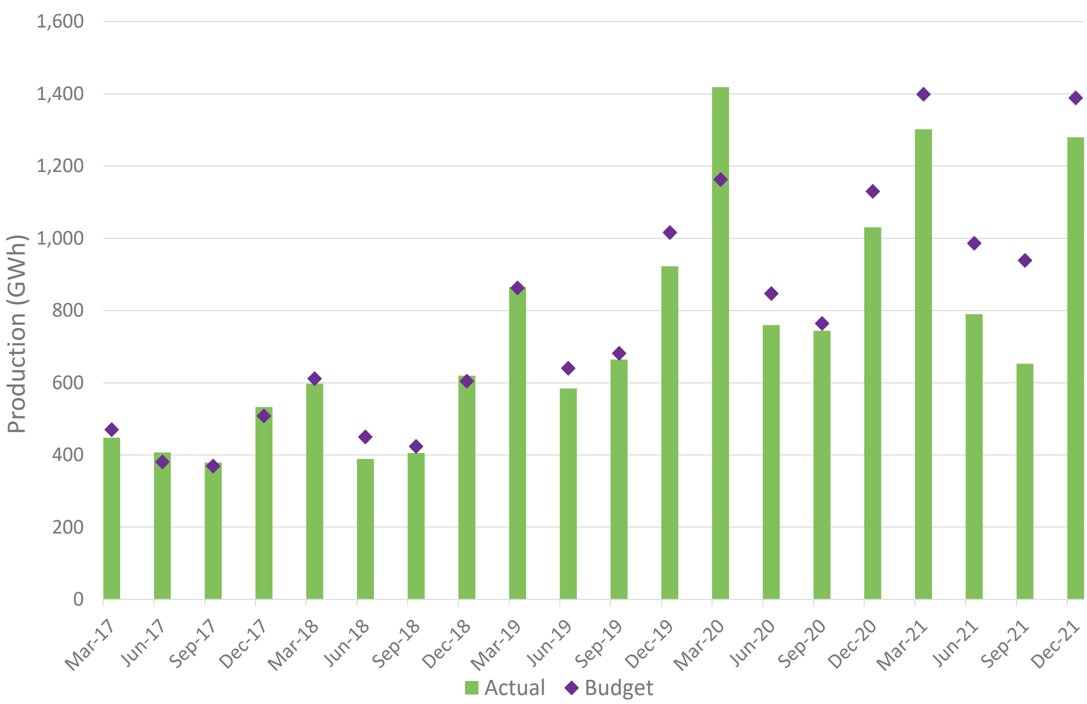
There have been some electrical failure events involving inverters or string combiner boxes across the solar portfolio temporarily impacting parts of the sites. Whilst the plants remained operational, given that sections of the sites were offline for over 24 hours, these incidents were considered reportable events and notified to the HSE. Root causes for these failures include damage due to rodents and minor component failures.

Long-term portfolio performance against budget

2021 has been a low resource year with most regions in the portfolio impacted. Whilst total generation in the year was below long-term average expectations, it was within the variance we would expect to see on an annual basis i.e. for a single year in isolation. TRIG's geographical and technological diversity serves to mitigate against varying weather conditions.

Quarterly generation against P50 budget – 5 year history

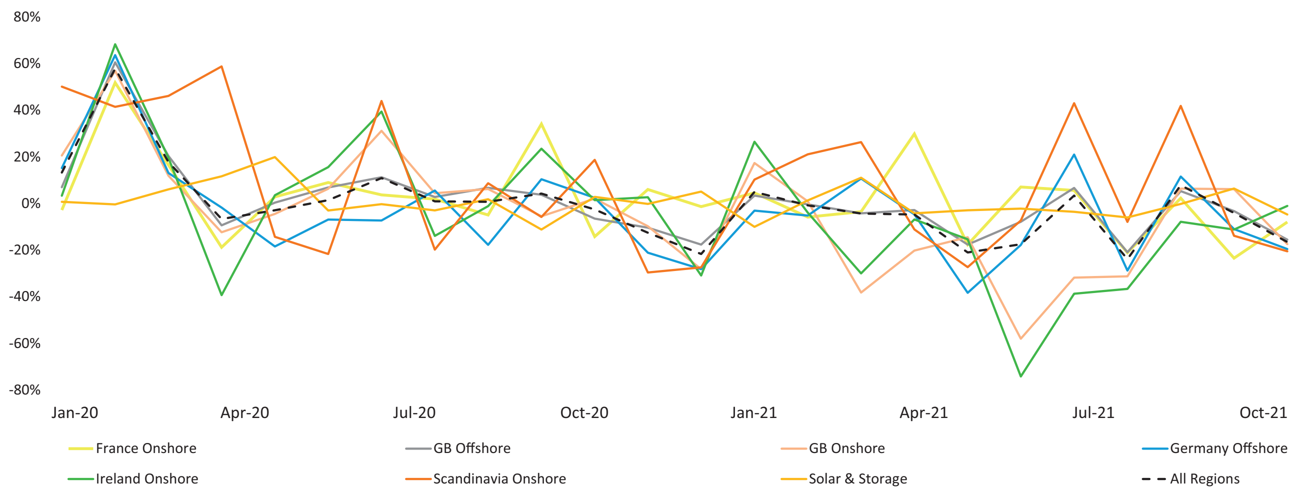
The chart below shows how particularly the middle half of 2021 was impacted due to the untypically low resource seen through 2021.



2.6
Operational Review (continued)

Weather analysis

The graph below shows annual variances of wind and solar resource against the long-term average resource available to TRIG's operating portfolio. The drop in 2021 for a number of the regions is evident.



Enhancements

As Operations Manager, RES is dedicated to enhancing the value of the portfolio through both commercial and technical initiatives. RES has a structured enhancements framework that fosters a culture of innovation, with opportunities regularly identified and assessed both at individual site level and portfolio level.

Examples of some of the commercial and technical value enhancements secured in 2021 include:

- Optimised Operations & Maintenance strategy implemented at Sheringham Shoal offshore wind farm, securing reduced annual operating costs and improved turbine access (expected to reduce downtime), through:
  - Relocating the O&M base to reduce tidal restrictions and technician travel time
  - Securing shared access to a Service Operation Vessel – this large vessel is offshore for weeks at a time and so facilitates better turbine access during poor sea conditions
- Retrofit turbine controllers installed at Altahullion to enable wake steering pilot project, seeking to increase overall site generation while also minimise turbine loading by operating turbines collaboratively to minimise wake impact on neighbouring turbines
- Blade enhancements installed at two trial turbines at Hill of Towie and Green Hill, with yield impact being assessed to inform potential rollout to wider portfolio
- Turbine software upgrade implemented at Epine to increase energy yield, following completion of required acoustic testing and substation modifications, with results to be independently verified
- Improved PPA terms secured within existing contracts, including optimised market index, improved offtake discounts and increased REGO value
- Material cost reductions negotiated across a number of operational contracts while maintaining scope and quality of service

Life extensions for TRIG projects continue to progress well, utilising RES' specialist land, technical and commercial expertise. Extended project life is considered as part of investment decisions for upgrades, supported by detailed monitoring of site performance.

Health and Safety

A strong focus on Health and Safety ("H&S") has always been adhered to in TRIG's operations. The following provides an update of H&S items of note during 2021:

- There were 11 lost time accidents across the portfolio during the year, mostly minor incidents where the injured party was able to return to their normal duties within 7 days. These events were primarily related to slips and trips. The increased ownership of minority interests in larger offshore projects results in a higher number of incidents being captured within our reporting. All subcontractor incidents are also included within these values.
- In addition to internal audits carried out by the asset managers across the portfolio, independent HSQE Assurance audits were undertaken at multiple representative sites in the onshore wind and solar portfolios, with findings considered across the wider TRIG portfolio. The Operations Manager also regularly undertook safety walks across the portfolio.
- The TRIG safety working group, a forum for safety representatives of asset management service providers, continues to pro-actively share best practice and enable collaborative relationships across the portfolio.
- Relevant industry safety alerts were shared and discussed throughout the year and industry involvement continues. RES and other asset managers have been contributing to the work of industry bodies such as 'SafetyOn' and maintaining relationship with country specific government bodies e.g. UK HSE.
- Operations & maintenance and construction activities have progressed well despite the impact of Covid-19, though some availability impacts were seen due to delayed maintenance at the offshore sites. Some restrictions on the movement of people across borders at the outbreak of the Omicron variant also led to occasional delays in scheduled maintenance being commenced.
- A number of the asset managers have continued to focus on mental health within their organisations. RES as Operations Manager held 'Wellbeing week' in 2021 hosting a variety of activities and webinars focused around the four pillars of wellbeing: social, physical, mental and financial.

2.7
Valuation of the Portfolio

Introduction

The Investment Manager is responsible for carrying out the fair market valuation of the Group's investments which is presented to the Directors for their approval and adoption. A valuation is carried out on a six-monthly basis as at 30 June and 31 December each year.

For non-market traded investments (being all the investments in the current portfolio), the valuation is based on a discounted cash flow methodology and adjusted in accordance with the European Venture Capital Association's valuation guidelines where appropriate to comply with IFRS 13 and IFRS 10, given the special nature of infrastructure investments. Where an investment is traded, a market quote is used.

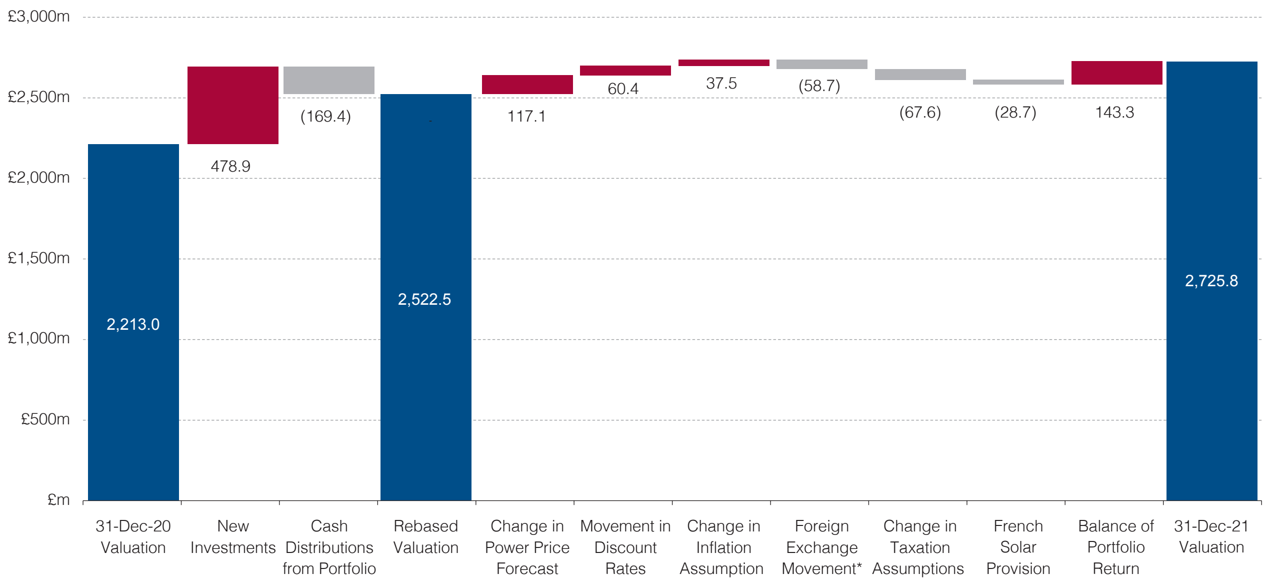
The valuation for each investment in the portfolio is derived from the application of an appropriate discount rate to reflect the perceived risk to the investment's future cash flows to give the present value of those cash flows. The Investment Manager exercises its judgement in assessing the expected future cash flows from each investment based on the project's expected life and the financial model produced by each project entity. In determining the appropriate discount rate to apply to a given investment the Investment Manager takes into account the relative risks associated with the revenues which include fixed price per MWh income (lower risk) or merchant power sales income (higher risk). Where a project has both income types a theoretical split of future receipts has been applied, with a different (higher) discount rate used for an investment's return deriving from the merchant income compared to the fixed price income, equivalent to using an appropriate blended rate for the investment.

The Directors' Valuation of the portfolio as at 31 December 2021 was £2,725.8m. This valuation compares to £2,213.0m as at 31 December 2020 and £2,491.0m as at 30 June 2021.[40]

Valuation movements

A breakdown of the movement in the Directors' valuation in the year is illustrated in the chart and set out in the table below.

Valuation movement in the year to 31 December 2021



* Foreign exchange movement is stated before the offsetting effect of hedges which are held at the Company level. Foreign exchange losses reduce to £21.1m after the impact of foreign exchange hedges.

40 Directors' Valuation is an Alternative Performance Measure ("APM"). See page 173 for details of APMs. Further, the reconciliation from the expanded basis financial results is provided in Section 2.8 – Analysis of Financial Results, and a reconciliation of the Directors' Portfolio Value (APM) to Investments at Fair Value is provided in Note 13 to the Financial Statements.

Valuation movement during the period to 31 December 2021	£m	£m
Valuation of portfolio at 31 December 2020		**2,213.0**
Cash investments net of capital return	478.9	
Cash distributions from portfolio	(169.4)	
Rebased valuation of portfolio		**2,522.5**
Changes in power prices forecast	117.1	
Movement in discount rates	60.4	
Changes in inflation assumptions / deposit rate	37.5	
Change in Foreign Exchange*	(58.7)	
Changes in taxation assumptions	(67.6)	
French solar provision	(28.7)	
Balance of portfolio return	143.3	
Valuation of portfolio at 31 December 2021		**2,725.8**

* Foreign exchange movement is stated before the offsetting effect of hedges which are held at the Company level. Foreign exchange losses reduce to £21.1m after the impact of foreign exchange hedges.

The opening valuation at 31 December 2020 was £2,213.0m. Allowing for net cash investments of £478.9m and cash receipts from investments of £169.4m, the rebased valuation as at 31 December 2021 was £2,522.5m.

Cash investments of £478.9m during the year is predominantly comprised of the following investments:

Investment during 2021	2021 Progress % of committed Portfolio Value[41]	Total % of committed Portfolio Value[41]
Grönhult	1%	3%
Blary Hill	2%	2%
Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita)	3%	6%
Twin Peaks (Ranasjö and Salsjö)	1%	4%
Beatrice	9%	9%

Further detail on each investment is included in section 2.5.

Each movement between the rebased valuation of £2,522.5m and the 31 December 2021 valuation of £2,725.8m is considered in turn below:

(i) Forecast power prices

The valuation at 31 December 2021 is based on current updated power price forecasts for each of the markets in which TRIG invests overlaid with a portion of the higher prices indicated by the forward markets over the next c.2 years. The forecasts are materially up in the short to medium term but lower over the longer term, resulting in an overall increase in valuation of the portfolio from a year ago by a net £117.1m.

2021 has seen significant increases in forecasts for wholesale power prices over the short and medium term across most of the regions in which TRIG invests driving the material increase in the blended curves shown on the next page over the next 3-5 years, compared with a year ago.

High commodity prices, in particular gas and to a lesser extent carbon, are the principal drivers of the increase in forecasts noted above – please refer to section 2.3 for further details. The high gas prices are in part due to a general restriction in supply and this scarcity combined with an increased level of commodity demand and reduced intermittent generation supply (wind and solar) together with outages within conventional generation have result in a relatively tight and hence volatile market. These factors also impact the forwards

41 Committed Portfolio Value is £2,957.0m and includes £231.2m of investment commitments outstanding at the Balance Sheet data.

2.7 Valuation of the Portfolio (continued)

markets but with significant variation from day-to-day. Consequently a relatively conservative approach has been adopted, partially uplifting the forecasters' assumptions for the forward prices indicated at the valuation date of 31 December (taking approximately 40% of the uplift from reflecting the full closing forward prices).

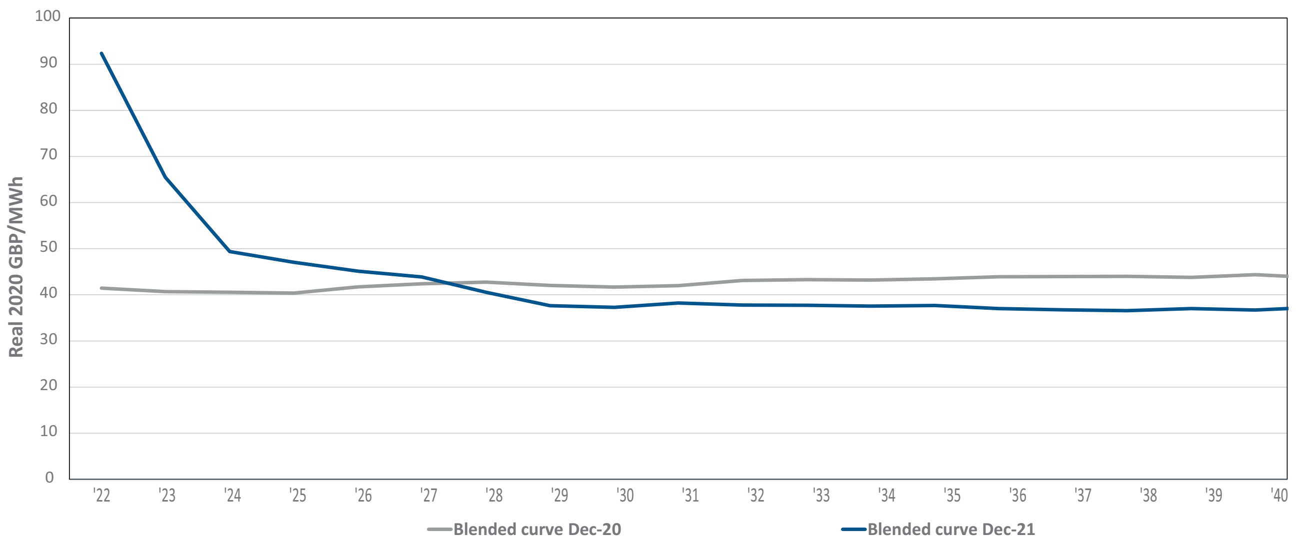
Beyond the short-term horizon covered by liquid forward markets (c. 2 years), there is a further period of modestly increased prices (compared to December 2020), while the forecasts assume gas supplies and prices normalise.

Beyond the medium term the reduced forecast power prices are driven by the increases in assumed renewable generation, as reported in the Interim Results, with limited changes in expectations in the second half of the year. Hence the resulting curve shows very high near-term prices followed by relatively lower prices in the medium and long term.

Power prices are one of the key risks faced by the Company: a number of factors go into power price forecasting to estimate electricity demand including the mix of generation technology meeting this demand and for each technology their associated costs of supply. As such, it is inherently difficult to estimate and then apply these factors to accurately forecast the outcome of this dynamic market. Please refer to Section 2.10 Risk and Risk Management for further analysis.

The weighted average power price used to determine the Directors' valuation is shown below in real terms – this is comprised of the blend of forecasts for each of the power markets in which TRIG is invested after applying expected PPA power sales discounts and reflecting cannibalisation[42] and, where it is believed appropriate, overlaying shorter term forwards to reflect current market pricing.

Illustrative blended power price curve (real prices) for TRIG's portfolio[43]



42 Cannibalisation describes the effect that renewables (an intermittent generator) can have on the overall power prices, whereby the marginal cost of generation, which in turn drives the power prices, is lower than the average which would be expected of a continuous base load generator as a result of the additional supply when renewables are generating. Rates differ over time and between markets but all are affected.

43 Power price forecasts used in the Directors' valuation for each market are based on analysis by the Investment Manager using data from leading power market advisers. In the illustrative blended price curve, the power price forecasts are weighted by the P50 estimate of production for each of the projects in the 31 December 2021 portfolio. Forecasts are shown net of assumptions for PPA discounts and cannibalisation. The average level of reduction to the baseload forecast power price assumed to renewable generation across the portfolio is approximately 15% - 20%.

Region	Average 2022-2026	Average 2027-2050	Average 2022-2050
GB (Real £/MWh)	68	37	42
Average of 5 euro jurisdictions* (Real EUR/MWh)	57	44	46

* France, SEM, Germany, Sweden (SE2 and SE3) and Spain

Cannibalisation is assumed within the adopted power price forecasts across each jurisdiction. The reduction in captured wholesale electricity power prices is forecast to be further impacted in each geography over time as the proportion of production coming from renewables in each market increases.

(ii) Movement in valuation discount rates

The weighted average portfolio valuation discount rate as at 31 December 2021 was 6.6% (31 December 2020: 6.7%). The discount rates used for valuing each investment represent an assessment of the rate of return at which infrastructure investments with similar risk profiles would trade on the open market.

During the year we have observed continuing strong competition for renewables infrastructure, which remains a sought-after asset class, and we continued to see new entrants to the market seeking to buy assets. This has resulted in a continued reduction in the prevailing discount rates applied to renewables investments. Overall the Investment Manager, based on its experience of bidding and transacting in the secondary market for renewable infrastructure assets, has applied an average reduction of 0.3% to discount rates across the portfolio compared to 31 December 2020.

In addition, the mix of investments made in the period have increased the discount rate by approximately 0.2%.

During the year, the Company engaged an independent valuation of the portfolio and a further review of the discount rates adopted for the December 2021 valuation, which confirmed that the rates used were appropriate. This change in assumption has led to an increase in the valuation of the investments of £60.4m.

(iii) Changes to inflation assumptions

Over 2021 as the initial depressing impacts of the pandemic fall out of the inflation figures (the “base effect”), and supply constraints have taken hold, actual inflation has increased. This has accelerated markedly during the second half of the year with forecast expectations over the short to medium term materially exceeding the previously assumed inflation forecast. Given the quantum of increase, consensus amongst forecasters and broad increases in prices across multiple sectors, a short-term increase has been made to the assumption for inflation in the UK of 1.0% for 2022 and 0.75% for 2023. This has resulted in a positive valuation impact of £37.5m.

(iv) Foreign Exchange Movement

Over the year, sterling has appreciated by 6% versus the euro, leading to a £58.7m valuation loss on foreign exchange in relation to the euro-denominated investments located in Germany, Sweden[44], France, the Republic of Ireland and Spain, which reduces to a net £21.1m loss after the impact of foreign exchange hedges held outside the portfolio at company level.

At 31 December 2021, euro-denominated investments comprised 37% of the portfolio. On a committed basis, the proportion of euro denominated investments based on the current portfolio will increase to 42%.

The Group enters into forward hedging contracts (selling euros, buying sterling) for an amount equivalent to its expected income from euro-denominated investments over the short term, currently approximately the next 48 months. In addition, the Group has entered into further forward hedging contracts such that, when combined with the “income hedges”, the overall level of hedge achieved in relation to the euro-denominated assets value is currently approximately 80%. Hedging is also achieved when making investments using the revolving credit facility by drawing in euros for euro-based acquisitions. The Investment Manager keeps under review the level of euro exposure and utilises hedges, with the objective of minimising variability in shorter term cash flows with a balance between managing the sterling value of cash flow receipts and potential mark-to-market cash outflows.

(v) Change in corporation tax rate

As enacted in the Finance Act 2021, the forecast UK corporation tax rate has been increased to 25% (from 19%) commencing April 2023. This change is assumed from this date throughout the lives of all UK companies (i.e. for the full duration of the projects’ economic

44 The majority of Jädraås wind farm income is from wholesale power sales which in the Nord Pool are denominated in Euros. Accordingly, the investment is treated as Euro denominated notwithstanding that the smaller subsidy element of the revenues and some operating costs are denominated in Swedish Krona.

2.7
Valuation of the Portfolio (continued)

lives). This has resulted in a negative valuation impact of £67.6m. This impact is unchanged to that reported in the June 2021 Interim Results.

(vi) French solar provision
As noted in Section 2.3 – Market Development, further detail has been received in the year in respect of retrospective changes to feed-in tariffs in France. This indicates that many of the older French solar projects in the portfolio face proposed cuts to the historical tariffs which are high relative to levels awarded today. A provision of approximately £28.7m (1.4p/share) has been made in the year, and the remaining valuation of the affected assets is 1.3% of Portfolio Value, as at 31 December 2021. The final outcome still remains unclear and, taking into account the possibility of appeals, may take some time to resolve. This impact is unchanged to that reported in the June 2021 Interim Results.

(vii) Balance of portfolio return
This refers to the balance of valuation movements in the year (excluding above) and represents an uplift of £143.3m, equivalent to an 5.7% increase over the rebased value of the portfolio. The balance of portfolio return comprises the expected return, reflecting the net present value of the cash flows brought forward by a year at the average prevailing portfolio discount rate.

Taking the opening average portfolio discount rate (6.7%) and accounting for the fact that the acquisitions during the period occurred partway through the period and consequently these cash flows were brought forward by less than 12 months, gives an expected increase over the year of 5.9%.

The main cause of lower portfolio return than the expected level is the overall generation for the year being below budget with lower wind speeds across geographies being partially offset by higher actual power prices in the period, resulting in a net downside of circa 2 pence per share.

Portfolio enhancement activities have benefitted portfolio valuation and include new power purchase agreements with lower costs to sell electricity than previously forecast. Several of the power purchase agreements across the portfolio include optionality to fix prices for a given period (typically three or six months, up to twelve months in advance) - these options can be used to secure prices when the markets are relatively high and reduce the risks to short-term cash flows, actively managing the short-term power price risk.

Small changes have been made to future assumed interest and deposit rate assumptions in the year. However, the portfolio remains relatively insensitive to the changes in interest rates, which is an advantage to TRIG's approach of favouring long-term structured project financing, rather than short-term corporate debt. Structured project financing is secured against the underlying assets, with the substantial majority benefitting from long-term interest rate swaps which fix the interest costs to the projects. As such, the overall impact of interest rate changes is small.

Investment obligations
At the balance sheet date, the Company had outstanding investment commitments in relation to the construction of the Ranasjö, Salsjö and Grönhult onshore wind farms, and Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita).

Name	Acquired	Net MW	Status	Completion Date	Outstanding Commitment*	Value (fully committed)*
Grönhult	Feb-21	67.0	Construction	Q4 2022	2%	3%
Ranasjö	Jul-21	43.4	Construction	Q2 2024	2%	3%
Salsjö	Jul-21	77.5	Construction	Q2 2024	1%	1%
Arenosas	Sept-21	58.1	Construction**	Q4 2022	1%	2%
El Yarte	Sept-21	58.1	Construction**	Q4 2022	1%	2%
Guita	Sept-21	58.1	Construction**	Q4 2022	1%	1%
Malabrigo	Sept-21	58.1	Construction**	Q4 2022	1%	1%

* Expressed as a percentage of fully committed valuation of £2,957.0m.
** TRIG does not bear construction risk on the Cadiz solar projects. TRIG has a right to put any of the four projects back to the developer of the projects in the event that a project is not successfully commissioned by its long stop date.

The timeline of outstanding commitments is presented below:

	2022	2023	2024	Total
Outstanding Commitments (£m)	145	63	24	231

Fully invested portfolio valuation

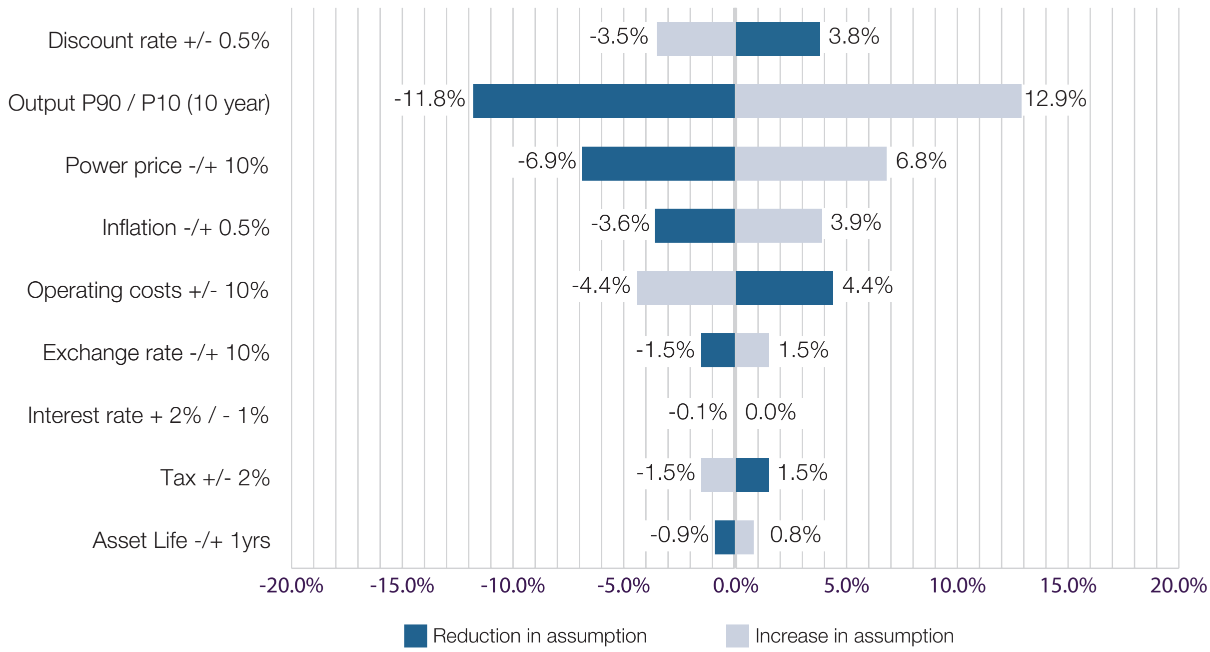
The valuation of the portfolio on a fully invested basis can be derived by adding the valuation at 31 December 2021 and the expected outstanding commitments as follows:

Portfolio valuation at 31 December 2021	£2,725.8m
Future investment commitments	£231.2m
Portfolio valuation once fully invested	£2,957.0m

Key sensitivities

The following chart illustrates the sensitivity of TRIG's NAV per share to changes in key input assumptions (with the labels indicating the impact on the NAV in pence per share of the sensitivities):

Impact of sensitivity on portfolio value



For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life.

The sensitivities assume the portfolio is fully invested and hence the Portfolio Value for the sensitivity analysis is £2,957.0m. Accordingly, the NAV per share impacts shown above assumes the issue of further shares to fund the balance of these commitments.

All of TRIG's sensitivities above are stated after taking into account the impact of project level gearing on returns.

The output sensitivity above incorporates an updated calculation of the portfolio effect which reduces the variability as a result of the diversification of the portfolio. The increased diversification of the portfolio has increased this effect and consequently reduced the sensitivity of the portfolio.

2.8
Analysis of Financial Results

As an investment entity for IFRS reporting purposes, the Company carries its investments in renewables infrastructure projects at fair value. The results below are shown on a statutory and on an "expanded" basis as we have done in previous years. See the box below for further explanation.

Basis of preparation

In accordance with IFRS 10 the Group carries investments at fair value as the Company meets the conditions of being an Investment Entity. In addition, IFRS 10 states that investment entities should measure their subsidiaries that are themselves investment entities at fair value. Being investment entities, The Renewables Infrastructure Group (UK) Limited ("TRIG UK") and The Renewables Infrastructure Group (UK) Investments Limited ("TRIG UK I"), the Company's subsidiaries, through which investments are purchased, are measured at fair value as opposed to being consolidated on a line-by-line basis, meaning their cash, debt and working capital balances are included as an aggregate number in the fair value of investments rather than the Group's current assets. In order to provide shareholders with more transparency into the Group's capacity for investment, ability to make distributions, operating costs and gearing levels, adjusted results have been reported in the pro forma tables below.

The pro forma tables that follow show the Group's results for the year ended 31 December 2021 and the prior year on a non-statutory "Expanded basis", where TRIG UK and TRIG UK I are consolidated on a line-by-line basis, compared to the Statutory IFRS financial statements (the "Statutory IFRS basis").

The Directors have provided the non-statutory Expanded basis to assist users of the accounts in understanding the performance and position of the Company, by including the cash and debt balances carried in TRIG UK and TRIG UK I and expenses incurred in TRIG UK and TRIG UK I.

The necessary adjustments to get from the Statutory IFRS basis to the non-statutory Expanded basis are shown for the primary financial statements. The commentary provided on the primary statements of TRIG is on the Expanded Basis.

Income Statement

The Statutory IFRS basis nets off TRIG UK and TRIG UK I's costs, including overheads, management fees and acquisition costs against income. The Expanded basis includes the expenses incurred within TRIG UK and TRIG UK I to enable users of the accounts to fully understand the Group's costs. There is no difference in profit before tax or earnings per share between the two bases.

Balance Sheet

The Statutory IFRS basis includes TRIG UK and TRIG UK I's cash, debt and working capital balances as part of portfolio value. The Expanded basis shows these balances gross. There is no difference in net assets between the Statutory IFRS basis and the Expanded basis.

The majority of cash generated from investments had been passed up from TRIG UK and TRIG UK I to the Company by 31 December 2021.

At 31 December 2021, TRIG UK I was £72.8m drawn on its revolving credit facility (2020: £40m drawn) being the majority of the difference between the Statutory IFRS basis and the Expanded basis.

Cash Flow Statement

The Statutory basis shows cash movements for the top company only (TRIG Limited). The Expanded basis shows the consolidated cash movements above the investment portfolio which are relevant to users of the accounts. Differences include income received by TRIG UK and TRIG UK I applied to reinvestment and expenses incurred by TRIG UK and TRIG UK I that are excluded under the Statutory IFRS basis.

The purchase of investments on the Expanded basis is funded by both the company's revolving credit facility and amounts passed down after capital raises. The remaining balance is that of reinvestment.

Income statement

Summary income statement	Year to 31 December 2021 £'million			Year to 31 December 2020 £'million		
	Statutory IFRS Basis	Adjustments[1]	Expanded Basis	Statutory IFRS Basis	Adjustments[1]	Expanded Basis
Operating income	174.8	29.5	204.3	119.2	26.6	145.8
Acquisition costs	-	(1.9)	(1.9)	-	(0.8)	(0.8)
Net operating income	174.8	27.6	202.4	119.2	25.8	145.0
Fund expenses	(1.9)	(21.9)	(23.8)	(1.8)	(18.2)	(20.0)
Foreign exchange (loss)/gains	37.6	0.0	37.6	(17.0)	(3.9)	(20.9)
Finance costs	(0.0)	(5.7)	(5.7)	(0.2)	(3.7)	(3.9)
Profit before tax	210.5	0.0	210.5	100.2	-	100.2
EPS[2]	10.0p	-	10.0p	5.9p	-	5.9p

1. The following were incurred within TRIG UK and TRIG UK I; acquisition costs, the majority of expenses and acquisition facility fees and interest. The income adjustment offsets these cost adjustments.
2. Calculated based on the weighted average number of shares during the year being approximately 2,103.9 million shares for 2021 and 1,712.0 million shares for 2020.

Analysis of Expanded Basis financial results

Profit before tax for the year to 31 December 2021 was £210.5 million, generating earnings per share of 10.0p, which compares to £100.2 million and earnings per share of 5.9p for the year to 31 December 2020.

The EPS of 10.0p reflects significant valuation growth in the year versus a weaker period of valuation growth in the comparative period. During 2021 whilst there have been reductions in medium to long term power price forecasts (mostly attributable to assumed greater and faster build out of renewables across geographies) the most significant factor has been significant growth in achieved and forecast near term power prices. Increases in near power prices have been mostly driven by increasing gas and carbon prices as economies recover from the recession caused by the pandemic. Factors driving higher gas prices include: 2021 starting with a long cold winter that depleted European gas storage levels, some gas supply sources into Europe have been disrupted and reduced and demand for gas has increased significantly across the world. Elevated gas and hence wholesale power prices are expected to take some time to normalise. Carbon prices have reached all-time highs during the year also pushing up power prices.

Other areas contributing to valuation growth have been higher levels of actual and forecast inflation in the UK and reductions in valuation discount rates, reflecting continued strong competition for the asset class. Efficient portfolio management alongside other valuation enhancements have also benefitted portfolio value.

These increases are partially offset by foreign exchange movements as sterling appreciated, the impact of an increase in future UK corporation tax rates and provisions made for expected reductions to French feed-in tariffs being proposed by the French Government to apply to certain older solar projects with historically high feed-in tariff levels. The latter two adverse items were reported at the half year results and the impact is unchanged.

Generation in the year was below budget with below average wind speeds across many of the geographies TRIG operates in. This was partially offset by higher than budgeted achieved power prices. This net adverse variance is also recognised in Portfolio Value and Operating Income.

Operating Income reflects the portfolio value movement in the year and is more fully described in Section 2.7.

2.8 Analysis of Financial Results (continued)

Acquisition costs relate to investments in the year, mostly attributable to the investments in Beatrice, Grönhult, Ranasjö, Salsjö, and the Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita).

	Year to 31 December 2021 (£'million)	Year to 31 December 2020 (£'million)
Acquisition costs	1.9	0.8
Total Acquisition commitments made in the year	677.9	516.8
Acquisition costs as % of investments	0.3%	0.1%

An increase in fund expenses in 2021 as compared to 2020 reflects the increase in the size of the portfolio.

Fund expenses of £23.8 million (2020: £20.0 million) includes all operating expenses and £21.5 million (2020: £16.9 million) fees paid to the Investment and Operations Managers. Management fees are charged at 1% of Adjusted Portfolio Value up to £1 billion, 0.8% of Adjusted Portfolio Value between £1 billion and £2 billion and 0.75% of Adjusted Portfolio Value in excess of £2 billion as set out in more detail in the Related Party and Key Adviser Transactions note, Note 18 to the financial statements.

During the year sterling strengthened against the euro resulting in a negative foreign exchange valuation movement for existing euro denominated assets resulting in a loss of £58.7 million (2020: £42.6 million gain), partially offset by gains on foreign exchange hedges and cash and debt balances held at Company level of £37.6 million (2020: £20.9 million loss) recorded in the Income Statement. The net foreign exchange loss in the period is hence £21.1 million (2020: £21.7 million gain).

Finance costs relate to the interest and fees incurred relating to the Group's revolving credit facility. The finance costs in the period are higher than the comparative period reflecting the increased facility size and a higher average level of drawings in the year.

Ongoing charges

Ongoing Charges (Expanded Basis)	Year to 31 December 2021 £'000s	Year to 31 December 2020 £'000s
Investment and Operations Managers' fees	21,520	16,945
Audit fees	272	185
Directors' fees and expenses	342	286
Other ongoing expenses	1,519	1,521
Total expenses[1]	23,653	18,937
Average net asset value	2,435,718	2,014,672
Ongoing Charges Percentage (OCP)	0.97%	0.94%

1. Total expenses excludes £0.1m (2020: £1.1m) of lost bid costs incurred during the year.

The Ongoing Charges Percentage is 0.97% (2020: 0.94%). The ongoing charges have been calculated in accordance with AIC guidance and are defined as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted net asset value in the year. The Ongoing Charges Percentage has been calculated on the Expanded Basis and therefore takes into consideration the expenses of TRIG UK and TRIG UK I as well as the Company's.

The increase in OCP level reflects higher amounts being drawn on the revolving credit facility in the period resulting in a lower NAV compared to Portfolio Value.

Balance sheet

Summary balance sheet	As at 31 December 2021 £'million			As at 31 December 2020 £'million		
	Statutory IFRS Basis	Adjustments	Expanded Basis	Statutory IFRS Basis	Adjustments	Expanded Basis
Portfolio value	2,636.8	89.0	2,725.8	2,160.9	52.1	2,213.0
Working capital	13.9	(15.9)	(2.0)	12.3	(12.9)	(0.6)
Hedging Asset/ (Liability)	27.3	(0.6)	26.7	(1.4)	-	(1.4)
Debt	-	(72.8)	(72.8)	-	(40.0)	(40.0)
Cash	28.2	0.3	28.5	23.1	0.8	23.9
Net assets[1]	2,706.2	-	2,706.2	2,194.9	-	2,194.9
Net asset value per share	119.3p	-	119.3p	115.3p	-	115.3p

Analysis of Expanded Basis financial results

Portfolio value grew by £512.8 million in the year to £2,725.8 million, primarily as a result of the investments made as described more fully in the "Valuation Movements" section of this Strategic Report.

Hedging assets and liabilities represent the value of outstanding foreign exchange derivatives used to manage the Company's risk to movements in the foreign exchange rate between Sterling and Euro. Working capital amounts include debtors, liabilities and capitalised financing costs.

Group cash at 31 December 2021 was £28.5 million (December 2020: £23.9 million) and acquisition facility debt drawn at 31 December 2021 was £72.8 million (December 2020: £40m).

Net assets grew by £511.3 million in the year to £2,706.2 million. The Company raised £433.9 million (after issue expenses) of new equity and produced a £210.5 million profit in the year, with net assets being stated after accounting for dividends paid in the year (net of scrip take up) of £134.1 million. Other movements in net assets totalled £1.0 million, being the Managers' shares accrued at 31 December 2021 and to be issued on or around 30 March 2022.

Net asset value ("NAV") and Earnings per share ("EPS") reconciliation

Net asset value ("NAV") per share as at 31 December 2021 was 119.3p compared to 115.3p at 31 December 2020.

	NAV per share	Shares in issue (m)	Net assets (£m)
Net assets at 31 December 2020	115.3p	1,903.4	2,194.9
Profit/EPS to 31 December 2021	10.0p[1]	-	210.5
Shares issued (net of costs)[2]	0.8p[3]	358.1	433.9
Dividends paid in 2021	(6.8)p		(141.5)
Scrip dividend take-up[4]	-	5.8	7.5
H2 2021 Managers' shares to be issued	-	0.9	1.0
Net assets at 31 December 2021	119.3p	2,268.1[5]	2,706.2[5]

1. Calculated based on the weighted average number of shares during the year being 2,103.9 million shares.
2. Includes shares issued to managers (less costs) during the year.
3 The increase in net assets per share of 0.8p was the result of accretive share issues where shares were issued above the Company's net asset value per share.
4. Scrip dividend take-up comprises 5.8 million shares issued during the year.
5. Balance does not cast due to rounding.

2.8
Analysis of Financial Results (continued)

Cash flow statement

Summary cash flow statement	Year to 31 December 2021 £'million			Year to 31 December 2020 £'million		
	Statutory IFRS Basis	Adjustments	Expanded Basis	Statutory IFRS Basis	Adjustments	Expanded Basis
Cash received from investments	155.4	20.5	175.9	120.6	27.4	148.1
Operating and finance costs	(1.9)	(23.6)	(25.5)	(1.7)	(17.5)	(19.3)
Cash flow from operations	153.5	(3.1)	150.4	118.9	9.9	128.8
Debt arrangement costs	-	(0.1)	(0.1)	-	(4.3)	(4.3)
Foreign exchange gains/ (losses)	3.1	0.5	3.6	(3.4)	(3.5)	(6.9)
Issue of share capital (net of costs)	434.9	(2.0)	432.9	318.3	(1.9)	316.4
Acquisition facility drawn/(repaid)	-	32.8	32.8	-	40.0	40.0
Disposal proceeds	-	-	-	68.2	49.8	118.0
Purchase of new investments (including acquisition costs)	(452.3)	(28.6)	(480.9)	(499.5)	(89.4)	(588.9)
Distributions paid	(134.1)	-	(134.1)	(107.0)	-	(107.0)
Cash movement in year	5.1	(0.5)	4.6	(104.5)	0.6	(103.9)
Opening cash balance	23.1	0.8	23.9	127.6	0.2	127.8
Net cash at end of year	28.2	0.3	28.5	23.1	0.8	23.9

Analysis of Expanded Basis financial results

Cash received from investments in the year was £175.9 million (2020: £148.1 million). The increase in cash received compared with the previous year reflects the increase in the size of the portfolio. The adjustment reflects working capital movements and cashflow available for reinvestment and proceeds in the year.

Dividends paid in the year totalled £134.1 million (net of £7.5m scrip dividends). Dividends paid in the prior year totalled £107.0 million (net of £6.6 million scrip dividends).

Cash flow from operations in the year was £150.4 million (2020: £128.8 million) and covers dividends paid of £134.1 million in the year (2020: £107.0 million) by 1.12 times (or 1.06 times without the benefit of scrip take up), or 2.08 times before factoring in amounts invested in the repayment in project-level debt. The Group repaid £145 million of project-level debt (pro-rata to the Company's equity interest) in the year.

Share issue proceeds (net of costs) totalled £432.9 million (2020: £316.4 million) reflecting the net proceeds of the 356.3 million shares issued during the year through the proceeds of two equity fund raises under the share issuance programme.

In the year, £480.9 million of investments were made, including acquisition costs. These were funded through the March and September equity fund raises (net proceeds of £432.9 million), drawings on the Company's acquisition facility of £32.8 million, as well as the reinvestment of surplus cashflows.

Cash balances increased in the period by £4.6 million reflecting cash flows generated exceeding distributions paid.

The company has future commitments relating to Ranasjö, Salsjö and Grönhult, and the Cadiz solar projects (Arenosas, Malabrigo, El Yarte and Guita) as follows.

	2022 (£'m)	2023 (£'m)	2024 (£'m)	Total (£'m)
Outstanding Commitments	145	63	23	231

Going Concern

The Group has the necessary financial resources to meet its obligations. The Group benefits from a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, it maintains a working capital component of £30m as part of its revolving credit facility (sized at £500m and limited to 30% of Portfolio Value). The Group's project-level external debt is non-recourse to the Company and is limited to 50% of Gross Portfolio Value. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

The directors do not believe that there is a significant risk to the business as a result of the Covid-19 pandemic but will continue to monitor any future developments. Thus they continue to adopt the going concern basis of accounting in preparing the interim financial statements.

Related Parties

Related party transactions are disclosed in note 18 to the condensed set of financial statements.

2.9 Financial KPIs and Review of the Year

	(Year to) 31 Dec 2021	(Year to) 31 Dec 2020	(Year to) 31 Dec 2019	(Year to) 31 Dec 2018	(Year to) 31 Dec 2017
Dividend per share (declared)	6.76p	6.76p	6.64p	6.50p	6.40p
Share price	134.4p	127.8p	138.4p	113.2p	108.6p
Net Asset Value per share	119.3p	115.3p	115.0p	108.9p	103.6p
Total Shareholder Return[1] for the year (share price basis)	11.3% (FTSE All Share – 18.3%)	-2.9% (FTSE All Share – -9.8%)	+29.3% (FTSE All Share: 19.2%)	+10.7% (FTSE All Share: -9.5%)	+ 5.11% (FTSE All Share: +13.1%)
Portfolio Value	£2,726m	£2,213m	£1,745m	£1,269m	£1,081m
Year-on-year growth	+23%	+26%	+38%	+17%	+32%
Number of projects	83	77	74	62	57
Aggregate capacity	2,173MW	1,650MW	1,664MW	1,110MW	821MW
Market capitalisation	£3,047m	£2,433m	£2,265m	£1,334m	£1,029m
Year-on-year growth	+25%	+7%	+70%	+30%	+13%
Number of shares in issue at year end	2,267.2m	1,904.4m	1,636.5m	1,178.4m	947.3m
Ongoing Charges Percentage	0.97%	0.94%	0.98%	1.12%	1.11%

1 Total Shareholder Return ("TSR") measures the internal rate of return based on the share price at the beginning and end of the financial year together with dividends per share reinvested in the Company.

Financing

The Group's £500m revolving credit facility is with a banking group comprising Royal Bank of Scotland International, National Australia Bank, ING Bank NV, Sumitomo Mitsui Banking Corporation, Santander and Barclays. The facility expiry date is 31 December 2023, with options to extend for up to an additional 24 months. Margins on the facility when drawn are 1.85%, the facility can be drawn in Sterling or Euros.

The revolving credit facility enables the Group to fund new acquisitions and to provide letters of credit should they be required. The facility includes a £30m working capital element.

The short-term financing provided by the revolving credit facility is limited to 30% of the portfolio value. It is intended that any drawings used to finance acquisitions are repaid, in normal market conditions, within a year through equity fundraisings.

The acquisition facility was drawn down in the year to fund investments and subsequently repaid following capital raises. The balance at the year end is £73m having been drawn in the final quarter of the year to fund projects in construction.

In addition to the revolving credit facility, the projects may have underlying project level debt. There is an additional gearing limit in respect of such debt, which is typically non-recourse to TRIG, of 50% of the Gross Portfolio Value (being the total enterprise value of such portfolio companies), measured at the time the debt is drawn down or acquired as part of an investment. The Company may, in order to secure advantageous borrowing terms, secure a project finance facility over a group of portfolio companies.

The project-level gearing at 31 December 2021 across the portfolio was 40% (2020: 43%). Principal repayments in the year totalled £145m, as the debt is retired over the project's subsidy periods. Gearing has reduced during 2021 partially due to the scheduled repayment of debt in the year, some of which introduced new debt in projects and some of which were acquired without project debt.

The vast majority of the project debt is fixed and has an average cost of 3.4% (including margin). The project level debt is fully amortising and repaid in each case over the period of the subsidy term. The portfolio weighted average subsidy life remaining is 11 years.

Foreign Exchange Hedging

At the year-end, 37% of the portfolio was located within France, the Republic of Ireland, Sweden[44], Germany and Spain and hence is invested in euro-denominated assets. Once the committed investments at the Ranasjö, Salsjö and Grönhult wind farm projects in Sweden and the four solar projects in Cadiz, Spain, which are in construction, are fully subscribed the proportion of euro-denominated investments based on the current portfolio and valuation will increase to 42%.[45]

The Group enters into forward hedging contracts against expected income from the euro-denominated investments' distributions up to four years ahead. In addition, the Group aims to enter into further forward hedging contracts such that, when combined with the "income hedges", the overall level of hedge achieved in relation to the euro-denominated assets is at least 50% of their aggregate value. The group may also make drawings under the revolving credit facility in euros which provides further foreign exchange hedging.

During the majority of 2021 the Group targeted hedging of approximately 60% to 80% of the overall euro portfolio value. The Group has been maintaining this increased hedging level since 2019 in light of increased Euro/ Sterling exchange rate volatility risk related to Brexit.

The Investment Manager keeps under review the level of euros hedged, with the objective of minimising variability in shorter-term cash flows and reducing NAV volatility. It seeks to maintain a balance between managing the sterling value of cash flow receipts and mark-to-market cash outflows.

As well as addressing foreign exchange uncertainty on the conversion of the expected euro distributions from investments, the hedge also provides a partial offset to foreign exchange movements in the portion of the portfolio value relating to the euro-denominated assets.

The impact on NAV per share of a 10% movement in the euro exchange rate after the impact of hedges held by the Group outside of the investment portfolio is 1.8p assuming an effective euro foreign exchange hedge of 60% – this is explained in more detail in Section 2.7 and Note 4 in the Notes to the Financial Statements (Valuation Sensitivities – euro/sterling exchange rate).

45 The majority of the Swedish wind farms' income is from wholesale power sales which in the Nord Pool are denominated in Euros. Accordingly, the investments in Sweden are treated as Euro denominated notwithstanding that the smaller subsidy element of the revenues and some operating costs are denominated in Swedish Krona.

2.10 Risks and Risk Management

Risk Management

The Company has a risk management framework in place covering all aspects of the Group's business. Given the nature of the Company (being an Investment Company where the Company outsources key services to the Investment Manager, Operations Manager and other service providers), reliance is placed on the Group service providers' own systems and controls.

The identification, assessment and management of risk are integral elements of the Investment Manager's and the Operations Manager's work in both managing the existing portfolio and in transacting new investment opportunities.

The Managers and Board discuss and consider what emerging risks there are to the Company at the board meetings. The Company has a range of advisers in addition to its Managers. These advisers report on key topics and potential events which may present potential risks that the Board and the Manager need to monitor and, where possible, mitigate. In addition, the Company and its Managers are registered with various industry bodies which alert both the Board and the Managers of emerging risks as key events and news items unfold.

The inherent risk of each existing and emerging risk is assessed based on their likelihood of occurring and their potential impact should they manifest. Where necessary and possible, mitigation plans are developed to reduce the residual risk.

The Managers utilise their systems, their policies, oversight of the supply chain and third-party input to manage these risks. The strength of mitigants and controls is applied to the inherent risk to determine the residual risk, which is classified as 'high', 'medium', 'low' or 'insignificant'. If a new risk arises or the likelihood of a risk occurring increases, a mitigation strategy is, where appropriate, developed and implemented together with enhanced monitoring by the Investment Manager and / or Operations Manager.

The Managers review and consider the Group's key and emerging risks with the Board on a quarterly basis. Given the stability of the Company's investment policy and focus of its strategy (i.e. investments in renewable energy infrastructure projects in the UK or Europe), the risks in the Group are not expected to change materially from quarter to quarter.

The Board's Management Engagement Committee also reviews the performance of the Investment Manager and Operations Manager (as well as all key service providers) annually, which includes a consideration of the Managers' internal controls and their effectiveness and the maintenance of a risk control matrix.

Risks and Uncertainties

The Board and the Managers have considered and reviewed the key risks. Risks relating to the Covid-19 pandemic have emerged in the year and risks relating to the UK's exit from the EU ("Brexit") have reduced during the year. Both have had ongoing impacts through 2021 and into 2022, with Covid-19 risks likely to remain elevated. In addition, it is considered that regulatory and political risk has increased during the year. The Company has been faced with substantial increases in corporation tax rates in the UK and adverse regulatory change on subsidies in France. The risk of increases in taxes remains as sovereign balance sheets are stretched due to Covid-19 related stimuli, and with gas and electricity prices placing greater pressure on household bills. We consider this has increased the regulatory risk across TRIG's markets.

The risks arising from these three elements are embedded in risk factors already identified by the Board and the Managers. As such, the Board and the Managers have concluded that there has been no material change to the key risks or their residual risk classifications in the year, including risks resulting from climate change factors, other than the regulatory and political risks as noted above.

Risks relating to the Covid-19 pandemic

Risk factor	Key mitigants
Health and safety	▲ Enhanced Covid-19 site practices were promptly implemented and remain under on-going review, including testing crew boarding vessels, temperature checking on-site and when entering buildings, segregation of work teams, dedicating work vehicles to specified individuals and working from home. Operationally, this has meant we have maintained with the 2021 AFR lower than that of 2020 0.21 v 0.49
Energy yield	▲ Maintaining asset availability through enhanced asset condition monitoring and undertaking proactive works when government restrictions allow ▲ Diversified portfolio spreading weather dependency and single asset reliance

Risk factor	Key mitigants
Political / regulatory	▲ Pressures on government budgets resulting from their response to the Covid-19 pandemic may result in fiscal action. For example, France is seeking to reduce certain historical solar feed-in-tariffs. The Managers have engaged with French government officials to highlight that secondary investors, such as TRIG, are seeking a modest return from their investment and that we are distinct from historical developers. The French renewables industry body has lodged an annulment action against the tariff reduction law. The asset managers of TRIG's projects are exercising the safeguarding clause within the law to reduce the financial impact on TRIG's investments. Further detail on the financial impact is provided in Section 2.7 – Valuation of the Portfolio ▲ Further retrospective action in Europe to existing subsidy arrangements is mitigated as governments look to maintain investor confidence to support decarbonisation ▲ Diversified portfolio spreading regulatory dependency
Taxation	▲ The UK government will be increasing the corporation tax rate from 19% to 25% from April 2023. The impact of this has been reflected in the Company's Portfolio Valuation. Geographical diversification of the Company's portfolio across Europe reduces the impact of policy changes by any one government ▲ Increased risk across the portfolio arising from governments' response to the economic and social consequences of the Covid-19 pandemic, which may result in an increase in tax rates to fund expenditure ▲ The sensitivity of the Company's NAV to changes in taxation rates is provided in Section 2.7 – Valuation of the Portfolio

Risks relating to Brexit

Risk factor	Key mitigants
Political / regulatory	▲ Brexit may affect the relationship between Scotland and the UK as a whole. An independent Scotland's energy policies may impact the renewables market, potentially including future new capacity deployment, the treatment of historical subsidies or the trajectory of power prices. The relationship between the Scottish devolved government and the UK's government at Westminster is monitored ▲ Changes to UK fiscal policy may arise following Brexit. The UK government's policy agenda is monitored ▲ Additional administration has been introduced for goods, including parts, crossing the UK border
Electricity pricing	▲ Power prices in GB's two day-ahead auctions were previously linked to a European-wide algorithm. These are now de-coupled from each other resulting in market inefficiencies. The risk of additional price volatility is reduced through a significant portion of TRIG's near-term portfolio-level revenue benefits from government-backed subsidies. The auctions may be re-coupled as part of new market mechanisms by 2022 ▲ A UK Emissions Trading Scheme (UK ETS) replaced the UK's participation in the EU ETS on 1 January 2021. The extent to which the UK ETS diverges from the EU ETS in pricing level and scope may lead to additional complexity in power price management

2.10
Risks and Risk Management (continued)

Risk factor	Key mitigants
Sub-contractor delivery	▲ The risk of sub-contractor delivery failure or delay arising from Brexit related border controls is mitigated through a dedicated programme by the Operations Manager of ensuring the assets in TRIG's portfolio and their sub-contractors hold critical spares and that proactive monitoring and maintenance was being undertaken to reduce risk of failure
Macroeconomic factors	▲ Foreign exchange risk continues to be managed through the Investment Manager's application of the Company's hedging policy

Risks relating to significantly increased consumer bills

Risk factor	Key mitigants
Political / regulatory	▲ Current very high commodity prices is leading into higher consumer bills for gas and electricity, potentially increasing the risk of adverse regulatory change to mitigate retail costs. This risk is mitigated through operating within stable regimes and with governments where the support for the net zero transition is high

Risks identified in the Company's risk management framework

This section sets out the key risks faced by the Group categorised by their residual risk rating.

The table below sets out the risks with a 'high' residual risk categorisation. They relate to macro factors driven by externalities where the common mitigant is the diversification within TRIG's portfolio.

RESIDUAL RISK - 'HIGH'

Risk factor	Key mitigants
Energy yield Portfolio electricity production falling short of expectations	▲ Diversification of the portfolio across a variety of geographies, therefore weather systems, and renewables technologies, including the complimentary seasonal bias of solar production ▲ Established nature of wind and solar technologies; typical levels of availability in a given year are around 96% to 99% ▲ Experience of Operations Manager in monitoring portfolio production and delivering asset availability ▲ Utilisation of the Operations Manager's and third-parties' expertise when assessing energy yield estimates during acquisition due diligence ▲ Improvements in technology providing future opportunities for enhancement, life extensions and repowering ▲ The sensitivity of the Company's NAV to deviations from energy yield expectations is provided in Section 2.7 – Valuation of the Portfolio

RESIDUAL RISK - 'HIGH'

Risk factor	Key mitigants
Electricity pricing Wholesale electricity prices moving adversely, as a result of factors including: (i) electricity demand increasing less then expected (ii) the volume of renewables and other generation with low marginal costs increasing more than expected within the energy mix, and (iii) natural gas prices and carbon pricing being lower than expected.	▲ A significant portion of TRIG's near-term portfolio-level revenue benefits from government-backed subsidies (e.g. renewable obligation certificates, feed in tariffs and contracts for difference), power price fixes or power price financial hedges ▲ Forward pricing mechanisms, including through offtake agreements with utility or corporate counterparties and hedging instruments with financial institutions, provides some protection against short-term fluctuations ▲ The weighted average power price forecast used to determine the portfolio valuation is comprised of a blend of the forecasts for each of the power markets in which TRIG is invested after applying expected power purchase agreement sales discounts and reflecting cannibalisation ▲ In the longer term, power price risk arising from the climate-change-related transition to net zero (expanded upon in the Company's TCFD reporting in Section 2.4 – Sustainability) may be mitigated through: • Storage technologies enabling renewables to become partly dispatchable and able to capture higher prevailing prices at times of higher demand • The increasing electrification of the transport and heating sector and the commercial development of renewables-generated 'green' hydrogen could support long-term demand for power • Greater value attribution to renewables because it is green ▲ The sensitivity of the Company's NAV to changes in power price forecast assumptions is provided in Section 2.7 – Valuation of the Portfolio
Political / regulatory Government or regulatory support for renewables changes adversely, including retrospective changes to contracted tariffs or established cost frameworks	▲ UK and European economies where opportunities fall within TRIG's acquisition focus have, broadly, demonstrated a robust approach to grandfathering commitments[46] to existing installed capacity ▲ The risk of regulatory changes to power markets remains, elevated in the near-term given increased consumer bills (e.g. recent intervention in Spain and Italy). Diversification of the portfolio across a variety of geographies means that electricity is sold into distinct electricity markets (GB, Irish SEM[47], France, Nordics, Germany and Spain), each with different factors influencing the regional electricity price ▲ Future subsidies generally track the fall in development costs of maturing technologies, providing appropriate public value-for-money ▲ With the reductions in costs of deploying renewables driving renewable energy to grid parity, unsubsidised assets are being developed, particularly in the Nordic (onshore wind) and Iberian (solar PV) regions ▲ Emphasis on energy security as a key item on the public agenda, in light of both dwindling North Sea fossil fuel production and broader geopolitical concerns ▲ Strong public and political momentum in TRIG's markets of focus towards meeting long-term United Nations, European Union and national decarbonisation efforts (e.g. the EU's New Green Deal and the UK's Energy White Paper) ▲ Should Scotland separate from the rest of the UK, an independent Scotland's energy policies may impact the renewables market. The relationship between the Scottish devolved government and the UK's government at Westminster is monitored. The Company's diverse portfolio alongside the Scottish government's commitment to achieving net zero by 2045 reduces this risk

46 Notwithstanding in France where a proposal has been voted in to reduce certain historical tariffs. Further detail is provided in Section 2.7 – Valuation of the Portfolio. This affects assets representing less than 1.1% of TRIG's portfolio, by value, and is not expected to have a significant financial impact on the overall portfolio.
47 SEM refers to the Irish Single Electricity Market.

2.10 Risks and Risk Management (continued)

RESIDUAL RISK - 'MEDIUM'

Risk factor	Key mitigants
Liquidity / treasury management	▲ The Investment Manager's policies and controls in relation to cash management ▲ Regular cash monitoring by the Board and Investment Manager ▲ Regular cash flow forecasting and stress testing prepared by the Investment Manager and considered by the Board in setting dividend targets and declaring dividends ▲ Revolving credit facility provides liquidity to finance acquisitions between equity capital markets fundraising
Counterparty credit	▲ Diversification of counterparty exposure through several component suppliers and service sub-contractors ▲ The Managers have dedicated credit monitoring functions. Their analysis is reported to the Board quarterly ▲ Managers prepare contingency plans when credit quality deterioration is identified to prepare for an event of counterparty failure ▲ Credit quality of project counterparties is assessed as part of the acquisition due diligence process ▲ Further detail on the portfolio's counterparty exposure is provided below
Taxation	▲ Corporation and local tax rates are changed by governments and local authorities from time to time. There is a risk that tax rates are increased to fund government deficits arising from the Covid-19 pandemic or to fund increased costs arising to consumers from higher energy pricing. Some mitigation is achieved as a result of the diversification across geographies and therefore different government policies ▲ Relevant tax rules are closely monitored, utilising third-party advisers where necessary ▲ The sensitivity of the Company's NAV to changes in taxation rates is provided in Section 2.7 – Valuation of the Portfolio
Sub-contractor delivery	▲ The Operations Manager, RES, sits on the boards of the project companies. Through this role, and reporting information provided, the Operations Manager reviews projects and their sub-contractors' performance ▲ Where RES is a sub-contractor to a project or in other specific circumstances, representatives of the Investment Manager, InfraRed, will sit on the board of the project company ▲ The Operations Manager maintains a regular dialogue with major sub-contractors to ensure challenges and issues are resolved proactively ▲ In extremis, sub-contractors can be terminated for poor performance. Replacement sub-contractors are generally readily available
Macroeconomic factors	▲ Foreign exchange: hedging policy established and adhered to ▲ Inflation: the income from the portfolio has a correlation with inflation. Most of the subsidy regimes and some costs are linked to inflation. It is expected that power prices have some positive correlation with inflation in the longer term ▲ Interest rates: fixed-rate debt or interest rate swaps to reduce interest rate exposure at project level; limited exposure at Company level ▲ The sensitivity of the Company's NAV to changes in macroeconomic factors is provided in Section 2.7 – Valuation of the Portfolio

RESIDUAL RISK - ‘MEDIUM’

Risk factor	Key mitigants
Construction projects	▲ Through the acquisition process, the Investment Manager, with input from the Operations Manager, undertakes risk allocation and counterparty due diligence when determining the appropriate valuation for, and whether to proceed with, the opportunity, utilising input from third-party legal and technical advisers where necessary ▲ The Operations Manager sits on the boards of the project companies. Through this role, and with reporting information provided, the Operations Manager reviews construction progress and is able to intervene where necessary ▲ The Operations Manager provides quarterly updates to the Board on each project in construction
Physical single points of failure	▲ Some infrastructure that is important to the performance of TRIG’s portfolio exists outside the direct control of individual projects, such as grid connections. Exposure to single points of failure is reduced through portfolio diversification and TRIG’s balanced portfolio manages single asset concentration ▲ Acquisition due diligence considers the contractual provisions and protections for individual projects, factoring the conclusions into investment valuations and decisions ▲ Actively monitored by the Operations Manager through project company risk matrices and analysis of shared exposure between projects
Supply chain	▲ There is the risk of non-sustainable behaviour (actual or alleged) in the supply chain that may be outside the direct control of the Managers, such as working conditions, greenhouse gas emissions, and other ESG factors – to mitigate this acquisition due diligence is a key control, with counterparties identified as high risk being subjected to enhanced procedures ▲ The Operations Manager engages with and monitors counterparties throughout the asset life with a rigorous selection process for new counterparties / suppliers
Balancing risk	▲ Power price financial hedges may lead to generation risk remaining with the generator. This means that if the generator does not generate its contracted level of electricity in any one settlement period, then it must cash settle the difference. The risk of significant financial exposure in this regard is managed by: • Hedging across a group of assets to reduce the risk of under-performance of any one asset • Increasing the length of the settlement period so short-term down time or poor weather resource has less of an impact on overall generation • Limiting the volume of electricity production hedged, typically less than P90 levels

2.10
Risks and Risk Management (continued)

RESIDUAL RISK - 'LOW' OR 'INSIGNIFICANT' GROUPED BY AIFMD CATEGORY

AIFMD category	Risks
Operational	▲ Energy yield ▲ Political / regulatory ▲ Sub-contractor delivery ▲ Construction projects ▲ Supply chain ▲ Physical single points of failure ▲ Health & safety ▲ Climate change – see Section 2.4 – Sustainability for TRIG's reporting against the recommendations of the Task force on Climate-related Financial Disclosures ('TCFD') ▲ Stakeholders: communities and investment partners ▲ Asset-level regulatory compliance ▲ Insurance ▲ Cybersecurity ▲ Fraud and management override ▲ Breach of Company-level regulations or contractual covenants ▲ Transaction due diligence and structuring ▲ Key person and Company-level service provider failure ▲ Conflicts of interest ▲ Portfolio valuation error
Liquidity	▲ Liquidity / treasury management ▲ Asset-level liquidity and gearing
Counterparty	▲ Counterparty concentration
Credit	▲ Risk of counterparty failure
Market	▲ Electricity pricing ▲ Macroeconomic factors, including interest rates, inflation and foreign exchange ▲ Equity capital markets ▲ Deal flow and transaction pricing ▲ Breach of company policies
Taxation	▲ Changes in corporation tax rates, limitations on tax relief on interest deductions and other tax risks

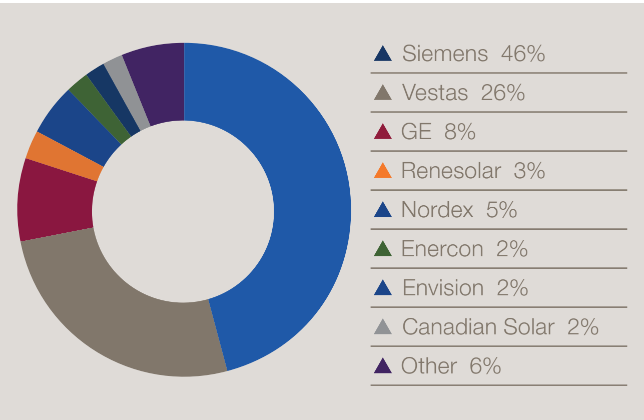
Counterparty Exposures

Given the importance of state subsidies for investment in renewables, TRIG has exposure to the creditworthiness of and policy commitments by national governments and is reliant on the consistency of government policy, for example "grandfathering" within the UK whereby renewables generators continue to receive the same level of subsidy, set upon commissioning, for the duration of the incentive. In addition, each project company enters into a commercial PPA[48] with a utility or energy trading company to enable them to sell the electricity generated and to receive the FiT[49] or ROC[50] subsidy payments.

The project companies have entered into PPA's with a range of providers. Each project company enters into a contract for the maintenance of the plant. This is often, but not always, with the original equipment manufacturer, in recent years there has been an increase in the number of alternative providers in an expanding renewables equipment maintenance market. There are also contracts with equipment and/or EPC providers who may be building or maintaining plant and/or have defect guarantees for past works. For both wind and solar sectors, projects may also benefit from equipment provider warranties. Failure of any of these counterparties represents a risk for the group.

There are significant exposures to counterparties, for example, Statkraft and Scottish Power (as PPA providers), and Vestas, Siemens and RES (as equipment and maintenance providers).

Exposure to equipment manufacturers are shown on an invested portfolio valuation basis



In the event that a counterparty or guarantor enters insolvency, then there is a risk of disruption while counterparties are replaced and a risk of distribution lock-up for the assets that are project financed.

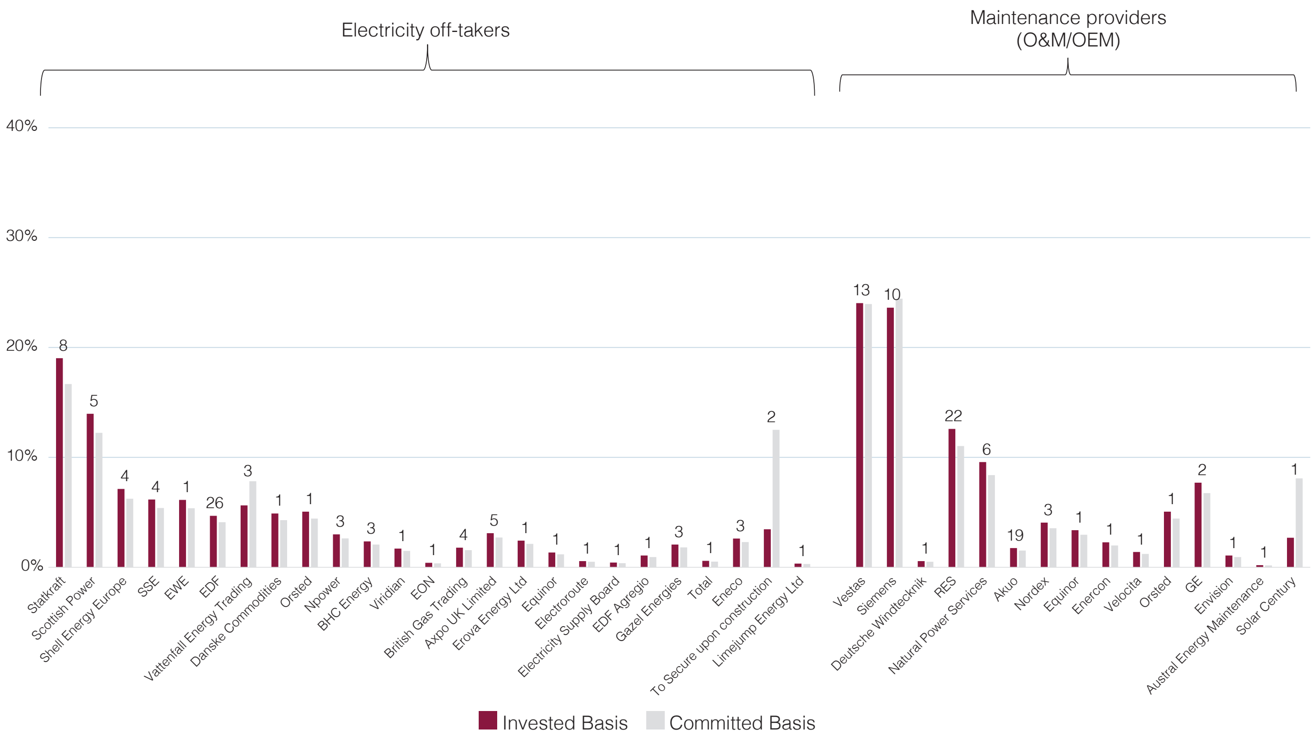
Given the Covid-19 global pandemic, and financial difficulties faced by some other turbine suppliers, there is concern around the future of turbine suppliers in the sector. Whilst TRIG has the largest exposures to Siemen and Vestas, the largest turbine suppliers in Europe, the Company does use a wide range of suppliers to help mitigate concentration risk. The fundamentals behind the industry, policies supporting wind energy globally, remain in place and we believe that although certain turbine suppliers may be facing difficulty, the risk is not systemic.

48 Power Purchase Agreement.
49 Feed-in Tariff.
50 Renewable Obligation Certificates.

Recent elevated wholesale power prices may present challenges to retail electricity suppliers with unhedged positions, some of whom may also be PPA providers to the Group. The Company regularly monitors the credit worthiness of all PPA counterparties and has not identified any significant financial issues with any of the Group's PPA providers.

Some project companies have more than one counterparty in each category – where that is the case, the relative valuation of the associated project in the illustration below has been apportioned between counterparties.

Illustration of the range of PPA counterparties, equipment manufacturers and maintenance suppliers as at 31 December 2021 by relative value of associated projects[1] and number of projects:



The chart provides an analysis of the exposure to PPA counterparties, as well as the equipment and maintenance providers, as measured against the portfolio valuation and against the number of projects in which the counterparty is involved.

2.11 Stakeholders and Corporate Culture

Stakeholder Management

The Board believes in conducting business responsibly, which means behaving ethically, respecting people and the environment.

TRIG maintains high standards of business conduct and stakeholder engagement to ensure a positive impact on the communities and environment in which the Company operates. This requires consideration of stakeholders by building strong relationships with suppliers, customers, communities and authorities among others.

TRIG's relationships with its stakeholders and its dedication to maintaining a responsible approach to investment, is essential to position TRIG well for the longer term – and is expected by its shareholders.

Illustration of principle stakeholders

Corporate-Level Stakeholders

- **Investment Manager**
  InfraRed Capital Partners
- **Operations Manager**
  res power for good

Other corporate suppliers
- Administration & secretarial
- Corporate broking
- Revolving facility providers
- Legal
- Registrars
- Public relations
- Auditing/tax
- Data services/other

The Company

TRIG
- **Shareholders**
- **Board of Directors**

External/Portfolio Stakeholders

Operational partners
- Developers, builders & operators
- Financial

Vendors
- Utilities & other developers
- RES or InfraRed (as vendor)

Portfolio customers
- PPA counterparties

Portfolio suppliers
- OEMs & spare part providers
- O&M providers
- Land owners
- Project financing & swaps

Local communities
- Local authorities
- Community funds
- Employment opportunities
- Events – schools/clubs
- Environmental maintenance

Other external stakeholders
- EU, Government & Ofgem
- Grid networks
- Renewables industry community
- AIC & London Stock Exchange
- Media
- Market analysts

TRIG and its appointees work with many stakeholders in the management of the business in the following categories:

Shareholders & the Board:
The Board of Directors is ultimately accountable to the Shareholders for the running of the business, the making of key strategic decisions, and all key appointments of service providers. The Board is non-executive and delegates certain activities, including day-to-day investment management and operations management, and works closely with all key service providers. Shareholder interaction is regarded as a critical component of the management of TRIG and the Board works closely with the Managers, InfraRed and RES, with the Company Secretary, Aztec, and with the Company's brokers, Investec and Liberum, to keep abreast of the needs and concerns of shareholders

Corporate-level suppliers:
As well as the critical day-to-day oversight of the portfolio provided by InfraRed and RES, TRIG has a set of corporate providers which ensure the smooth running of the Company. In administration, Aztec provides consistent support for corporate and company secretarial activities, while Investec and Liberum act as key intermediaries between the Company and its shareholder base, working with the Managers to arrange meetings with current and prospective investors, monitoring equity market conditions and advising on capital raising activities.

2.11 Stakeholders and Corporate Culture (continued)

TRIG benefits from the commitment and flexibility of six corporate lenders for the Company's revolving credit facility, namely National Australia Bank, Royal Bank of Scotland International, ING Group, Sumitomo Mitsui Banking Corporation, Barclays and Santander. Carey Olsen and Norton Rose Fulbright provide corporate legal support for the business in Guernsey and London respectively and tax services are provided by KPMG. Our registrar, Link Market Services maintains the shareholder register and manages the processing of shareholder communications with our other advisers. Regarding public relations, TRIG receives advice and practical coordination from Maitland/AMO Strategic Advisers. TRIG also accesses a number of key data providers, including technical reports in relation to acquisitions and regular power price forecasts and commentary from several specialised providers. The Company's auditor is Deloitte. Additional valuation services are provided by independent valuers from time to time. The Company also receives a range of other services including shareholder list analysis, webhosting, design and remuneration consulting.

Operational partners:
TRIG benefits from co-investing alongside several joint venture partners, some being developers and vendors, such as Equinor, Orsted, SSE and Akuo Energy and others being financial co-investment partners, for example APG and Equitix. In each case, the Managers build on the relationship with the co-investor, providing representatives to attend project board meetings to coordinate and monitor the investment, with the additional potential to share best practices.

Vendors:
TRIG's reputation for reliability and efficiency in transaction management with a variety of vendor counterparties (having now transacted with 19 counterparties) helps the Company to continue to derive value in origination by accessing projects off-market (including from RES itself under the right of first offer agreement).

Portfolio Customers:
As an energy provider, TRIG's key customers are PPA counterparties. These offtakers pay for and receive TRIG's portfolio companies' output – with revenues being payments for the renewables benefits as well as commercial power for those projects permitted to receive power market revenues.

Portfolio Suppliers:
TRIG's key operational suppliers include Original Equipment Manufacturers ("OEMs"), spare part O&M providers and increasingly Independent Service Providers ("ISPs"). On construction projects the key suppliers are the EPC Contractors, turbine suppliers and balance of plant contractors. Utilities also provide certain site-specific services such as meter readings. The operations teams maintain relationships with the site landowners who receive rental payments. Lenders to the project companies include many leading domestic and international banking groups, TRIG's Managers maintain discussions with key lenders as there are opportunities to refinance projects as market conditions allow and this has been done selectively within the portfolio to date.

Local Communities:
TRIG is conscious of its role in the local communities in which its projects operate. Close consultation with local planning authorities is an important feature of renewables whether in construction, during operations or preparing for the potential repowering or dismantling of a project. Socially, TRIG seeks to provide educational events at its larger sites, while also contributing via community funds to local projects ranging from playgroups to cultural events.

Economic activities around the sites provide additional demand for local goods and services as well as local employment opportunities for example in the maintenance of the sites and access. These are particularly valued in areas where a long-term urbanisation trend has resulted in reduction in the local rural economies.

TRIG seeks to promote best practices across the portfolio, in areas such as noise monitoring, shadow flicker, ice throw, landscaping, the provision of community events and liaison with the local media.

Further details on how TRIG interacts with the local community can be found in Section 2.4, Sustainability.

Other External Stakeholders:
The Company maintains a close dialogue, through its Managers, with key regulators as well as with the regulated networks, such as National Grid and the relevant network operators in the UK. At a policy level, TRIG's Managers monitor requirements and engage with key government departments and regulatory bodies. At the network level, TRIG's Managers and O&M providers communicate in several areas for example on grid outage issues, on the role of renewables assets as locally embedded suppliers of energy as well as on technical or contractual issues. In the investment company space, the Association of Investment Companies (AIC) plays a key role in shaping the influence of this growing segment of the London market and TRIG seeks to apply AIC guidelines where relevant to its business and maintains an active dialogue as one of the leading companies in its sub-sector. The Managers also keep market financial analysts appraised of TRIG's strategy, performance and outlook.

Section 172(1) Statement:

The Company provides disclosure relevant to the requirements of Section 172(1) a)-f) throughout the Strategic Report. Please see the table below for a reference to where this information can be found:

Section 172(1) statement area	Reference
The issues, factors and stakeholders the Directors consider relevant in complying with section 172 (1) (a) to (f) and how they have formed that opinion.	During the Board's quarterly meetings, both the Investment Manager and Operations Manager are required to provide updates on items that relate to section (a)-(f). Primarily, this is achieved through quarterly Investment Manager and Operations Manager reports. The Company's relationships with suppliers, customers and contractors is a key part of the operations report, whilst items relating to shareholders, Company reputation and investment decisions are contained within the Investment Manager report. The Board challenges the Managers to be alert to the concerns of stakeholders and how best to address these concerns to ensure continuing positive stakeholder engagement. The Company's risk review framework also facilitates the identification of items relevant to the Section 172 (1) statement. The annual review of the Strategy by the board encompasses the longer-term factors relating to the Company's decisions and the implications for the communities and environments in which our investments are made. As part of the Annual Strategic Review process, key stakeholders such as partners, suppliers, customers and local communities are also discussed. The Board's approach to engaging with these stakeholders are outlined above.
(a) the likely consequences of any decision in the long-term	The Board considers the likely consequences on all stakeholders of decisions taken as part of the Annual Review process. Please see sections **2.1 TRIG's Investment Proposition** and **2.2 TRIG's Business Model and Strategy**
(b) the interests of the Company's employees	The Company does not have any employees. Please see section **2.12 Stakeholders and Corporate Culture**
(c) the need to foster the Company's business relationships with suppliers, customers and others	Please see section **2.12 Stakeholders and Corporate Culture**
(d) the impact of the Company's operations on the community and the environment	The risk framework of the Company overseen by the Board specifically consider environmental and social factors, as detailed in section **2.10 Risks and Risk Management**. Please see Sections **2.4 Sustainability** and **2.11 Stakeholders and Corporate Culture** for further information.
(e) the desirability of the Company maintaining a reputation for high standards of business conduct	An example of this would the Company's signing of an ESG-linked credit facility as explained elsewhere in this report. This facility is the first of its nature in the listed infrastructure sector and enhances the Company's reputation for high standards of business conduct. Please see sections **2.4 Sustainability** and **2.12 Stakeholders and Corporate Culture**
(f) the need to act fairly as between members of the Company	Please see sections **2.4 Sustainability, 2.12 Stakeholders and Corporate Culture** and **6 Corporate Governance Statement**

2.11 Stakeholders and Corporate Culture (continued)

Corporate Culture

The Company's approach to corporate culture, including sustainability and diversity and inclusion, includes:

- Considering that the risk appetite of the Company is consistent with the risk appetite of the Company on a regular basis;
- Embedding and improving on good practices in the day-to-day management processes – which are assessed by the Board in the course of the quarterly Board meetings as well as in a wide range of ad hoc interactions during the year;
- Ensuring both Managers and the Board maintain specific initiatives to promote diversity and inclusion;
- Promoting an appropriate culture of stewardship, responsibility, accountability and openness; and
- A focus by the Board and Managers on appropriate interaction with key stakeholders, including shareholders, lenders, regulators, vendors, co-investors and suppliers.

The Chairman, Helen Mahy, sets a strong example in maintaining an effective corporate culture, for example, by her active advocacy of equal opportunities. Outside of TRIG, Helen is a member of the steering committee of the Parker Review into the Ethnic Diversity of UK boards which was published in October 2017 and updated in February 2020. In addition, she is a patron of a charity, the Social Mobility Business Partnership, she is co-chair of the Employers Social Mobility Alliance, Chair of the Safety, Sustainability, Health and Environment Advisory Committee of SSE plc. and is an Equality and Human Rights Commissioner, for whom she chairs the Audit and Risk Assurance Committee.

The Board has been 50% female since launch and three of the six current Directors are female. Its members are drawn from the UK, Germany and Scandinavia, which are key markets for TRIG.

TRIG has no employees beyond its non-executive Board therefore the Directors look to the culture of TRIG's key service providers in annual review processes in addition to ongoing monitoring. The executive management of TRIG is provided by its Managers, InfraRed and RES. Both are global businesses with a broad cultural representation of employees reflecting the international nature of their activities.

The Managers support equal opportunities regardless of age, race, gender or personal beliefs and preferences, both in their recruitment and when managing existing employees. Both Managers prioritise work force engagement and implement a range of initiatives to enhance employee wellbeing, including fitness and mental health schemes, mentorship programs, promotion of charity work and organising social activities. HR systems are in place to allow employees to raise any concerns in confidence. InfraRed and RES recognise that when their employees are engaged, they will benefit from elevated productivity and increased employee loyalty.

InfraRed employs over 150 professionals, representing a range of nationalities, ages and cultural backgrounds. To support diverse recruitment of candidates on merit and not on background, race or gender, InfraRed staff may undergo "unconscious bias" training and new staff are often recruited via a carefully considered process which is "name blind".

The Board interacts regularly with staff of the Managers both at senior and operational levels, in both formal and informal settings. This promotes greater openness and trust between the key individuals engaged in delivering against the Company's objectives and ensures the Managers remain fully aligned with the Company's corporate culture and approach to sustainability. The Board also engages closely throughout the year with the Company's administrator, brokers, and legal and public relations advisers to gauge the broader positioning and direction of the business.

In addition to the Board Meetings being attended by the core senior InfraRed and RES teams, other more junior members from InfraRed and RES are encouraged to join. Not only does this aid their development, but it also allows the Board to gain insight into how senior management are supported and how prepared the Managers are in relation to key person risk and long-term succession planning.

InfraRed

InfraRed has a strong and clear set of values which it promotes and monitors both at a company and individual level through assessments. These values focus on the principles of Passion, Curiosity, Trust, Partnership and Fulfilment.

InfraRed also adopts and implements the Principles for Responsible Investment ("PRI")[51] which are widely recognised and highly regarded around the world. In the assessments by PRI, InfraRed maintains an A+ rating, standing well above industry standards. The PRI can be summarised as follows:

- to showcase leadership in responsible investment;
- to incorporate sustainability issues into investment analysis and decision-making;
- to be active owners and incorporate sustainability issues into ownership policies and practices;
- to seek appropriate disclosures on sustainability issues by the entities in which the investments are made;
- to promote acceptance and implementation of PRI within the investment industry; and
- to report on activities and progress towards implementing the PRI.

RES

Culture is very important for RES, from both a business perspective and to RES' employees. The RES culture is what enables its strategy to succeed and what motivates its people to perform. RES' senior leadership are of the view that empowering employees and promoting a strong safety culture is necessary to generate a positive impact in the communities it works in.

RES' leadership maintains that, as the organisation grows and adapts, it remains true to its culture, heritage and vision to create a future where everyone has access to affordable low carbon energy. RES' core values are reflected in their values of Passion, Accountability, Collaboration and Excellence.

RES supervises a range of activities at a corporate level, to support staff in their own volunteering and charitable fundraising endeavours. At a portfolio level, activities are designed to enhance interactions with local communities and make a difference to the amenities available in the, often remote, locations where TRIG's projects are sited.

Anti-Bribery and Corruption

Although TRIG has no employees, TRIG is committed to respecting human rights in its broader relationships.

TRIG does not tolerate corruption, fraud, the receiving of bribes or breaches in human rights. Both InfraRed and RES have anti-corruption and bribery policies in place to maintain high standards of business integrity, a commitment to truth and fair dealing and a commitment to complying with all applicable laws and regulations.

Both Managers have training for anti-bribery and corruption which all employees are required to complete annually.

All counterparties undergo processes to mitigate against bribery and corruption. When InfraRed completes acquisitions on behalf of TRIG, vendor due diligence is performed, and all sales and purchase agreements are required to have anti bribery and corruption protection clauses.

Disclosure

On the basis of the Managers' recommendations, the Directors have considered existing sustainability and corporate culture policies, relative to good industry practice for an infrastructure investment company, believing them to be current and appropriate.

The Board remains committed to high standards of corporate governance and keeps the Company's practices under review with respect to current best practice. Further details of how the Company complies with the various corporate governance standards are set out in section 6 Corporate Governance Statement.

The Board wishes to be at the forefront of disclosure and reporting of the Company's performance and strategic intentions. The Board believes this is achieved by the communications as follows:

- Annual report and accounts;
- Interim statement and accounts;
- Detailed presentations to accompany the results;

51 Principles for Responsible Investment ("PRI") ratings are based on following a set of Principles, including incorporating ESG issues into investment analysis, decision-making processes and ownership policies. More information is available at https://www.unpri.org/about-the-pri.

2.11
Stakeholders and Corporate Culture (continued)

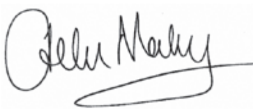
- Announcements of all material acquisitions; and
- Meetings with shareholders held by the Investment Manager and the Operations Manager.

Climate action is core to TRIG and its Managers' ethos. InfraRed is a member of the Net Zero Asset Managers initiative and the impact of adverse climate change is integrated in its investment cycle, and RES is an SBTi signatory. TRIG has committed to the Science Based Targets Initiative (SBTi), the leading standard for corporate emissions reduction targets, and is a supporter of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Disclosure aligned to TCFD guidance is consistent with the Company's approach to promoting best practice disclosure. Climate change is a live topic and expertise on the subject continues to evolve. Section 2.4 Sustainability covers TRIG's TCFD disclosures.

The Company's website (www.TRIG-Ltd.com) which includes the Company's prospectuses, financial disclosures and other announcements since launch provides further information on TRIG and its investments.

Disclosure of key sensitivities and risks has been developed by the Board working with the Managers. The level and type of disclosure has been developed and refined to assist in a full and fair analysis of the Company and its investments.

This Strategic Report is approved by the Board of Directors of The Renewables Infrastructure Group Limited.

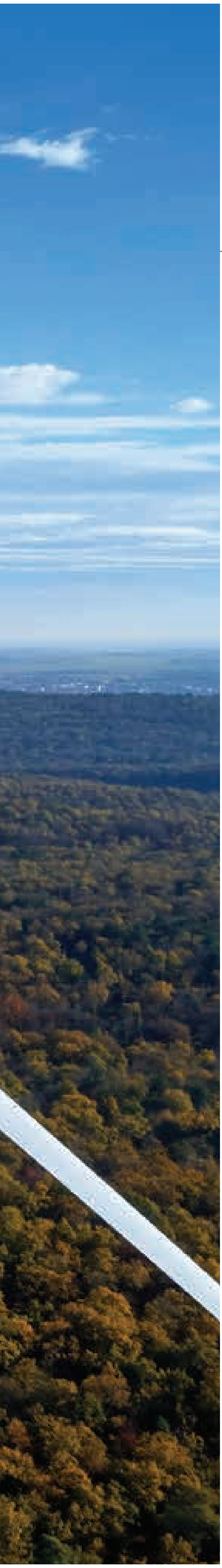


17 February 2022

Registered Office:
East Wind, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3PP

Merkur, Germany

Venelle, France (Credit: Velocita)



03 Board of Directors

3.0
Board of Directors

Members of TRIG's Board of Directors, all of whom are non-executive and independent of the Managers, are listed below.

Helen Mahy CBE
Chairman

Appointed 14 June 2013, Helen is an experienced chairman and non-executive Director. In addition to being Chairman of the Company, Helen serves as a non-executive Director for SSE plc, where she chairs the Safety, Sustainability, Health and Environment Advisory Committee, and Gowling WLG (UK) LLP and is also an Equality and Human Rights Commissioner. Previous Directorships include SVG Capital plc, Stagecoach Group plc, Aga Rangemaster Group plc, Primary Health Properties plc, Bonheur ASA and she was also Chairman of MedicX Fund Ltd. Helen was Group Company Secretary and General Counsel of National Grid plc and was a member of its Executive Committee from September 2003 to January 2013 when she retired from National Grid plc. Helen qualified as a barrister and was an Associate of the Chartered Insurance Institute. In 2015 she was awarded a CBE for services to business, particularly relating to diversity in the workplace. Helen is a resident of the UK.

Relevant skills that support TRIG's long-term success:

- ▲ Extensive energy and regulatory experience and a comprehensive understanding of the listed investment company space including applicable legal, governance, compliance, risk management, and health & safety frameworks and best practice.
- ▲ Broad experience from external Board interests, providing an insight into different stakeholder perspectives that enables wider discussion and debate.
- ▲ An advocate for strong health & safety, inclusion & diversity and employee wellbeing culture with extensive knowledge of people matters and a focus on sustainability.

Shelagh Mason
Director and Senior Independent Director

Appointed 14 June 2013, Shelagh is an English property solicitor. She was Senior Partner of Spicer and Partners Guernsey LLP until November 2014 and retired at the end of October 2020 as a consultant with Collas Crill LLP, specialising in English commercial property. She is also non-executive Chairman of the Channel Islands Property Fund Limited which is listed on The International Stock Exchange Authority Limited and Chairman of Riverside Capital PCC. She sits on the Board of Skipton International Limited, and Shelagh is also on the Board of Starwood European Real Estate Finance Limited and Ruffer Investment Company, both London listed. Previously, Shelagh was a member of the board of Directors of Standard Life Investments Property Income Trust, a property fund listed on the London Stock Exchange for 10 years until December 2014. She retired from the board of MedicX Fund Limited, a main market listed investment company investing in primary healthcare facilities in 2017 after 10 years on the board. She is a past Chairman of the Guernsey Branch of the Institute of Directors and a member of the Chamber of Commerce, the Guernsey International Legal Association and she also holds the IOD Company Direction Certificate and Diploma with distinction. Shelagh is a resident of Guernsey.

Relevant skills that support TRIG's long-term success:

- ▲ Extensive listed investment company experience having sat on such boards since 2003 in a number of different sectors.
- ▲ 40-year career as a solicitor in senior roles with commercial and management experience.
- ▲ Thorough understanding and keen interest in good corporate governance and former Chairman of the Guernsey branch of the Institute Of Directors.
- ▲ Able to draw from long-term experience and knowledge of listed boards and identify and bring best practice to her role.

Jon Bridel
Director and Audit Committee Chair

Appointed 14 June 2013, Jon currently serves as a Director or non-executive Chairman. These include Sequoia Economic Infrastructure Income Fund Limited and SME Credit Realisation Fund Limited, as well as DP Aircraft I Limited and Fair Oaks Income Limited, which are both listed on the Specialist Fund Segment. Jon previously worked as Managing Director of Royal Bank of Canada's investment businesses in the Channel Islands and in senior management positions in the British Isles and Australia in banking, specialising in corporate finance and commercial credit and in private multi-national businesses as Chief Financial Officer. Graduating from the University of Durham with a degree of Master of Business Administration in 1988, Jon also holds qualifications from the Institute of Chartered Accountants in England and Wales where he is a Fellow, the Australian Institute of Company Directors and is a Chartered Marketer. Jon is a Member of the Chartered Institute of Marketing, a Chartered Director and Fellow of the Institute of Directors and a Chartered Fellow of the Chartered Institute for Securities and Investment. Jon is a resident of Guernsey.

Relevant skills that support TRIG's long-term success:

- ▲ Investment Company & Governance – 60 company years' experience on listed investment and finance companies and a qualified Chartered Director. Have developed many corporate governance structures for listed companies over the past ten years. Previously Managing Director and Investment Manager of a substantial investment group and also a Chairman or director of investment-licensed Private Equity groups.
- ▲ Accounting, Audit & Finance – Chartered Accountant with 34 years post qualification experience in corporate finance, banking and investment management and as CFO of a private multinational business. 40 company years' experience as Audit or Risk Chair of listed companies. Master's thesis on valuation of companies.
- ▲ Legal & Regulatory – 34 years' experience structuring transactions and drafting a range of legal documentation for corporate finance, corporate debt, banking, M&A and commercial law. Regulatory qualified in investments and sat on many boards subject to a wide variety of laws, regulations, rules and codes.

Klaus Hammer
Director and Management Engagement Committee Chair

Appointed 1 March 2014, Klaus is a graduate of the University of Hamburg and gained an MBA at IMD Lausanne. He was previously Chief Operating Officer of the global combined-cycle gas turbine power plant business of EON, and also served on a variety of boards including E.On Värmekraft Sverige AB, Horizon Nuclear Power Ltd. and the UK Association of Electricity Producers. Prior to E.On, which he joined in 2005, he spent 20 years with Royal Dutch Shell in a variety of roles in both Europe and Africa. Among his other recent roles, he was a public member of Network Rail until mid-2014. Klaus also advises investors in energy-related businesses. In 2018, he supported the setting-up of a major defence contractor on an interim basis as Executive Finance Director in Australia. Since last year he is a non-executive Director of the Biotech company Terravesta. Klaus is a resident of Germany.

Relevant skills that support TRIG's long-term success:

- ▲ Power sector experience across multiple technologies – practical operational experience of generating assets across the gas, nuclear and renewable energy sectors.
- ▲ International operational experience – senior roles across Europe and Africa within the energy sector.
- ▲ Governance focused – strong track record of project oversight and HSQE implementation.

3.0
Board of Directors (continued)

Tove Feld
Director

Appointed 1 March 2020, Tove is a Danish national and has more than 25 years' experience in the renewables sector, with a focus on offshore wind. Her previous roles include the Chief Technical Officer at DONG Energy Wind Power (now Orsted) where she had a prominent role in preparing the company for IPO, as well as Head of Engineering Solutions for Offshore Wind at Siemens Wind Power. Tove currently serves as Non-Executive Director on a number of Boards supporting the Green Energy Transition including Venterra Group plc, a service provider to the wind industry; Stiesdal, an innovative technology company developing high impact solutions to overcome climate change; FORCE Technology, a leading technological service company; and CEKO Sensors ApS, an industrial monitoring and optimisation sensor technology business. She also serves on the Board of Representatives of the Danish Technical University. Tove is a UF (USA) Engineering Graduate (M.Sc.), she has a Ph.D. from Aalborg University (Denmark) and Executive MBA from IMD (Switzerland). Tove is a resident of Denmark.

Relevant skills that support TRIG's long-term success:

- Extensive Renewables and Energy Generation Operational experience, proving a deep understanding of Technology, Commercial, Project, Portfolio and Risk Management with a strong Health & Safety focus.
- Board and Governance Experience from external international boards ranging from innovation to investment companies. Combined with a deep Energy Market insight, various stakeholders' views and the Net Zero Framework.
- Strong People and Business focus, extensive experience with leadership and strategic transition from energy and infrastructure business, encompassing a dedicated focus on QHSE, ESG and Sustainability.

John Whittle
Director

Appointed 1 July 2021, John Whittle is a Fellow of the Institute of Chartered Accountants in England and Wales and holds the Institute of Directors Diploma in Company Direction. He is the non-executive Chairman of Starwood European Real Estate Finance Ltd (LSE), a non-executive Director of Sancus Lending Group Ltd and Audit Committee Chair of Chenavari Toro Income Fund Limited (listed on the SFS segment of the Main Market of the London Stock Exchange). Prior to these roles, John was Senior Independent Director and Audit Committee Chair at International Public Partnerships Ltd (INPP), the FTSE 250 infrastructure investment company. In his executive career, amongst other senior roles, John served as Finance Director of Close Fund Services and CEO of Hugh Symons Group PLC. John is a resident of Guernsey.

Relevant skills that support TRIG's long-term success:

- Investment Company & Governance; extensive experience gained over a number of years at multiple FTSE listed business, in particular during 12 years as a non-executive Director, including as Audit Committee Chair and Senior Independent Director at INPP (a FTSE 250 listed infrastructure Investment Company).
- Accounting, Audit & Finance; Chartered Accountant with 43 years' post qualification experience including as a Financial Director of a financial services business and CEO of a large mobile telephone business.
- Shareholder Engagement; through John's executive and non-executive career he has deep experience of investor engagement, particularly gained as Audit Chair and Senior Independent Director of INPP and as Chairman of Aberdeen Frontier Markets Investment Company.

Board succession

In 2022, Helen Mahy, Shelagh Mason and Jon Bridel will have served as Non-executive Directors of TRIG for nine years and, in line with good governance, they will be retiring from the Board in due course. The Nomination Committee has an active succession plan, and has appointed Erna-Maria Trixl to the Board. Her appointment will commence on 1 March 2022, and she will stand for election at the Company's 2022 Annual General Meeting. A process is underway, utilising the services of a third-party adviser, to select and appoint a successor to Helen Mahy as Chairman of the Board.

The senior officer roles of the retiring Non-executive Directors will be fulfilled by:

- Senior Independent Director: John Whittle
- Audit Committee Chairman: John Whittle

Further details on the Board and its Nomination Committee's approach to succession planning is provided in Section 6 – Corporate Governance Statement.

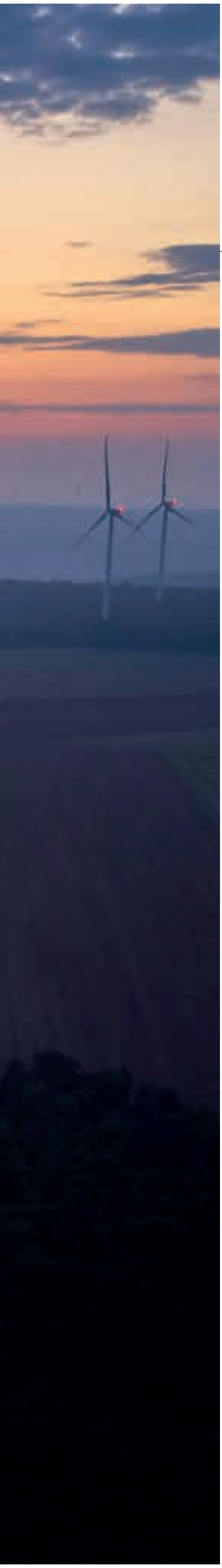
Erna-Maria Trixl
Director
(effective 1 March 2022)

Erna-Maria is to be appointed to the TRIG Board as a Non-executive Director, with effect from 1 March 2022. Erna-Maria is an energy and infrastructure expert and is currently an independent executive consultant focusing on renewables, e-mobility, decarbonisation and sustainability. Erna-Maria is also a member of the advisory board of METR Building Management Systems GmbH. She previously served as chair of the supervisory board of M-net Telekommunikations GmbH and as a member of the supervisory board of Energie Suedbayern GmbH. Erna-Maria's executive roles included membership of the executive board and chief sales officer of Stadtwerke Muenchen GmbH, a municipal utility services company owned by the City of Munich, and roles within the RWE Group and at EnBW Energie Baden-Wuerttemberg AG.

Relevant skills that support TRIG's long-term success:

- Extensive energy and renewables expertise and experience with renewables investment strategies and performance management
- Strong business and stakeholder focus, balancing short-term performance and long-term value creation
- Governance and risk management skills with a focus on climate risks, sustainability and ESG

Venelle, France (Credit: Velocita)



04 Statement of Directors' Responsibilities

4.0
Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. The Companies (Guernsey) Law, 2008, as amended, requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Article 4 of the IAS Regulation and applicable law.

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report and Corporate Governance Statement. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey and the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- The Chairman's Statement and Report of the Directors include a fair review of the development and performance of the business and the position of the Company and Group taken as a whole together with a description of the principal risks and uncertainties that it faces; and
- The annual report and financial statements when taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

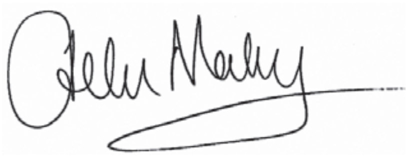
Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and that each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

On behalf of the Board of Directors of The Renewables Infrastructure Group Limited

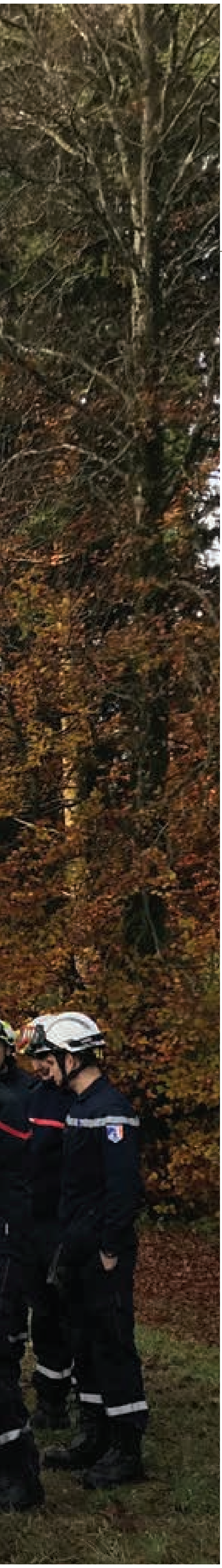


17 February 2022

Registered Office:
East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey, Channel Islands, GY1 3PP

Merkur, Germany

Fire service orientation at Cuxac, France



05 Report of the Directors

5.0
Report of the Directors

The Directors present their report and accounts of the Company for the year to 31 December 2021.

Principal Activity

The Company is a closed-ended Guernsey incorporated investment company, investing in and managing a portfolio of investments in renewable energy infrastructure project companies. Its shares have a premium listing on the Official List of the UK Listing Authority and are traded on the main market for listed securities of the London Stock Exchange.

Results and Distributions

The results for the year are summarised in the Operational Review and Valuation of the Portfolio section of the Strategic Report (Sections 2.6 and 2.7) and set out in detail in the audited financial statements.

Distributions and Share Capital

The Company has declared four quarterly interim dividends for the year ended 31 December 2021 for an aggregate annual dividend of 6.76p (2020: 6.76p) per share as follows:

- 1.69p per share was declared on 6 May 2021, to shareholders on the register as at 14 May 2021, paid on 30 June 2021,
- 1.69p per share was declared on 3 August 2021, to shareholders on the register as at 13 August 2021, paid on 30 September 2021,
- 1.69p per share paid on 4 November 2021, to shareholders on the register as at 12 November 2021, paid on 31 December 2021, and
- 1.69p share was declared on 3 February 2022, to shareholders on the register on 11 February 2022, to be paid on 31 March 2022.

The Company had one class of share capital, Ordinary Shares, in issue as at 31 December 2021.

Shares in Issue

Ordinary Shares in issue have increased during the year from 1,903,402,338 to 2,267,246,415 as a result of further share issues, issues of shares to the Managers in lieu of fees pursuant to the Investment Management Agreement (in relation to InfraRed Capital Partners Limited) and the Operations Management Agreement (in relation to Renewable Energy Systems Limited) and take up of scrip shares in lieu of dividends.

Date	Description	New Ordinary Shares Issued	Number of Shares in Issue
31 December 2020	Opening Position	-	1,903,402,338
26 March 2021	Share issue	195,000,000	2,098,402,338
31 March 2021	Issue of shares to the Managers in lieu of fees relating to H2 2020	885,012	2,099,287,350
31 March 2021	Issue of scrip dividend shares in lieu of 2020 4th (Q4) interim dividend	1,758,014	2,101,045,364
30 June 2021	Issue of scrip dividend shares in lieu of 2021 1st (Q1) interim dividend	2,363,566	2,103,408,930
17 September 2021	Share issue	161,290,323	2,264,699,253
30 September 2021	Issue of shares to the Managers in lieu of fees relating to H1 2021	880,719	2,265,579,972
30 September 2021	Issue of scrip dividend shares in lieu of 2021 2nd (Q2) interim dividend	306,590	2,265,886,562
31 December 2021	Issue of scrip dividend shares in lieu of 2021 3rd (Q3) interim dividend	1,359,853	2,267,246,415
31 December 2021	Closing Position	-	2,267,246,415

Share Issues in the Year

Over 2021, the Company issued 356m shares over two equity issues by way of placing (excluding the issuance of Managers' shares and scrip issues). These issues raised gross proceeds of £440m at a premium to NAV.

These issues took place in March and September. The March fundraise resulted in the issue of 195m shares at 123.0p each. The September fundraise resulted in the issue of 161m shares at 124.0p each.

The net proceeds of these raisings have been used to acquire assets over the year for the TRIG portfolio and to pay down the Company's revolving credit facility. At 31 December 2021, the Company's acquisition facility was £72.8m drawn.

Shares Issued to the Managers

The Managers are paid 20% of their annual management fee (up to an adjusted portfolio value of £1bn) and advisory fees in shares. In relation to this, 885,012 shares were issued in March 2021 (575,258 to the Investment Manager and 309,754 to the Operations Manager) relating to fees for the second six months of 2020. A further 880,719 shares were issued in September 2021 (572,468 to the Investment Manager and 308,251 to the Operations Manager) relating to fees for the first six months of 2021. Shares in lieu of fees relating to the second six months of 2021 (expected to be 857,254 shares in total – comprised of 557,216 to the Investment Manager and 300,038 to the Operations Manager) are to be issued in March 2022. (See Note 18 to the financial statements for further detail).

For the calculation of Net Asset Value ("NAV") per share as at 31 December 2021, the shares earned by the Managers but not yet issued at that date have been included in the number of shares, meaning that the Net Assets are divided by 2,268,103,669 shares to arrive at the NAV per share.

For the calculation of Earnings per Share ("EPS"), the shares earned by the Managers but not yet issued have been included in the calculation of the weighted average number of shares based upon them being issued at the end of the quarter in which the management fees were earned. The resulting weighted average shares in issue used to calculate EPS is 2,103,868,882.

In addition, senior representatives and connected individuals of the Managers hold approximately two million shares.

As a result of the share issues during the year and the expected issuance to the Managers in March 2022, the number of shares in the Company held by the Investment Manager is expected to be 3,350,543 and the number of shares held by the Operations Manager is expected to be 1,230,761.

Scrip Shares

An annual ordinary resolution to authorise the Directors to offer the shareholders the right to receive further Ordinary Shares ("Scrip Shares") instead of cash in respect of all or part of any dividend that may be declared will be proposed at the forthcoming Annual General Meeting in 2022.

The Board believes that it would be in the general interest of shareholders, who may be able to treat distributions of Scrip Shares as capital for tax purposes or who may otherwise wish to roll over their dividend entitlement into further investment in the Company, to have the option of electing to receive part or all of their dividends in the form of Scrip Shares. Shareholders who elect to take Scrip Shares instead of receiving cash dividends will increase their holdings without incurring dealing costs or stamp duty. The Company benefits from the retention of cash for further investment which would otherwise be paid out as a dividend.

The scrip dividend alternative was offered to shareholders in relation to the interim dividends declared for the year ended 31 December 2021. A scrip alternative will again be offered to shareholders for the dividend to be paid on 31 March 2022 relating to the final quarter of 2021 and a scrip dividend circular will be published separately in May 2022 with details of the scrip dividend alternative for 2022. The Scrip Shares issued do not have any entitlement to the dividends paid in the same month and declared in the month before they are issued. The average take-up of scrip dividends over the year was 5.3%.

Guernsey regulatory environment

As a Guernsey-registered closed-ended investment company, TRIG is subject to certain ongoing obligations to the Guernsey Financial Services Commission.

Directors

The Directors who held office during the year to 31 December 2021 were:

Helen Mahy CBE
Jon Bridel
Shelagh Mason
Klaus Hammer
Tove Feld
John Whittle

Biographical details of each of the Directors are shown in Section 3.

Investment Manager

InfraRed Capital Partners Limited (the "Investment Manager" or "InfraRed") acts as Investment Manager to the Group. A summary of the contract between the Company, its subsidiaries and InfraRed in respect of services provided is set out in Note 18 to the accounts.

Operations Manager

Renewable Energy Systems Limited (the "Operations Manager" or "RES") acts as Operations Manager to the Group. A summary of the contract between the Company, its subsidiaries and RES in respect of services provided is set out in Note 18 to the accounts.

Further details of the Managers are provided in Section 2.2 of the Strategic Report.

Broker, Administrator and Company Secretary

The Company's joint brokers during the year to 31 December 2021 were Investec Bank PLC and Liberum Capital Limited.

The Company's Administrator during the year to 31 December 2021 is Aztec Financial Services (Guernsey) Limited.

Substantial Interests in Share Capital

As at 17 February 2022, the Company has received notification in accordance with the Financial Conduct Authority's Disclosure and Transparency Rule 5 of the following interests in 5% or more of the Company's Ordinary Shares to which voting rights are attached:

	Number of Ordinary Shares Held	Percentage Held
Newton Investment Management Ltd	171,021,326	7.54
Rathbone Investment Management Ltd	145,294,771	6.41
M&G Investment Management Ltd	116,011,201	5.11

5.0
Report of the Directors (continued)

Donations

The Company made no political donations during the year or the preceding year.

Payment of Suppliers

It is the policy of the Company to settle all suppliers in accordance with the terms and conditions of the relevant market in which it operates. Although no specific code or standard is followed, suppliers of goods and services are generally paid within 30 days of the date of any invoice. The Company has no trade creditors.

Criminal Finances Act

The Board of The Renewable Infrastructure Company Limited has a zero-tolerance commitment to preventing persons associated with it from engaging in criminal facilitation of tax evasion. The Board has satisfied itself in relation to its key service providers that they have reasonable provisions in place to prevent the criminal facilitation of tax evasion by their own associated persons and will not work with service providers who do not demonstrate the same zero-tolerance commitment to preventing persons associated with it from engaging in criminal facilitation of tax evasion.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in Section 2.8, Analysis of Financial Results of the Strategic Report. In addition, Notes 1 to 4 to the financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group has the necessary financial resources to meet its obligations. The Group benefits from a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, it maintains a working capital component of £30m as part of its revolving credit facility (currently sized at £500m and limited to 30% of Portfolio Value). The Group's project-level financing is non-recourse to the Company and is limited to 50% of Gross Portfolio Value. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

The Company has a number of commitments related to the construction of assets held within the portfolio and has sufficient headroom in its revolving credit facility to finance these activities.

The directors do not believe that there is a significant risk to the business as a result of the COVID-19 pandemic but will continue to monitor any future developments.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

This conclusion is based on a review of the Company's cash flow projections including reasonably expected downside sensitivities together with cash and committed borrowing facilities available to it.

Viability Statement

The Directors have assessed the viability of the Group over a five-year period to December 2026.

In making this statement the Directors have considered the resilience of the Group, taking account of its current position, the principal risks facing the business (being the level of electricity production, the level of future energy prices and continued government support for renewable subsidy payments), in severe but plausible downside scenarios and the effectiveness of any mitigating actions.

As part of being a self-managed Alternative Investment Fund, the Directors, together with the Managers, rigorously assess the risks facing the Group and consider sensitivity analysis against the principal risks identified.

The Directors have determined that the five-year period to December 2026 is an appropriate period over which to provide this viability statement as this period accords with the Group's business planning exercises and is appropriate for the investments owned by the Group. The Group's risk management processes (described in Section 2.10 (Risks and Risk Management)) consider the key risks during this five-year period and beyond. These include sustainability-related risks that take into account environmental, social and governance considerations, one of which is climate change (in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD")).

TRIG is the owner of a portfolio of project companies whose underlying assets are predominately fully constructed and operating renewable electricity-generating facilities with economic lives well in excess of the period being considered. As a result, TRIG benefits from predictable long-term cash flows and a set of risks that can be identified and assessed. Over the next five years, 65% of portfolio revenues are fixed per MWh under government subsidies and fixed price PPAs. Forecast revenues for wholesale power prices are based upon independent forecasts. The projects are each supported by detailed financial models. The Directors believe that diversification within the portfolio of projects helps to withstand and mitigate risks it is most likely to meet.

The Investment Manager prepares and considers, and the Directors review, summary five-year cash flow projections each year as part of management reporting, business planning and dividend approval processes. The projections consider cash balances, key covenants and limits, dividend cover, investment policy compliance and other key financial indicators over the five-year period. Sensitivity analysis considers the potential impact of the Group's principal risks occurring (individually, and together). These projections are based on the Managers' expectations of future asset performance, income and costs, and are consistent with the methodology applied to produce the valuation of the investments.

The Directors review significant changes to the Company's cash projections each quarter with the Managers as part of the quarterly Board meetings. The viability assessment assumes continued government support for existing subsidy arrangements other than for early solar projects in France where subsidy levels are relatively high. Generally, subsidy payments, which comprise an important element of the Group's revenues alongside electricity sales into the wholesale market, are considered to be robust. Subsidy earnings are spread across several jurisdictions (UK, Ireland, Germany and France) where it is expected that governments will act consistently with their promises, especially in a sector which continues to need to mobilise large amounts of capital. In the case of France, the government states their adjustments are limited to the older solar projects, which were awarded tariffs under legislation from 2010 or earlier.

The Directors believe that whilst the risk to the value of the Company's investments, its ability to operate its projects and generate revenue presented by the ongoing Covid-19 pandemic is significant, there has been minor disruption to the business to date and the risk-mitigating activities have served to reduce the impact. The Directors continue to work with the Managers to ensure that the portfolio of investments are able to operate as effectively as possible. The Managers have performed downside risk scenario planning encompassing a range of potential outcomes and these demonstrate that whilst profitability may be adversely affected, the Company and its investments are expected to remain viable.

As explained in the Chairman's Statement and in Section 2.10 (Risks and Risk Management), the Directors do not consider the risks to the Company from Brexit or the Covid-19 pandemic to significantly affect the principal risks set out above. The Group's projects have continued to operate post Brexit and through the Covid-19 disruption, and the Managers and Directors believe the risks from Brexit and the pandemic disruption are reducing and continue to be manageable.

Based on this review, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five-year period to December 2026.

Internal Controls Review

Taking into account the information on emerging and principal risks and uncertainties provided in Section 2.10 of the Strategic Report and the ongoing work of the Audit Committee in monitoring the risk management and internal control systems on behalf of the Board (see Section 8, the Audit Committee Report), the Directors:

- are satisfied that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- are satisfied the Company has adequate safeguards and procedures in place during the Covid-19 pandemic to continue to function effectively; and
- have reviewed the effectiveness of the risk management and internal control systems and no significant failings were identified.

The internal controls review covers material controls including financial, operational and compliance controls.

To enable the Directors to provide this statement in relation to risks and controls, the Directors have worked with the Managers to:

- review the Company's risk dashboard and framework each quarter;
- consider each Manager's compliance with their own internal controls each quarter;
- receive presentations from each Manager on the effectiveness of these controls and their internal controls environment at least annually;
- consider the Company's risk appetite, agree this with the Managers and document this;
- assess the impact of the Covid-19 pandemic on the Company; and
- consider the risk culture of the Company and within the Managers and confirm these are appropriate and expected to support the sustainability of the company and consistent with the risk appetite.

Share repurchases

No shares have been bought back in the period. The latest authority for the Company to make market purchases of Ordinary Shares was granted to the Directors on 5 May 2021 and expires on the date of the next Annual General Meeting. The Directors are proposing that their authority to buy back shares be renewed at the forthcoming Annual General Meeting.

Treasury Shares

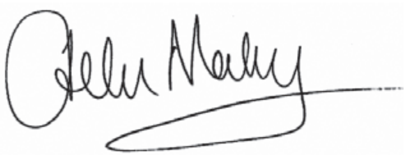
Section 315 of the Companies (Guernsey) Law, 2008 allows companies to hold shares acquired by market purchase as treasury shares, rather than having to cancel them. Up to 14.99% of the number of shares in issue at the date of the last AGM (5 May 2021) may be held in treasury and may be subsequently cancelled or sold for cash in the market. This gives the Company the ability to reissue shares quickly and cost efficiently, thereby

Report of the Directors (continued)

improving liquidity and providing the Company with additional flexibility in the management of its capital base.

There are currently no shares held in treasury. The Board would only authorise the sale of shares from treasury at prices at or above the prevailing net asset value per share (plus costs of the relevant sale). If such a measure were to be implemented, this would result in a positive overall effect on the Company's net asset value. In the interests of all shareholders, the Board will keep the matter of treasury shares under review.

On behalf of the Board of Directors of The Renewables Infrastructure Group Limited



Helen Mahy CBE

17 February 2022

Registered Office:
East Wing, Trafalgar Court, Les Banques,
St Peter Port, Guernsey, Channel Islands, GY1 3PP

Broxburn, Scotland (Credit: Keith Arkins)

Hill of Towie, Scotland (Credit: Keith Arkins)

06

Corporate Governance Statement

6.0
Corporate Governance Statement

Introduction

The Board recognises the importance of a strong corporate governance culture that meets the listing requirements. The Board has put in place a framework for corporate governance which it believes is appropriate for an investment company in line with the best practices in relation to matters affecting shareholders, communities, regulators and other stakeholders of the Company. With a range of relevant skills and experience, all Directors contribute to the Board discussions and debates on corporate governance. In particular, the Board believes in providing as much transparency for investors as is reasonably possible to ensure investors can clearly understand the prospects of the business and enhance liquidity of its shares while also preserving an appropriate level of commercial confidentiality.

AIFM Directive

The Alternative Investment Fund Managers Directive seeks to regulate alternative investment fund managers (in this paragraph, “AIFM”) and imposes obligations on managers who manage alternative investment funds (in this paragraph, “AIF”) in the EU or who market shares in such funds to EU investors. The Company is categorised as a self-managed Non-EEA AIF for the purposes of the AIFM Directive. In order to maintain compliance with the AIFM Directive, the Company needs to comply with various organisational, operational and transparency obligations.

AIC Code

The Board of TRIG has considered the Principles and Provisions of the AIC Code of Corporate Governance (AIC Code). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the UK Code), as well as setting out additional Provisions on issues that are of specific relevance to investment companies. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council and the Guernsey Financial Services Commission, provides more relevant information to shareholders. The company has complied with the Principles and Provisions of the AIC Code. The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

Stewardship Code

The Company’s Managers are responsible for day-to-day management of the portfolio and therefore are best placed to engage with portfolio companies and discharge stewardship obligations. Accordingly, TRIG becoming a signatory to the Stewardship Code would unnecessarily duplicate the work of the Managers.

The Board has instead chosen to exercise stewardship by reporting against the AIC Code rather than by being signatories to the Stewardship Code.

Guernsey Regulatory Environment

The Guernsey Financial Services Commission (the “Commission”) issued a Finance Sector Code of Corporate Governance. The Code comprises Principles and Guidance and provides a formal expression of good corporate practice against which shareholders, boards and the Commission can better assess the governance exercised over companies in Guernsey’s finance sector.

The Commission recognises that the different nature, scale and complexity of specific businesses will lead to differing approaches to meeting the Code. Companies which report against the UK Corporate Governance Code or the AIC Code are also deemed to meet this code. The Directors have determined that the Company will continue as a Guernsey-registered closed-ended investment company.

Non-Mainstream Pooled Investments

On 1 January 2014, certain changes to the FCA rules relating to restrictions on the retail distribution of unregulated collective investment schemes and close substitutes came into effect.

As announced by the Company on 7 January 2014, following the receipt of legal advice the Board confirms that it conducts the Company’s affairs, and intends to continue to conduct the Company’s affairs, such that the Company would qualify for approval as an investment trust if it were resident in the United Kingdom. It is the Board’s intention that the Company will continue to conduct its affairs in such a manner and that Independent Financial Advisers should therefore be able to recommend its Ordinary Shares to ordinary retail investors in accordance with the FCA’s rules relating to non-mainstream investment products.

The Board

The Board consists of six non-executive Directors. In accordance with Provision 10 of the AIC Code all of the non-executives are independent of the Investment Manager. The Chairman, Helen Mahy, met the independence criteria of the AIC Code Provision 11 upon appointment and has continued to meet this condition throughout her term of service. Although not a requirement of the AIC Code, in accordance with guidance in Provision 11, the Board has a Senior Independent Director, Shelagh Mason, who was appointed as Senior Independent Director in 2013. Being non-executive Directors, none of the Directors have a service contract with the Company.

The Articles of Incorporation provide that each of the Directors shall retire at each annual general meeting in accordance with Provision 23 of the AIC Code. All six Directors intend to retire and offer themselves for re-election at the forthcoming Annual General Meeting in May 2022.

The Board believes that the balance of skills, gender, experience, ethnicity, and knowledge of the current Board provides for a sound base from which the interests of investors will be served to a high standard. Following the growth of the Company in recent years and as those Directors nearing their ninth anniversary of appointment retire, the Board's Nomination Committee has an active succession plan.

The Board aspires to equal representation of men and women on the Board. At 31 December 2021, the Board was 50% female.

The Board recommends the re-election of each Director and supporting biographies are disclosed in Section 3 of this annual report.

The Board is scheduled to meet at least four times a year and between these formal meetings there is regular contact with the Investment Manager and Operations Manager, the Secretary and the Company's Joint Brokers. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company that should be brought to the attention of the Directors. The Directors also have access, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

The attendance record of Directors for the period to 31 December 2021 is set out below:

	Quarterly Board meetings	Audit Committee	Management Engagement Committee	Remuneration Committee	Nomination Committee	Market Disclosure Committee
Number of meetings	4	4	3	3	4	1
Meetings Attended:						
H Mahy	4	N/A*	3	3	4	1
J Bridel	4	4	3	3	4	1
S Mason	4	4	3	3	4	1
K Hammer	4	4	3	3	4	1
T Feld	4	4	3	3	4	1
J Whittle**	2	2	2	2	2	1

* Helen Mahy is not a member of the Audit Committee and attends at the invitation of the Committee
** John Whittle was appointed to the Board on 1 July 2021

During the period a further 26 ad hoc Board/Committee meetings were held in Guernsey to deal with matters substantially of an administrative nature and these were attended by those Directors available.

The Board considers agenda items laid out in the notice and agenda of meeting which are circulated to the Board in advance of the meeting as part of the Board papers. Directors may request any agenda items to be added that they consider appropriate for Board discussion. Each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

The Board regularly considers the Company's strategy with regard to market conditions and feedback from shareholders received directly or from the Managers. The investment strategy is reviewed regularly with the Investment Manager. Board meetings include a review of investment performance and associated matters such as health and safety, marketing/investor relations, risk management, gearing, general administration and compliance, peer group information and industry issues.

The Board and the governance arrangements continued to operate effectively during 2021 despite restrictions preventing face-to-face meetings for much of the year. The Board and Managers and other service providers were able to utilise digital tools to conduct virtual board meetings and other ad hoc meetings.

Performance Evaluation

The Board evaluates its performance and considers the tenure and independence of each Director on an annual basis. The annual evaluation for the period ended 31 December 2021 has been completed by the Chairman and took the form of a questionnaire completed by all of the Directors and additionally by the Managers and the Company Secretary, including one-to-one interviews with each Director holding office as at 31 December 2021. The questionnaire covered Board effectiveness including areas such as inclusion and diversity in accordance with the recommendations of the Parker Review.[52] For the evaluation of the Chairman, the Senior Independent Director discussed the results of a questionnaire with the Chairman following consultation with the other Directors. The exercise confirmed that the Board runs well and effectively with an appropriate level of balance and challenge.

52 The Parker Review into the Ethnic Diversity of UK boards which was published in October 2017 and updated in February 2020

6.0 Corporate Governance Statement (continued)

The Board continues to monitor training for Directors. The Directors consider and report regularly their training needs and continuing professional development and training carried out. For example, during the year, the Directors attended courses on relevant subjects including cyber security, tax, corporate culture, diversity, sustainability and ESG. Due to the Covid-19 pandemic, no site visits were possible, however, the Directors believe that visiting TRIG's assets enables them to gain a deeper understanding of the Company's operations and the challenges faced on a day-to-day basis by the projects' asset managers and will resume site visits when appropriate, in line with government guidance.

A key element of The Board's role is to provide investors with reassurance as to the robustness of their oversight of the business. During 2021 the TRIG Chairman met a number of institutional investors in the Company and answered questions on the Company's governance. It has been identified that it would be beneficial for investors to have interaction with more members of the TRIG Board. The Board has also worked with the Managers, using their Board members' deep technical and governance experience, to further develop the risk reporting tool used by the Managers to report risks to the Board. This active input to the development of the new framework has resulted in greater discussion and debate amongst the Board and with the Managers. The Board asks the leadership teams of both Managers to regularly provide business and sector updates.

The independence of each Director has been considered and each has been confirmed as being independent of the Company and its Managers. The Board believes that the composition of the Board and its Committees reflects a suitable mix of skills and experience, and that the Board, as a whole, and its Committees functioned effectively during 2021 and since the launch of the Company in 2013. It is recognised that maintaining the right Board composition is central to the approach adopted for the Board succession process. The Board has employed the use of a skills matrix to identify if there are missing competences and confirmed that the existing Directors held the appropriate range of skills. The skills matrix tool also informs the selection process during the appointment of new directors.

Going forward, the Board intends to retain certain aspects of the practices adopted during the Covid-19 pandemic. These include continuation of practices which maintain a low carbon footprint, and combining face-to-face meetings with virtual calls where appropriate. For example, where previously phone calls were commonly utilised for ad hoc meetings, it has been decided that virtual meetings, where possible, should be arranged as they facilitate better interaction. During the year a number of ad hoc deep-dive sessions were held and these were considered helpful and efficient uses of time, given the geographic spread of Directors. The Board has requested that the Managers continue this practice. The importance of maintaining sufficient face-to-face meetings for relationship purposes is, however, a key priority in order to enhance social interaction and strategic discussions between Directors.

The Board is diverse in its composition and thought processes. The Directors have a breadth of experience relevant to the Company. The Directors believe that any changes to the Board's composition can be managed without undue disruption. The members of the Board strive to challenge each other constructively to make sure all issues are examined from different angles and the Board holds the Managers properly to account on their progress on sustainability and responsible investment.

Delegation of Responsibilities

The Board has delegated the following areas of responsibility:

The day-to-day administration of the Company has been delegated to Aztec Financial Services (Guernsey) Limited in its capacity as Company Secretary and Administrator.

The Investment Manager has full discretion (within agreed parameters) to make investments in accordance with the Company's Investment Policy and has responsibility for financial administration and investor relations, in addition to advising the Board in relation to further capital raisings and the payment of dividends amongst other matters, subject to the overall supervision and oversight of the Board. Among the specific tasks of the Investment Manager are the overall financial management of the Company and existing portfolio as a whole, including the deployment of capital, management of the Group's debt facilities, hedging arrangements, the sourcing of new investments, preparing the semi-annual valuations, the statutory accounts, the management accounts, business plans, presenting results and information to shareholders, coordinating all corporate service providers to the Group and giving the Board general advice.

The Operations Manager is responsible for monitoring, evaluating and optimising technical and financial performance across the portfolio. The services provided by the Operations Manager include maintaining an overview of project operations and reporting on key performance measures, recommending and implementing strategy on management of the portfolio including energy sales agreements, insurance, maintenance and other areas requiring portfolio-level decisions, and maintaining and monitoring health and safety and operating risk management policies. The Operations Manager also works jointly with the Investment Manager on sourcing and transacting new business, providing assistance in due diligence of potential new acquisitions, refinancing of existing assets and investor relations. The Operations Manager does not participate in any investment decisions taken by or on behalf of the Company or undertake any other regulated activities for the purposes of the UK's Financial Services and Markets Act 2000.

Members of the Investment Manager's and/or the Operations Manager's teams are also appointed as Directors of the Group's project companies and/or intermediate holding companies and as part of their role in managing the portfolio, they attend Board meetings of these companies and make appropriate decisions. Material decisions are referred back to TRIG's investment committee and/or advisory committee for consideration and determination, and the TRIG Board is consulted on key matters relevant to TRIG's strategy, policies or overall performance, both on an ad hoc basis where required and during formal reporting sessions, including all matters outside the Managers' delegated authority.

Committees of the Board

The committees of the Board are the Audit Committee, the Remuneration Committee, the Nomination Committee, the Management Engagement Committee, and the Market Disclosure Committee. Terms of reference for each Committee have been approved by the Board.

The Chairman and members of each committee as at 31 December 2021 are as follows:

	Audit Committee	Remuneration Committee	Nomination Committee	Management Engagement Committee	Market Disclosure Committee
Chairman	J Bridel	S Mason	H Mahy	K Hammer	H Mahy
Members	S Mason	H Mahy	J Bridel	J Bridel	J Bridel
	K Hammer	J Bridel	S Mason	S Mason	S Mason
	T Feld	K Hammer	K Hammer	H Mahy	K Hammer
	J Whittle	T Feld	T Feld	T Feld	T Feld
		J Whittle	J Whittle	J Whittle	J Whittle

Nomination Committee

The main terms of reference of the Committee are:

- regularly review the structure, size and composition required of the Board and make recommendations to the Board with regard to any changes (including skills, knowledge and experience in accordance with Principle K of the AIC Code);
- give full consideration to succession planning for Directors taking into account the challenges and opportunities facing the Company;
- be responsible for identifying and nominating candidates for the approval of the Board, to fill Board vacancies as and when they arise; and
- ensure plans are in place for orderly succession to the Board and oversee the development of a diverse pipeline for succession.

The Nomination Committee met four times during 2021.

All directors are appointed on merit. When the Nominations Committee considers Board succession planning and recommends appointments to the Board, it takes into account a variety of factors. Knowledge, experience, skills, personal qualities, residency and governance credentials play an important part. Consideration is also given to the gender, ethnicity, colour, national origin, sexual orientation, age, religion and disability of individuals. The Nominations Committee recognises that a diverse Board enhances its performance. The Nominations Committee is also cognisant of the role it can play in promoting social mobility. In making recommendations to the Board, the Nominations Committee will also seek to follow the recommendations of the Hampton Alexander and Parker Reviews.

TRIG was supported in the recruitment processes that resulted in the appointment of John Whittle by OSA Recruitment. OSA Recruitment has no other connection with TRIG or John Whittle. TRIG was supported in the recruitment processes that resulted in the appointment of Erna-Maria Trixl by Russell Reynolds Associates. Russell Reynolds Associates has no other connection with TRIG or Erna-Maria Trixl.

Management Engagement Committee

The terms of reference of this committee are to review the relationships between the Company and its main service providers, including their performance, compliance with their contracts and levels of fees paid. Recommendations from the Committee's review are given to the Board for consideration and action.

The Management Engagement Committee met three times in 2021 in accordance with its plan to review the performance of the key service providers to the Group and the Company. No material weaknesses were identified, some recommendations were conveyed to certain providers, and the recommendation to the Board was that the current arrangements are appropriate and provide high quality services and advice to the Company and the Group. The Committee convenes a planning meeting in August each year followed by a meeting in November of each year to review the Investment Manager and Operations Manager, and a meeting in February of each year to review the other service providers. The Managers were duly considered at the meeting of the Management Engagement Committee in November 2021 and no material issues were identified in connection with their respective appointments.

6.0
Corporate Governance Statement (continued)

Details of the activities of the Remuneration Committee and the Audit Committee are set out in Section 7 and Section 8, respectively. All terms of reference for committees are available from the Company's website or the Company Secretary upon request.

Market Disclosure Committee

The Committee has responsibility for overseeing the disclosure of information by the Company to meet its obligations under the Market Abuse Regulation and the Financial Conduct Authority's Listing Rules and Disclosure Guidance and Transparency Rules.

The main terms of reference for the Committee are:

- To consider and decide whether information meets the definition of inside information and whether the Company should announce immediately or whether it is permissible to delay the announcement.
- When disclosure of inside information is delayed, to maintain all required records, monitor the conditions permitting delay and to provide any required notifications to the Financial Conduct Authority.
- The committee should also consider the requirement for an announcement in the case of leaks of inside information.
- To ensure that effective arrangements are in place to prevent access to inside information.

The Market Disclosure Committee met once during 2021.

Relations with Shareholders – AIC Code Principle D

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. The Investment Manager produces a regular factsheet which is available on the Company's website. Senior members of the Investment Manager and Operations Manager make themselves available, as practicable, to meet with principal shareholders and key sector analysts. Feedback from these meetings is provided to the Board on a regular basis. The Board is also kept fully informed of all relevant market commentary on the Company by the Company's Financial PR agency, as well as receiving relevant updates from the Managers and the Company's brokers. During the period, the Chairman of the Board met seven separate institutional shareholders of the Company, providing the chance for Shareholders to have a dialogue directly with the Board. The Company's Chairman met with a number of institutional investors during the year, answering questions relating to the governance of the Company and the performance of its Managers.

The Company reports formally to shareholders twice a year and will hold an Annual General Meeting in Guernsey in May 2022, at which members of the Board will be available to answer shareholder questions. In May 2021, Covid-19 restrictions resulted in the Annual General Meeting being conducted via conference call, to which shareholders were invited to join. If restrictions are still in force in May 2022, we will be offering the same access to shareholders again via another virtual Annual General Meeting. In addition, shareholders receive written communications from the Company either with documents enclosed or to notify them of new information available to view on the Company's website.

Results of Extraordinary and Annual General Meetings are announced by the Company promptly after the relevant meeting. Additionally, other notices and information are provided to shareholders on an ongoing basis through the Company's website in order to assist in keeping shareholders informed. The Secretary and Registrar monitor the voting of the shareholders and proxy voting is taken into consideration when votes are cast at the Annual General Meeting.

Shareholders may contact the Board via the Company Secretary, whose contact details are found in Section 11 - Directors and Advisers of this report.


Rully, France (Credit: Akuo Energy)


Merkur, Germany

07 Directors' Remuneration Report

7.0
Directors' Remuneration Report

The Remuneration Committee, chaired by Shelagh Mason and comprising all the Directors, operates within clearly defined terms of reference.

The terms of reference of the Committee are to determine and agree the Board policy for the remuneration of the Directors of the Company, including the approval of any ad hoc payments in respect of additional corporate work required (e.g. for the work involved with the issue of prospectuses and equity fund raises).

Statement of the Chairman of the Remuneration Committee

As all Directors of the Company are non-executive, they receive an annual fee appropriate for their responsibilities and time commitment but there are no other incentive programmes or performance-related emoluments.

During the year, the Committee considered the external advice received from Trust Associates in 2020, which included recommendations in respect of Directors' remuneration for the period between triennial external reviews, and considered it remained appropriate for the basis of the Committee's 2021 review of Directors' remuneration taking into account, inter alia, market conditions and changes in the activities and scale of the Company. The Committee's review of Directors' remuneration considered:

- The increase in the net assets of TRIG, the number of assets in the portfolio, the size of individual assets, and co-investing and partnering activities;
- The time commitment required to appropriately perform each Director's role and their responsibilities in respect of TRIG;
- Additional fees where a Director's duties extend beyond those normally expected as part of the Director's appointment (e.g. Chairmanship of the Board or one of its Committees); and
- Market remuneration levels to attract and retain high-calibre directors.

The Committee proposes and the Board has, subject to Shareholders' approval, agreed to implement increases set out in the table below, which, other than in respect of the Chairman of the Board, are consistent with the guidance previously provided by Trust Associates. The proposed remuneration for the Chairman of the Board remains less than that previously proposed by Trust Associates, and balances the increase in time commitment to perform the role and the appropriate level to attract a high-calibre successor, with the on-going challenging economic conditions resulting from the Covid-19 pandemic notwithstanding that the operations of the Company are continuing with no material adverse effect.

Remuneration Policy

All Directors of the Company are non-executive and as such there are:

- no service contracts with the Company;
- no long-term incentive schemes;
- no options or similar performance incentives; and
- no payments for loss of office unless approved by shareholder resolution.

The Directors' remuneration shall:

- reflect the responsibility, experience, time commitment and position on the Board;
- allow the Chairman of the Board and the Chairmen of each of the Board's committees to be remunerated in excess of the remaining Board members to reflect their increased roles of responsibility and accountability;
- be paid quarterly in arrears;
- include remuneration for additional, specific corporate work which shall be carefully considered and only become due and payable on completion of that work; and
- be reviewed by an independent professional consultant with experience of investment companies and their fee structures, at least every three years.

The maximum annual limit of aggregate fees payable to the Directors as set in the Articles of Association is £450,000.

Remuneration Committee

The Remuneration Committee met three times during 2021 to consider the remuneration of the Directors. Its membership comprised of all Directors of the Company, which was deemed appropriate as they are each independent and have the requisite knowledge of the Company and experience to appropriately determine remuneration.

The Remuneration Committee confirmed its recommendation for the annual supplement for the additional responsibility borne by the Senior Independent Director (Shelagh Mason) and the Chairman of the Management Engagement Committee (Klaus Hammer) at £3,500 (2020: £3,500) for each director.

The table below sets out the Directors' remuneration approved and actually paid for the year to 31 December 2021, as well as the annual rate proposed for the year ending 31 December 2022. Where Directors serve for part of the year, their fee is pro rated accordingly. Where a Director's role changes during the year (e.g. succession of roles such as that of the Chairman), their fees for the year will reflect the period of the year for which they have borne additional responsibilities.

Director	Role	Base remuneration rate proposed for 2022	Base remuneration paid 2021	Additional fees for fundraising in 2021	Total remuneration paid in 2021
Helen Mahy	Chairman	£88,000	£81,000	£15,000	£96,000
Jon Bridel	Audit Committee Chairman	£66,500	£65,000	£10,000	£75,000
Klaus Hammer	Chairman of the Management Engagement Committee	£57,500	£56,500	£10,000	£66,500
Shelagh Mason	Senior Independent Director	£57,500	£56,500	£10,000	£66,500
Tove Feld	Director	£54,000	£53,000	£10,000	£63,000
John Whittle*	Director	£54,000	£26,500	N/A	£26,500*
Erna-Maria Trixl	Director	£54,000	N/A	N/A	N/A
Total		£431,500	£338,500	£55,000	£393,500

* John Whittle was appointed to the Board on 1 July 2021 and his remuneration has been prorated accordingly.

No additional fees were payable to the Directors in 2021 beyond those set out in the table above relating to the issuance of the Company's prospectus in March 2021. Where the Company requires Directors to work on specific corporate actions, such as the raising of further equity, an additional fee will be appropriately determined.

Directors are entitled to claim reasonable expenses which they incur attending meetings or otherwise in performance of their duties relating to the Company. The total amount of Directors' expenses paid for 2021 was £3,501.

The Board also considered the availability of time of each Director, taking into account their other commitments, and concluded that adequate time was in each case available for the appropriate discharge of the Company's affairs.

Directors' Interests

The Directors of the Company at 31 December 2021, and their interests in the Ordinary Shares of the Company, are shown in the table below.

	31 December 2021 Ordinary Shares	31 December 2020 Ordinary Shares
Helen Mahy	145,959	116,472
Jon Bridel	28,922	27,466
Klaus Hammer	29,094	27,620
Shelagh Mason	207,864	118,697
Tove Feld	48,646	20,255
John Whittle	51,200	N/A

Some of the Directors' shares may be held jointly with their spouse. All holdings of the Directors and their families are beneficial. No changes to these holdings had been notified up to the date of this report.

Other Disclosures

At the last AGM, held on 5 May 2021, the following resolution including Directors' remuneration was approved:

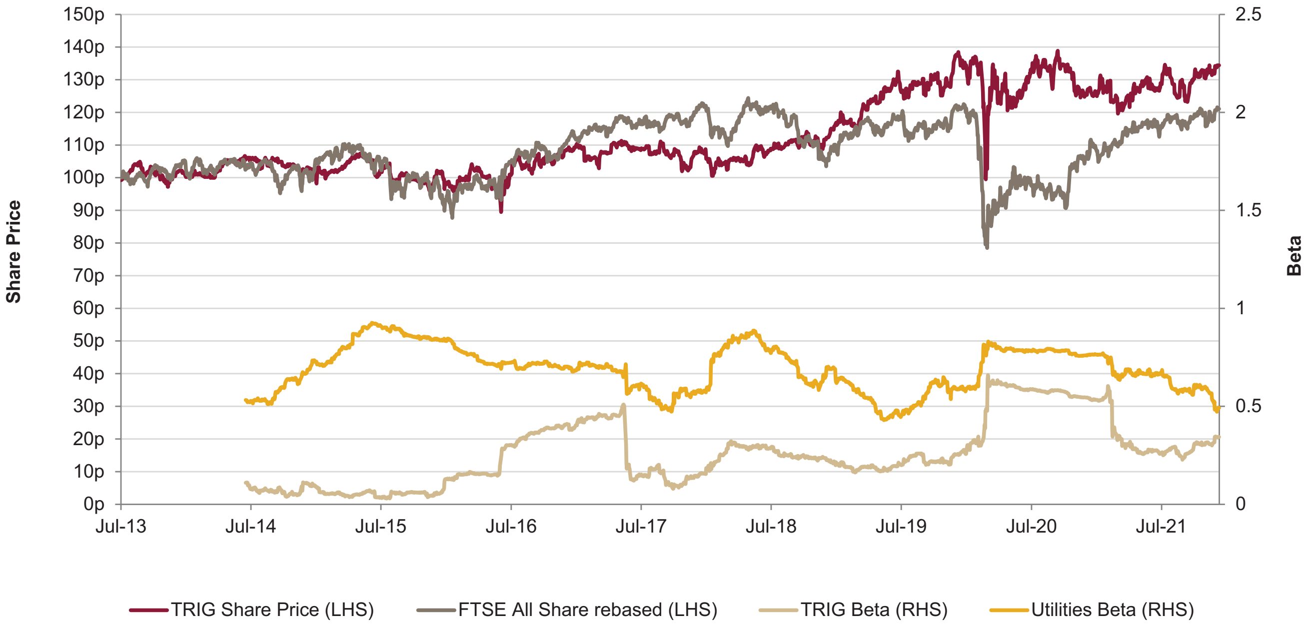
Ordinary Resolution 9 - To approve the Directors' remuneration report, including the proposed annual remuneration for routine business for each Director, as set out in the Report and Financial Statements, for the year ending 31 December 2021:

	Shares voted	Percentage
In Favour	1,379,851,804	99.92
Against	1,077,022	0.08
Withheld	394,365	N/A

7.0
Directors' Remuneration Report (continued)

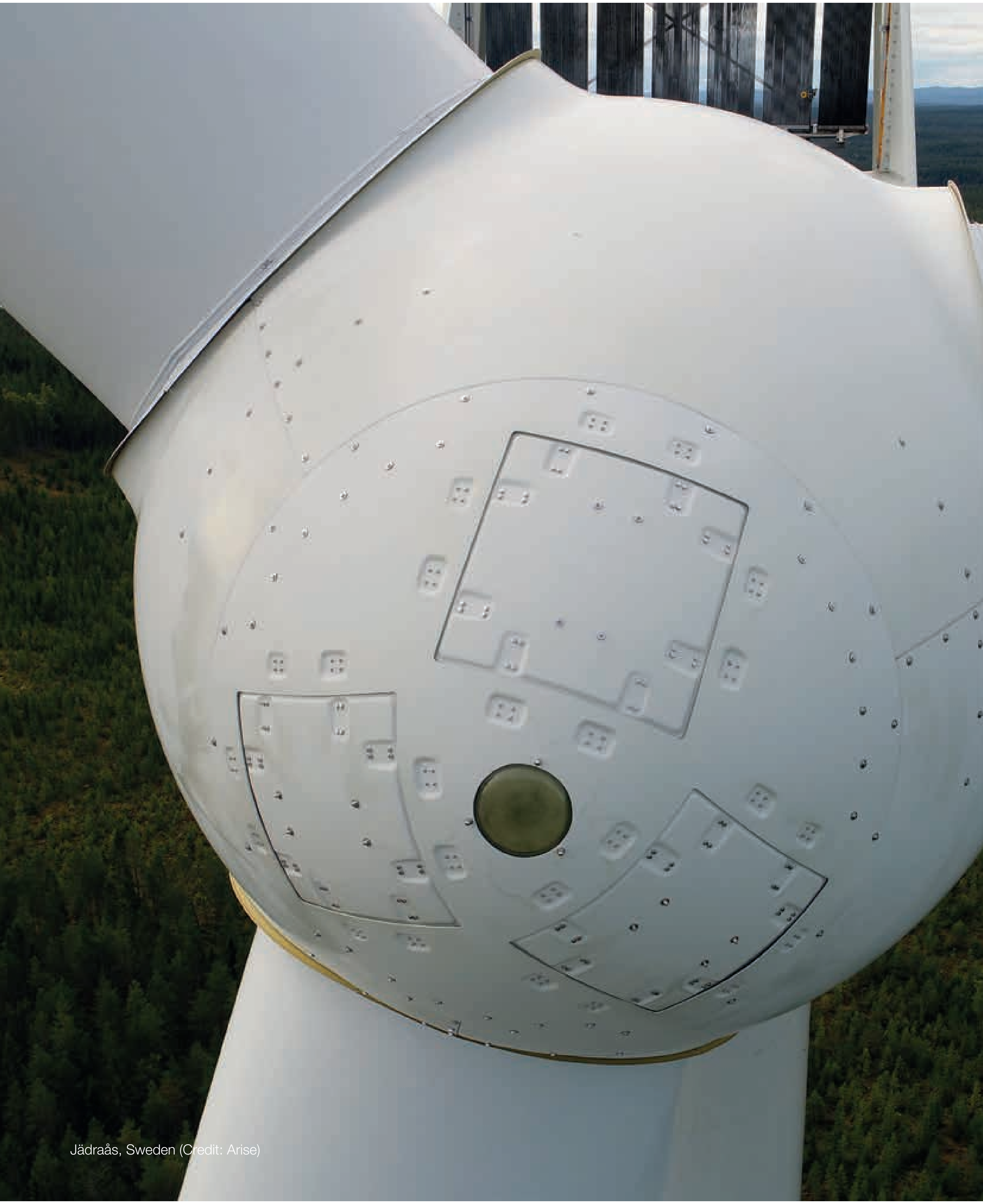
Performance Graph

In setting the Directors' remuneration, consideration is given to the size and performance of the Company. The graph below highlights the performance of the Company against the FTSE-All Share index (of which TRIG is a constituent) rebased to IPO on a total return basis. In 2021, the Total Shareholder Return (on a share price basis) for the Company was 11.3% (2020: (2.9)%) versus 18.3% for the FTSE-All Share Index (2020: (9.8)%). Over the period from the IPO in July 2013 to 31 December 2021, the annualised Total Shareholder Return for the Company was 9.5% and for the FTSE-All Share it was 6.0%.



Source: Thomson Reuters Datastream

Turbine installation at Solwaybank, Scotland



Jädraås, Sweden (Credit: Arise)

08 Audit Committee Report

8.0 Audit Committee Report

The Audit Committee has been in operation since the inception of the Company. Chaired by Jon Bridel, it operates within clearly defined terms of reference and comprises all of the Directors other than the Chairman (who is not a member in accordance with provision 24 of the UK Corporate Governance Code). It is also the formal forum through which the auditor reports to the Board of Directors and they met four times in 2021 (it meets at least three times annually).

The main duties of the Audit Committee are:

- giving full consideration of, and recommending to the Board for approval, the contents of the half year and annual financial statements and reviewing the external auditor's report thereon including consideration of whether the financial statements are overall fair, balanced and understandable;
- agreeing with the auditor the external audit plan including discussing with the external auditor the key risk areas within the financial statements;
- considering and understanding the key risks of misstatement of the financial statements and formulating an appropriate plan to review these and agreeing with the Managers their processes to manage these risk areas;
- reviewing the Viability and Going Concern Statements and reviewing the work prepared by the Investment Manager supporting these statements;
- reviewing the draft valuation of the Company's investments prepared by the Investment Manager and making a recommendation to the Board on the valuation;
- monitoring ESG performance in line with the Company's ESG goals and ensuring appropriate disclosures with respect to these targets are reported and reviewed;
- reviewing the scope, results, cost effectiveness, independence and objectivity of the external auditor as well as reviewing the effectiveness of the external audit process and making any recommendations to the Board for improvement of the audit process;
- reviewing and recommending to the Board for approval the audit, audit-related and non-audit fees payable to the external auditor or their affiliated firms overseas and the terms of their engagement;
- reviewing the appropriateness of the Company's accounting policies;
- ensuring the standards and adequacy of the internal control systems;
- to consider any reports or information received in respect of whistleblowing; and
- reporting to the Board on how it has discharged its duties.

None of the members of the Audit Committee have any involvement in the preparation of the financial statements of the Company, as this has been contracted to the Investment Manager.

The Audit Committee meets the external auditor before and after their audit and has discussed with the auditor the scope of their annual audit work and also their audit findings. The auditor attends the Audit Committee meetings at which the annual and interim accounts are considered, and at which they have the opportunity to meet with the Committee without representatives of the Managers being present. The Audit Committee has direct access to the auditor and to key senior staff of the Investment Manager, and it reports its findings and recommendations to the Board which retains the ultimate responsibility for the financial statements of the Company.

Membership

The Chair of the Audit Committee, Jon Bridel, is a fellow of the Institute of Chartered Accountants in England and Wales and in addition serves as chairman of the audit committee for other listed investment companies. Previously Jon worked in senior positions in investment, corporate finance and commercial banking and was CFO of two private multinational businesses.

Jon will retire as a member of the Board (including his role as Audit Committee Chair) during 2022 and it is intended that he be replaced by John Whittle, an existing member of the Board (appointed 1 July 2021). John Whittle is a Fellow of the Institute of Chartered Accountants in England and Wales and holds the Institute of Directors Diploma in Company Direction. He is a non-executive Director of several listed and unlisted companies and was formerly a Senior Independent Director and Audit Committee Chair at International Public Partnerships Ltd (INPP), the FTSE 250 infrastructure investment company. John has also spent time as Finance Director and CEO during his executive career.

The Board is satisfied that both Jon and John have recent and relevant financial experience as required under the UK Corporate Governance Code. The other members of the Audit Committee during the year were Shelagh Mason, Klaus Hammer and Tove Feld. Shelagh will be resigning from her Directorship during the year. Klaus, Tove and Erna-Maria Trixl (who will join the Audit Committee upon her appointment on 1 March 2022) have extensive experience in the renewables sector. The qualifications of the Audit Committee members are outlined in the Directors' Biographies in Section 3.

Significant Issues Considered

After discussion with both the Managers and the external auditor, the Audit Committee determined that the key risks of misstatement of the Company's financial statements relate to the valuation of the investments.

Valuation of Investments
As outlined in Note 13 to the financial statements, the total carrying value of the investments at fair value (excluding the fair value of TRIG UK and TRIG UK I) at 31 December 2021 was £2,636.8m (2020: £2,160.9m). Market quotations are not available for these financial assets, and as such, their valuation is undertaken using a discounted cash flow methodology. This requires a series of material judgements to be made as further explained in Note 4 to the financial statements.

The valuation process and methodology were discussed by the Audit Committee with the Investment Manager at the time of the interim review, in November 2021 prior to the year-end valuation process and again in February 2022 as part of the year-end sign-off process. The Committee met with the auditor when it reviewed and agreed the auditor's Group audit plan and also at the conclusion of the audit of the financial statements, in particular discussing the valuation process. The Investment Manager carries out a valuation semi-annually and provides a detailed valuation report to the Company. The Company also engaged a third-party valuation expert to provide an independent valuation at June 2021 and also to review the valuation discount rates at December 2021. In July 2021 the expert provided a report to the Audit Committee that corroborated the valuation of the portfolio at June 2021. The expert also provided a report to the Audit Committee in February 2022 confirming that the discount rates adopted at 31 December 2021 were appropriate.

Valuation of Investments – key forecast assumptions
The Audit Committee considered in detail those assumptions that are subject to judgement that have a material impact on the valuation. The key assumptions are:

Power Price Assumptions
A significant proportion of the wind and solar projects' income streams are contracted subsidy receipts and power income under long-term PPAs; some of which have fixed price mechanisms. However, over time the proportion of power income that is fixed reduces and the proportion where the Company has exposure to wholesale electricity prices increases. The Investment Manager considers the forecasts provided by a number of expert energy advisers and adopts a profile of assumed future power prices by jurisdiction. Further detail on the assumptions made in relation to power prices and other variables that may be expected to affect these are included in the Valuation section of the Strategic Report.

Macroeconomic Assumptions
Macroeconomic assumptions include inflation, foreign exchange, interest and tax rate assumptions. The Investment Manager's assumptions in this area are set out and explained in the Valuation section of the Strategic Report.

Other Key Income and Cost Assumptions
Other key assumptions include operating costs, facility energy generation levels and facility remaining operating life assumptions. The Audit Committee considers the remaining operating life assumptions in light of public information provided by the Company's peer group and reports provided by the Operations Manager during the year considering the remaining operational lives for investments and considering any potential extension of those lives and the recognition of additional value resulting to be appropriate. The independent valuation carried out in June 2021 also supported the assumed operating lives.

The Investment Manager has discussed and agreed the valuation assumptions with the Audit Committee. In relation to the key judgements underpinning the valuation, the Investment Manager has provided sensitivities showing the impact of changing these assumptions and these have been reviewed by the Investment Manager and the Audit Committee to assist in forming an opinion on the fairness and balance of the annual report together with their conclusion on the overall valuation.

Valuation Discount Rates
The discount rates adopted to determine the valuation are selected and recommended by the Investment Manager. The discount rate is applied to the expected future cash flows for each investment's financial forecasts derived adopting the assumptions explained above, amongst others, to arrive at a valuation (using a discounted cash flow methodology). The resulting valuation is sensitive to the discount rate selected. The Investment Manager is experienced and active in the area of valuing these investments and adopts discount rates reflecting its current extensive experience of the market. It is noted however that this requires subjective judgement and that there is a range of discount rates which could be applied. The discount rate assumptions and the sensitivity of the valuation of the investments to this discount rate are set out in the Valuation section of the Strategic Report.

The Audit Committee discussed with the Investment Manager the process adopted to arrive at the selected valuation discount rates (which includes comparison with other market transactions and an independent review of valuation discount rates by a third-party valuation expert both at December 2020 and at December 2021) and satisfied itself that the rates applied were appropriate. The Company uses a bifurcated discount rate approach (as more fully explained on page 62).

Auditor Interaction
The external auditor explained the results of their review of the valuation, including their consideration of the Company's underlying cash flow projections, the economic assumptions and discount rates to the Audit Committee. On the basis of their audit work there were no adjustments proposed that were material in the context of the financial statements as a whole. Please refer to Section 9 for the Independent Auditor's Report to the Members of The Renewables Infrastructure Group Limited.

Internal Controls and Risk Management
The Board is responsible for the Company's system of internal control and for reviewing its effectiveness and has therefore

8.0 Audit Committee Report (continued)

established an ongoing process designed to meet the particular needs of the Company in managing the risks to which it is exposed.

The process is a risk-based approach to internal control through a matrix which identifies the key functions carried out by the Investment Manager, Operations Manager and other service providers; the various activities undertaken within those functions; the risks associated with each activity; and the controls employed to minimise and mitigate those risks. A scoring based on 1 to 5 for Likelihood and 1 to 5 for Impact is used and these are multiplied together to give a total score. Mitigation is considered on a scale of 1 to 5 and this leads to a residual risk rating being derived. The matrix is updated on an on-going basis and reviewed quarterly and the Board considers all material changes to the risk ratings and the action which has been, or is being, taken. By their nature, these procedures will provide a reasonable, but not absolute, assurance against material misstatement or loss.

At each Board meeting, the Board also monitors the Group's investment performance and it reviews the Group's activities since the last Board meeting to ensure that the Investment Manager is adhering to the Company's Investment Policy and approved investment guidelines. The pipeline of new potential opportunities is considered and the prices paid for new investments during the quarter are also reviewed.

Further, at each Board meeting, the Board receives reports from the Company Secretary and Administrator in respect of compliance matters and duties they have performed on behalf of the Company.

The Board has considered the need for an internal audit function and it has decided that the systems and procedures employed by the Investment Manager, the Operations Manager and the Administrator, including their own internal review processes and the processes in place in relation to the Company, provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

The Board recognises that these control systems can only be designed to manage rather than eliminate the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material misstatement or loss, and relies on the operating controls established by the Company's Administrator, the Investment Manager and the Operations Manager. The Board considers on a periodic basis whether further third party assurance is appropriate, and reviews at least annually the proficiency of such controls in light of changes in the business and its environment.

The Investment Manager prepares management accounts and updates business forecasts on a quarterly basis, which allow the Board to assess the Company's activities and review its performance. The Board and the Investment Manager have agreed clearly defined investment criteria, return targets, risk appetite, and exposure limits. Reports on these performance measures, coupled with cash projections and investment valuations, are submitted to the Board at each quarterly meeting.

The Operations Manager prepares quarterly project performance and project financial analysis, and highlights the key activities performed and any specific new risks identified relating to the operating portfolio for consideration by the Board.

Appointment of the external auditor

Deloitte LLP was appointed to be external auditor for the TRIG Group on 19 September 2013.

The objectivity of the external auditor is reviewed by the Audit Committee, which also reviews the terms under which the external auditor may be appointed to perform non-audit services. The Audit Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditor, with particular regard to any non-audit work that the auditor may undertake. In order to safeguard auditor independence and objectivity, the Audit Committee ensures that any other audit-related and/or other assurance services provided by the external auditor does not conflict with their statutory audit responsibilities.

Audit-related and/or other assurance services generally relates to the review of the interim financial statements and other assurance work generally completed by the auditor. Any non-audit services conducted by the external auditor outside of these areas which are above £20,000 in aggregate in any period require the consent of the Audit Committee. The external auditor may undertake additional work for the Company, however these are limited to specific services accepted in line with the FRC's 'whitelist' of non-audit services. Some services that appear allowable under the whitelist will be prohibited by the FRC's 'blacklist'. Tax services, consulting, valuation or corporate finance services are not permitted. In general, the Company seeks to avoid using Deloitte for non-audit services and the Audit Committee will only approve their appointment for such non-audit services where the Committee is convinced that Deloitte is best placed to carry out this work and that the appointment would not be to impair their audit independence.

Total fees paid amounted to £746,750 for the year ended 31 December 2021, of which £182,800 related to audit and audit-related services to the Company and its subsidiaries, TRIG UK and TRIG UK Investments, and £496,000 related to audit of the Group's project subsidiaries and other audit-related services. The non-audit services provided by Deloitte in the year to the Company and its subsidiaries are in relation to the review of the interim financial statements at the half year totalling £44,500 and minor other services of £23,450. In addition, audit fees of £15,000 were agreed in the current year in respect to the prior year.

European Union (EU) statutory audit legislation stipulates that fees for permissible non-audit services should not exceed 70% of the average audit fees paid by the Group in the last three consecutive financial years following its implementation in 2016. The Audit Committee must monitor auditor independence and will consider these criteria as part of this role.

Notwithstanding such services, the Audit Committee considers Deloitte LLP to be independent of the Company and that the provision of such non-audit services is not a threat to the objectivity and independence of the conduct of the audit.

To fulfil its responsibility regarding the independence of the external auditor, the Audit Committee considered:

- changes in audit personnel in the audit plan for the current period;
- a report from the external auditor describing their arrangements to identify, report and manage any conflicts of interest; and
- the extent of non-audit services provided by the external auditor.

To assess the effectiveness of the external audit process, the Audit Committee reviewed:

- the external auditor's fulfilment of the agreed audit plan and variations from it;
- reports highlighting the major issues that arose during the course of the audit; and
- the effectiveness and independence of the external auditor having considered the degree of diligence and professional scepticism demonstrated by them.

The Audit Partner for the Company is John Clacy. Deloitte rotates the Audit Partner every five years and the most recent rotation took place during 2019.

The Audit Committee confirms that TRIG has complied with the requirements of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 since it became a member of the FTSE 250 Index on 18 December 2015 and up to 31 December 2021. Deloitte was appointed as external auditor in 2013 following a competitive process and the Audit Committee terms of reference are in line with the Order.

The Committee conducts a formal review of Deloitte following the issue of the annual financial statements as it did in 2021 to ensure that the Committee considers all aspects of the auditor's service and performance. The outcome of the review in May 2021 was positive and led to no material concerns over the performance of the auditor. The Committee will perform a similar review in May 2022.

The Audit Committee remains satisfied with Deloitte's effectiveness and independence as auditor having considered the degree of diligence and professional scepticism demonstrated by them.

Tender of the External Audit

In line with the UK Corporate Governance Code and in particular the requirement to put the external audit out to tender at least every 10 years, the Audit Committee sought to conduct a tender exercise for the external audit of the Company, as previously communicated. This is the ninth year of Deloitte's appointment as the Company's auditor. The competitive audit tender exercise actioned by the Audit Committee began in 2021 and concluded within the year. The tender exercise allowed sufficient time such that any potential new audit firm appointed could benefit from a cooling-off period before their appointment (should they already be providing services to the Company and/or Group that require such a cooling-off period).

The tender process took into consideration best practice in line with the 2018 UK Corporate Governance Code and the 2019 AIC Code of Corporate Governance. This ensured a fair, robust and independent tender process could be commenced to ensure the Company appointed the most suitable firm.

The Audit Committee issued a request for a short submission to six firms in March 2021 and, following a review by the Audit Committee, a request for proposal was issued to three of those firms in September 2021 to formally invite those chosen firms to tender for the external audit of the Company.

Each firm was also given exclusive time with the current and future audit committee chair (Jon Bridel and John Whittle, respectively) as well as representatives of the Investment Manager and Operations Manager to aid them in their submissions.

Members of the Audit Committee, together with representatives of the Investment Manager and Operations Manager, met with all three firms who were invited to tender in November 2021 to present their submissions.

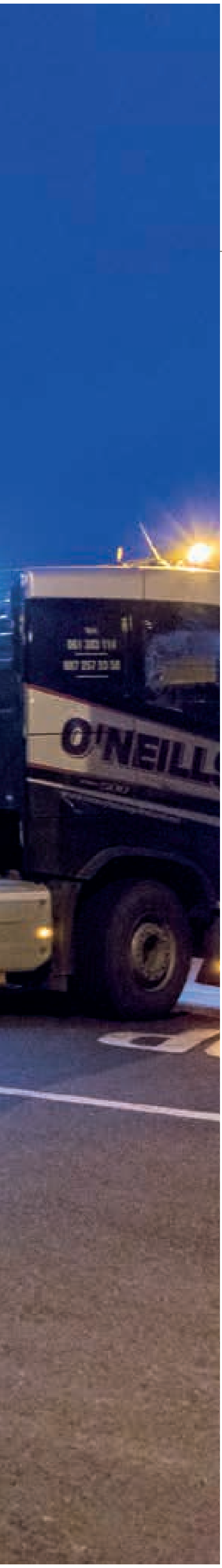
Following the Audit Committee review of submissions, the Committee members resolved to recommend the continuing appointment of Deloitte as auditors, deeming this course of action to be in the best interests of shareholders, by virtue of the strength and experience of the Deloitte audit team and lack of demonstrable differentiation shown by challengers.

Having satisfied itself that the external auditor remains independent and effective, and having concluded a full audit tender process, the Audit Committee has recommended to the Board that Deloitte LLP be reappointed as auditor for the year ending 31 December 2022.

Audit Committee Performance Evaluation

During the year, the Committee evaluated its performance considering checklists provided by leading audit firms. All of the Directors and the Managers completed the form and the results were discussed at an Audit Committee meeting. A few items of a minor nature arose and led to recommendations that have been adopted. Overall, the finding of the evaluation was that the Audit Committee is sufficiently skilled and experienced and effective in carrying out its role.

Delivery of turbine components at Pallas, Ireland (Credit: Keith Arkins)



09
Independent Auditor's Report

9.0
Independent Auditor's Report
to the Members of The Renewables Infrastructure Group Limited

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of The Renewables Infrastructure Group Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law, and IFRSs as adopted by the European Union.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the company for the year are disclosed in Note 7 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was: ▲ The assessment of the fair value of investments Within this report, key audit matters are identified as follows: Increased level of risk Similar level of risk Decreased level of risk
Materiality	The materiality that we used in the current year was £54.0m which was determined on the basis of 2% of shareholders' equity. A lower materiality threshold of £3.1 million based upon 3% of income from investments (excluding fair value movements in the portfolio valuation) was applied to balances in the income statement and balance sheet, excluding fair value of investments and derivatives balances and their associated fair value movements.
Scoping	As the company is required to measure its subsidiaries at fair value rather than consolidate on a line-by-line basis, the company has been treated as having only one component.
Significant changes in our approach	There have been no significant changes in our approach.

4. Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- reviewing the revolving credit facility including consideration of availability and compliance with covenants;
- assessing the impact of Covid-19 and climate change on the company;
- reviewing the future commitments and guarantees of the company;
- testing of clerical accuracy and our assessment of the sophistication of the model used to prepare the forecasts;
- assessing the assumptions used in the forecasts;
- assessing the historical accuracy of forecasts prepared by management; and
- reviewing the amount of headroom in the forecasts (cash and revolving credit facility covenants).

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the company has applied the Association of Investment Companies Code of Corporate Governance, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 The assessment of the fair value of investments	
Key audit matter description	The company's investments held at fair value at 31 December 2021, comprise of investments in intermediate holding companies and equity and subordinated debt interests as well as mezzanine level bonds in wind farm, solar park and battery storage projects. The company, its subsidiaries and its portfolio of investments are known as "the Group"). These investments are classified at Level 3 within IFRS fair value hierarchy and their valuation requires significant judgment. The company's portfolio continues to grow, having increased by £475.9m in the year to £2,636.8m at 31 December 2021 (31 December 2020: £2,160.9m). The investment was funded through the issue of equity and drawdown of the Group's revolving credit facility. Certain assumptions used in the determination of fair value are a key source of estimation uncertainty, which is why we consider there to be a risk of material misstatement as well as a potential for fraud through possible manipulation of this balance. As there is no liquid market for these investments, they are measured using a discounted cash flow methodology. The complex nature of this methodology, combined with the number of significant judgements, means there is a risk that the fair value of the investments could be misstated. The key assumptions and judgements have been summarised as:- ▲ Discount rates – the determination of the appropriate bifurcated discount rates for each investment that is reflective of current market conditions and specific risks of the investment; ▲ Macroeconomic assumptions primarily in respect of forecast inflation, foreign exchange rates and tax; and ▲ Forecasted future cash flows – certain assumptions used in the cash flow forecasts primarily in respect of future forecast power prices, energy yields and asset lives, including the consideration of the impact of Covid-19 and climate change. The Audit Committee have set out their consideration of the risk on pages 126-129 and is disclosed as a critical accounting judgement and a key source of estimation uncertainty in Note 3 of the financial statements. A breakdown of the investments and the assumptions applied to the valuation are described in Note 4 of the financial statements.

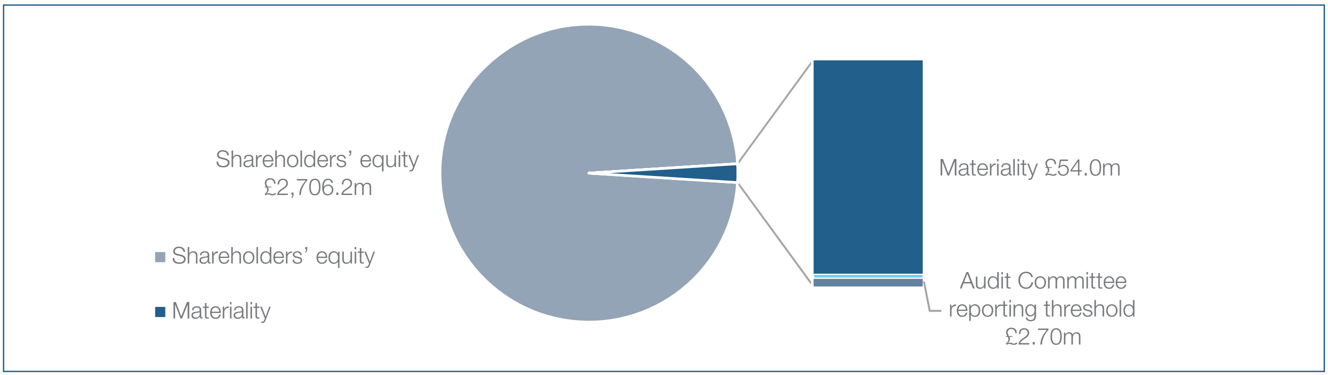
How the scope of our audit responded to the key audit matter	We challenged the key judgements and assumptions in our assessment of the fair value of investments as well as the sensitivity of the valuation to reasonably possible changes in these assumptions. Our audit procedures included the following: ▲ obtaining an understanding of the relevant controls in respect of the valuation process adopted by the Investment Manager and Board, including the incorporation of new acquisitions and updates to the valuation models used at 31 December 2021; ▲ holding meetings with key management personnel (including advisors Fred Olsen, Low Carbon and Renewable Energy Systems (RES)) to understand the performance of the fund and of the underlying Special Purpose Vehicles (SPVs); ▲ disaggregating projects based upon our risk assessment with detailed model review procedures performed on higher risk projects using analytics and performing analytical reviews on the remainder of the projects in order to challenge the cash flow projections and explanations for significant movements in the forecast; ▲ involving our valuation specialists in assessing the bifurcation discount rate methodology and benchmarking the discount rates against comparable market participants and transactions and considering the inherent risk profile of the underlying cash flows specific to each investment; ▲ evaluating the macroeconomic assumptions included in the forecasts with reference to observable market data and external forecasts; ▲ assessing the independent advice received by the company in respect of power prices, energy yields, asset lives and discount rates and meeting with those advisers where appropriate to understand the methodology used and challenge key assumptions through the use of benchmarking against third party sources; ▲ involving our tax specialists in assessing the tax treatment of portfolio level reliefs; ▲ assessing the impact of Covid-19 and climate change on the assumptions used within the fair value of the investments; ▲ reviewing the share purchase agreements for any newly acquired assets in order to determine the acquisition cost and the nature and amount of any deferred consideration that may be embedded in the valuation; ▲ understanding and challenging management's process for determining costs to complete for projects in construction through review of the estimated costs to complete; ▲ assessing the incorporation of the assumptions into the valuation and the correct application of the selected discount rates; and ▲ evaluating the adequacy of the disclosures made in the financial statements.
Key observations	Based on the audit procedures performed and our benchmarking of assumptions we identified that some areas of the valuation had become more conservative, including certain power price assumptions in the near-term offset by other more optimistic judgements including lower discount rates for certain projects. We concluded in aggregate that the assumptions are within the acceptable range of reasonably possible alternatives.

9.0
Independent Auditor's Report
to the Members of The Renewables Infrastructure Group Limited (continued)

6. Our application of materiality
6.1 Materiality
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

Materiality	£54.0m (2020: £43.0m)
Basis for determining materiality	2% (2020: 2%) of shareholders' equity
Rationale for the benchmark applied	We consider equity to be the key benchmark used by shareholders of the company in assessing financial performance. The reason for the significant increase in materiality relates to the growth in this benchmark throughout the year.



A lower materiality threshold of £3.1m (2020: £2.3m) based upon 3% of income from investments (excluding fair value movements in the portfolio valuation) has also been used. This has been applied to balances in the income statement and balance sheet, excluding fair value of investments and derivatives balances and their associated fair value movements, due to qualitative factors of stakeholder interest.

6.2 Performance materiality
We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2021 audit (2020: 70%). In determining performance materiality, we considered the following factors:

a. the quality of the control environment; and

b. the low level of corrected and uncorrected misstatements identified in the prior period.

6.3 Error reporting threshold
We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £2.70m (2020: £2.15m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit
7.1 Scoping
Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

As the company is required to measure its subsidiaries at fair value rather than consolidate on a line-by-line basis, the company has been treated as having only one component and all of the audit work was performed directly by the audit engagement team.

7.2 Our consideration of the control environment
We have obtained an understanding of the control environment and the relevant controls to address our significant risks. This has included the control environment and relevant controls operating at the Investment Manager as a key service provider to the company.

7.3 Our consideration of climate-related risks
Management has considered transition and physical risks when factoring in climate change as part of their risk assessment process when considering the principal risks and uncertainties facing the company. These risks have been focused on the assumptions underlying the valuation of investments, and include power price forecasts, energy yields and asset availability and maintenance costs. This is consistent with our evaluation of the climate-related risks facing the company and is linked to the key audit matter as highlighted in section 5.1, where we have described both the risks related to these assumptions and our audit procedures in relation to the challenge of these assumptions. The climate change risk factors underpinning the assumptions have been explained in note 3 of the financial statements. We have evaluated the appropriateness of disclosures included in the financial statements and have read the annual report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

8. Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the audit committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, and financial instruments specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the assessment of the fair value of investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Alternative Investment Fund Managers (AIFM) Directive, Association of Investment Companies Code of Corporate Governance, Non-Mainstream Pooled Investments regulations, The Companies (Guernsey) Law 2008, and the Listing Rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

11.2 Audit response to risks identified

As a result of performing the above, we identified the assessment of the fair value of investments as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the audit committee concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Report on other legal and regulatory requirements

12. Corporate Governance Statement

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

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

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 106;
- the directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on page 106;
- the directors' statement on fair, balanced and understandable set out on page 100;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 100;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 107; and
- the section describing the work of the audit committee set out on page 126.

13. Matters on which we are required to report by exception

13.1 Adequacy of explanations received and accounting records

Under the Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have nothing to report in respect of these matters.

14. Other matters which we are required to address

14.1 Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the board of directors on 19 September 2013 to audit the financial statements for the year ending 31 December 2013 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 9 years, covering the years ending 31 December 2013 to 31 December 2021.

14.2 Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

15. Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Clacy (Senior statutory auditor)
For and on behalf of Deloitte LLP
Recognised Auditor
Guernsey, Channel Islands

17 February 2022

Hill of Towie, Scotland (Credit: Keith Arkins)

10

Financial Statements

10.0
Income Statement

For the year ended 31 December 2021

	Note	Year ended 31 December 2021 £'000's	Year ended 31 December 2020 £'000's
Net gain on Investments	6	68,775	41,010
Dividend income	6	4,900	–
Interest income from Investments	6	101,121	78,165
Total operating income		174,796	119,175
Fund expenses	7	(1,904)	(1,794)
Operating profit		172,892	117,381
Finance and other income/(expense)	8	37,570	(17,215)
Profit before tax		210,462	100,166
Income tax	9	–	–
Profit after tax	10	210,462	100,166
Attributable to:			
Equity holders of the parent		210,462	100,166
		210,462	100,166
Earnings per share (pence)	10	10.0	5.9

All results are derived from continuing operations. The accompanying notes are an integral part of these financial statements.

There is no other comprehensive income or expense apart from those disclosed above and consequently a separate statement of comprehensive income has not been prepared.

10.0
Balance Sheet

As at 31 December 2021

	Note	As at 31 December 2021 £'000's	As at 31 December 2020 £'000's
Non-current assets			
Investments at fair value through profit or loss	13	2,636,785	2,160,946
Other receivables	14	13,219	–
Total non-current assets		2,650,004	2,160,946
Current assets			
Other receivables	14	28,306	12,501
Cash and cash equivalents	15	28,229	23,116
Total current assets		56,535	35,617
Total assets		2,706,539	2,196,563
Current liabilities			
Other payables	16	(362)	(1,692)
Total current liabilities		(362)	(1,692)
Total liabilities		(362)	(1,692)
Net assets	12	2,706,177	2,194,871
Equity			
Share capital and share premium	17	2,488,594	2,046,237
Other reserves	17	1,008	1,005
Retained reserves	17	216,575	147,629
Total equity attributable to owners of the parent	12	2,706,177	2,194,871
Net assets per Ordinary Share (pence)	12	119.3	115.3

The accompanying notes are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 17 February 2022, and signed on its behalf by:

Director: Jon Bridel

Director: Helen Mahy

10.0
Statement of Changes in Shareholders' Equity

For the year ended 31 December 2021

	Share capital and share premium £'000's	Other reserves £'000's	Retained reserves £'000's	Total equity £'000's
Shareholders' equity at beginning of year	2,046,237	1,005	147,629	2,194,871
Profit for the year	–	–	210,462	210,462
Dividends paid	–	–	(134,058)	(134,058)
Scrip shares issued in lieu of dividend	7,458	–	(7,458)	–
Ordinary Shares issued	439,850	–	–	439,850
Costs of Ordinary Shares issued	(6,948)	–	–	(6,948)
Ordinary Shares issued in year in lieu of Management Fees, earned in H2 2020[1]	1,005	(1,005)	–	–
Ordinary Shares issued in year in lieu of Management Fees, earned in H1 2021[2]	992	–	–	992
Ordinary Shares to be issued in lieu of Management Fees, earned in H2 2021[3]	–	1,008	–	1,008
Shareholders' equity at end of year	2,488,594	1,008	216,575	2,706,177

For the year ended 31 December 2020

	Share capital and share premium £'000's	Other reserves £'000's	Retained reserves £'000's	Total equity £'000's
Shareholders' equity at beginning of year	1,721,309	1,008	161,120	1,883,437
Profit for the year	–	–	100,166	100,166
Dividends paid	–	–	(107,028)	(107,028)
Scrip shares issued in lieu of dividend	6,629	–	(6,629)	–
Ordinary Shares issued	320,000	–	–	320,000
Costs of Ordinary Shares issued	(3,704)	–	–	(3,704)
Ordinary Shares issued in year in lieu of Management Fees, earned in H2 2019[4]	1,008	(1,008)	–	–
Ordinary Shares issued in year in lieu of Management Fees, earned in H1 2020[5]	995	–	–	995
Ordinary Shares to be issued in lieu of Management Fees, earned in H2 2020[1]	–	1,005	–	1,005
Shareholders' equity at end of year	2,046,237	1,005	147,629	2,194,871

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the management fees are to be settled in Ordinary Shares up to an Adjusted Portfolio Value of £1 billion.

1 The £1,005,462 transfer between reserves represents the 885,012 shares that relate to management fees earned in the six months to 31 December 2020 and were recognised in other reserves at 31 December 2020, and were issued to the Managers during the year, with the balance being transferred to share premium reserve on 31 March 2021.
2 The £991,778 addition to the share premium reserve represents the 880,719 shares that relate to management fees earned in the six months to 30 June 2021 and were issued to the Managers on 30 September 2021.
3 As at 31 December 2021, 857,254 shares equating to £1,008,219, based on a Net Asset Value ex dividend of 117.61 pence per share (the Net Asset Value at 31 December 2021 of 119.3 pence per share less the interim dividend of 1.69 pence per share) were due but had not been issued. The Company intends to issue these shares to the Managers around 31 March 2022.
4 The £1,008,216 transfer between reserves represents the 889,550 shares that relate to management fees earned in the six months to 31 December 2019 and were recognised in other reserves at 31 December 2019, and were issued to the Managers during the year, with the balance being transferred to share premium reserves on 31 March 2020.
5 The £994,533 addition to the share premium reserve represents the 893,480 shares that relate to management fees earned in the six months to 30 June 2019 and were issued to the Managers on 30 September 2020.

The accompanying notes are an integral part of these financial statements.

10.0 Cash Flow Statement

For the year ended 31 December 2021

	Note	Year ended 31 December 2021 £'000's	Year ended 31 December 2020 £'000's
Cash flows from operating activities			
Profit before tax	10	210,462	100,166
Adjustments for:			
Net gain on investments	6, 13	(68,775)	(41,010)
Dividend income	6	(4,900)	-
Investment income from investments	6	(101,121)	(78,165)
Acquisition costs		-	20
Movement in other reserves relating to Manager shares		3	(3)
Realised gains/(losses) on settlement of FX forwards		7,643	(3,122)
Finance and other (income)/expense	8	(36,336)	17,215
Operating cash flow before changes in working capital		6,976	(4,899)
Changes in working capital:			
(Increase)/decrease in receivables		(4)	831
Increase/(decrease) in payables		63	(1,245)
Cash flow from operations		7,035	(5,313)
Distributions from investments	13	149,522	120,654
Interest on bank deposits	8	1	155
Net cash from operating activities		156,558	115,496
Cash flows from investing activities			
Purchases of investments	13	(452,289)	(499,466)
Amounts realised from exit proceeds		-	68,125
Acquisition costs		-	(20)
Net cash used in investing activities		(452,289)	(431,361)
Cash flows from financing activities			
Proceeds from issue of share capital during year		441,847	322,003
Costs in relation to issue of shares	17	(6,948)	(3,704)
Dividends paid to shareholders	11	(134,058)	(107,028)
Net cash from financing activities		300,841	211,271
Net increase/(decrease) in cash and cash equivalents		5,110	(104,594)
Cash and cash equivalents at beginning of year	15	23,116	127,589
Exchange (losses)/gains on cash		3	121
Cash and cash equivalents at end of year	15	28,229	23,116

The accompanying notes are an integral part of these financial statements.

10.0 Notes to the Financial Statements

1. General information

The Renewables Infrastructure Group Limited ("TRIG" or the "Company") is a closed ended investment company incorporated in Guernsey under Section 20 of the Companies (Guernsey) Law, 2008. The shares are publicly traded on the London Stock Exchange under a premium listing. Through its subsidiaries, The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), and The Renewables Infrastructure Group (UK) Investments Limited ("TRIG UK I"), TRIG invests in mainly operational renewable energy generation projects, predominantly in onshore wind and solar PV segments, across the UK and Europe. The Company, TRIG UK, TRIG UK I and its portfolio of investments are known as the "Group".

These financial statements are for the year ended 31 December 2021 and comprise only the results of the Company, as all of its subsidiaries are measured at fair value as explained below in Note 2 (a).

2. Key accounting policies

(a) Basis of preparation

The financial statements were approved and authorised for issue by the Board of Directors on 17 February 2022.

The financial statements, which give a true and fair view, have been prepared in compliance with the Companies (Guernsey) Law, 2008 and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") using the historical cost basis, except that the financial instruments classified at fair value through profit or loss are stated at their fair values. All accounting policies have been applied consistently in these financial statements.

The financial statements are presented in pounds sterling, which is the Company's functional currency. Foreign operations are included in accordance with the policies set out in this note.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years. Note 3 shows critical accounting judgements, estimates and assumptions.

(b) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and also commented on in the Viability Statement contained in the Directors' Report on page 106. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Results on pages 68 to 73. In addition, Notes 1 to 4 of the financial statements include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group has a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, the Company maintains a prudent level of leverage, limited to 30% of portfolio value for fund-level financing, and limited to 50% of gross portfolio value for the Group's project-level financing. The project-level financing is non-recourse to the Company.

At 31 December 2021, the Company's leverage was 3% for fund-level financing (2020: 2%) and 40% for project-level financing (2020: 43%).

The Group has the necessary financial resources to meet its obligations. In addition, it maintains a working capital component of £30m as part of its revolving credit facility (currently sized at £500m and limited to 30% of Portfolio Value). The revolving credit facility is ESG-linked, resulting in a possible increase or reduction to future interest payments based on the company's performance against KPIs relating to ESG targets over time.

The facility expires on 31 December 2023, with an option to extend for up to an additional 2 years; it was £73m drawn at 31 December 2021.

The Company has sufficient headroom on its revolving credit facility covenants. These covenants have been tested and relate to interest cover ratios and group gearing limits and the Company does not expect these covenants to be breached. The Company and its direct subsidiaries have a number of guarantees, detailed in Note 19. These guarantees relate to certain obligations that may become due by the underlying investments over their useful economic lives. We do not anticipate these guarantees to be called in the next 12 months and in many cases the potential obligations are insured by the underlying investments.

The Group's project-level financing is non-recourse to the Company and is limited to 50% of Gross Portfolio Value.

A cash balance of £28.2m at 31 December 2021 is held by the Company, with further amounts held in the Company's direct and indirect subsidiaries. In addition, the Company has a working capital facility on its revolving credit facility of £30m.

Further to the above, the Company has a number of outstanding commitments which are detailed in section 2.8 of this Annual Report. These commitments can be fully covered by the Company's revolving credit facility.

Since the start of 2020 the outbreak of the coronavirus (which causes COVID-19) has spread to become a global pandemic, which, in conjunction with the public health responses of various governments, has led to uncertainty in the market. The directors of the Company continue to follow advice given by the national and international agencies (including the World Health Organisation and Public Health England) to ensure best practices are followed.

To date there has not been a material impact on the ability of the Company to carry out its operations. Restrictions imposed by governments on public health grounds have impacted the consumption of electricity, and consequently electricity prices, however these measures are currently expected to be transitory and in place for the shortest period practicable, ultimately with a recovery to previous levels expected at this time. Consequently, the directors do not believe that there is a significant risk to the value of the Company's investments, operations or its overall business as a result of the COVID-19 pandemic but will continue to monitor any future developments.

The company is also affected by climate-related risks and the board consider these when they assess the company's ability to continue as a going concern. The company continues to monitor these risks, including scenario analysis in line with the Task Force on Climate-Related Financial Disclosure reporting requirements, as described in section 2.4 of this Annual Report.

As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. The directors do not believe that there is a significant risk to the business as a result of the COVID-19 pandemic but will continue to monitor any future developments.

Having performed the assessment of going concern, the Directors considered it appropriate to prepare the financial statements of the Company on a going concern basis. The Company has sufficient financial resources and liquidity and is well placed to manage business risks in the current economic environment and can continue operations for a period of at least 12 months from the date of these financial statements.

(c) Basis of consolidation

The Company applies IFRS 10 'Consolidated Financial Statements', and as an investment entity is required to measure all of its subsidiaries at fair value. The financial statements therefore comprise the results of the Company only. Subsidiaries are those entities owned by the Company. The Company has ownership of an investee, when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee as defined in IFRS 10 'Consolidated Financial Statements'.

The Directors believe it is appropriate and relevant to the investor to account for the investment portfolio at fair value, where consolidating it would not be.

The Company's subsidiaries, TRIG UK and TRIG UK I, carry out investment activities and incur overheads and borrowings on behalf of the Group. The Directors therefore provide an alternative presentation of the Company's results in the Strategic Report on pages 68 to 73 prepared under the "Expanded basis", which includes the consolidation of TRIG UK and TRIG UK I.

An entity shall consider all facts and circumstances when assessing whether it is an investment entity, including its purpose and design. Under the definition of an investment entity, as set out in paragraph 27 in the standard, the entity must satisfy all three of the following tests:

- Obtains funds from one or more investors for the purpose of providing those investors with investment management services; and
- Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both (including having an exit strategy for investments); and
- Measure and evaluate the performance of substantially all of its investments on a fair value basis.

10.0 Notes to the Financial Statements (continued)

In respect of the first criterion, TRIG is an investment company which enables shareholders to gain exposure to a diversified portfolio of renewable energy and related infrastructure investments coupled with the management of these investments.

In respect of the second criterion, the Company's purpose is to invest funds for returns from capital appreciation and investment income. The Company's exit of its investments in project companies may be at the time the existing turbines or other generation assets get to the end of their economic lives or planning or leasehold land interests expire, at which point the project companies may be considering redevelopment (referred to as a "repowering") of the site. The Company may remain invested in the event there is the opportunity to repower and undertake the repowering, subject to its investment limits on construction activity being met and depending on economic considerations at the time. The Company may also exit investments earlier for reasons of portfolio balance or profit, as there is an active secondary market for renewables projects in the countries in which we operate.

In respect of the third criterion, the board evaluates the performance of the assets on a fair market value basis throughout the year as part of the management accounts review, and the company undertakes a fair market valuation of its portfolio twice a year for inclusion in its report and accounts with the movement in the valuation taken to the income statement and thus measured within its earnings.

Taking these factors into consideration, the Directors are of the opinion that the Company has all the typical characteristics of an investment entity and meets the definition in the standard.

(d) Financial instruments

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for derecognition in accordance with IFRS 9 'Financial Instruments'.

Financial derivatives are valued using a Mark to Market valuation based on the underlying derivative contracts that are executed with the banks.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value including directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Investments in equity and debt securities

Investments in the equity, loan stock and mezzanine debt of entities engaged in renewable energy activities are designated upon initial recognition as held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the income statement at each valuation point.

Financial assets are recognised/derecognised at fair value at the date of the purchase/disposal. A financial asset (in whole or part) is derecognised either:

- When the group has transferred substantially all of the risk and rewards of ownership; or
- When it has neither transferred nor retained substantially all of the risks and rewards when it no longer has control over the asset or a portion of the asset; or
- When the contractual rights to receive cash flow have expired.

The initial difference between the transaction price and the fair value, derived from using the discounted cash flows methodology at the date of acquisition, is recognised only when observable market data indicates there is a change in a factor that market participants would consider in setting the price of that investment. For the years ended 31 December 2021 and 31 December 2020, there were no such differences. In addition, there was no material change on applying fair values between the date of acquisition and the reporting date for acquisitions in the years ended 31 December 2021 and 31 December 2020.

The Group manages these investments and makes purchase and sale decisions based on their fair value.

The Directors consider the equity and loan stock to share the same investment characteristics and risks and they are therefore treated as a single unit of account for valuation purposes and a single class for disclosure purposes.

(e) Impairment

Financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

(f) Share capital and share premium

Ordinary Shares are classified as equity. Costs directly attributable to the issue of new shares or associated with the establishment of the Company that would otherwise have been avoided are written off against the value of the ordinary share premium.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held on call with banks and other short-term, highly liquid investments with original maturities of three months or less. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(h) Investment income

Income from investments relates solely to returns from the Company’s subsidiaries, TRIG UK and TRIG UK I. This is recognised as it accrues by reference to the principal outstanding and the effective interest rate applicable and dividends when these are received.

(i) Income tax

Under the current system of taxation in Guernsey, the Company is exempt from paying taxes on non-Guernsey source income or capital gains.

(j) Foreign exchange gains and losses

Transactions entered into by the Company in a currency other than its functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the income statement.

(k) Segmental reporting

The Chief Operating Decision Maker (the “CODM”) is of the opinion that the Group is engaged in a single segment of business, being investment in renewable infrastructure to generate investment returns while preserving capital. The financial information used by the CODM to allocate resources and manage the Group presents the business as a single segment comprising a homogeneous portfolio.

(l) Fund expenses

All expenses are accounted for on an accruals basis. The Company’s investment management and administration fees (refer to Note 7), finance costs and all other expenses are charged through the income statement.

(m) Acquisition costs

In line with IFRS 3 (Revised), acquisition costs are expensed to the income statement as incurred.

(n) Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends, this is when they are paid. For scrip dividends, where the Company issues shares with an equal value to the cash dividend amount as an alternative to the cash dividend, a credit to equity is recognised when the shares are issued.

(o) Statement of compliance

Pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 the Company is a Registered Closed-Ended Investment Scheme. As an authorised scheme, the Company is subject to certain ongoing obligations to the Guernsey Financial Services Commission and meets its compliance requirements.

(p) Share-based payments
Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at that date the entity obtains the goods or the counterparty renders the service.

(q) New and revised standards
The Company notes the following standards and interpretations which were in issue but not effective at the date of these financial statements. They are not expected to have a material impact.

- Amendments to IFRS 10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 3 Reference to the Conceptual Framework (effective for business combinations for which date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022)
- Annual improvements to IFRS standards 2018-2020 Cycle (effective for annual periods beginning on or after 1 January 2022)
- Amendments to IAS 8 Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023)

3. Critical accounting judgements, estimates and assumptions
The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions in certain circumstances that affect reported amounts. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Key source of estimation uncertainty: Investments at fair value through profit or loss
IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Board bases the fair value of the investments on information received from the Investment Manager. Fair value is calculated on a discounted cash flow basis.

Fair values for those investments for which a market quote is not available, in this instance being all investments, are determined using the income approach, which discounts the expected cash flows at the appropriate rate. In determining the discount rate, relevant long-term government bond yields, specific risks associated with the technology (onshore wind, offshore wind, battery storage and solar) and geographic location of the underlying investment, and the evidence of recent transactions, are all taken into consideration. The investments at fair value through profit or loss, whose fair values include the use of level 3 inputs, are valued by discounting future cash flows from investments in both equity (dividends and equity redemptions) and subordinated loans (interest and repayments) to the Group at an appropriate discount rate.

The weighted average discount rate applied in the December 2021 valuation was 6.6% (2020: 6.7%). The discount rate is considered one of the most significant unobservable inputs through which an increase or decrease would have a material impact on the fair value of the investments at fair value through profit or loss which are further discussed in Note 4 under sensitivities.

The other material impacts on the measurement of fair value are the forward-looking power price curve, energy yields, operating costs and macro-economic assumptions (including rates of inflation) which are further discussed in Note 4 under sensitivities. The company considers climate-related risks when assessing these assumptions as detailed in section 2.4 of this Annual Report.

During the period up to and following the valuation date, wholesale market forward prices materially exceeded the forecasts provided by the market forecasters and showed significant levels of day-to-day volatility. As such, the reflection of increased power price expectations versus forecasts as a result of forward prices, of which the portfolio valuation incorporates c. 40% equivalent to c. 2 pence per share, would represent a potential area of increased risk in the current market.

The Investment Manager, when considering the assumptions to apply to the valuation of the investments at 31 December 2021, considers several key assumptions.

Key Judgements
By virtue of the Company's status as an investment fund, and in conjunction with IFRS 10 for investment entities, investments are designated upon initial recognition to be accounted for at fair value through profit or loss.

The Directors consider that the carrying value amounts of financial assets and financial liabilities recorded at amortised cost in the financial statement are approximately equal to their fair values.

4 Financial instruments

Financial risk management

The objective of the Group's financial risk management is to manage and control the risk exposures of its investment portfolio. The Board of Directors has overall responsibility for overseeing the management of financial risks, however the review and management of financial risks are delegated to the Investment Manager, which has documented procedures designed to identify, monitor and manage the financial risks to which the Group is exposed. Note 4 presents information about the Group's exposure to financial risks, its objectives, policies and processes for managing risk and the Group's management of its financial resources.

Through its subsidiaries, TRIG UK and TRIG UK I, the Company invests in a portfolio of investments predominantly in the subordinated loan stock and ordinary equity of renewable energy project companies. These companies are structured at the outset to minimise financial risks where possible, and the Investment Manager primarily focuses their risk management on the direct financial risks of acquiring and holding the portfolio but continues to monitor the indirect financial risks of the underlying projects through representation, where appropriate, on the Boards of the project companies, and the receipt of regular financial and operational performance reports.

The Company has a diversified portfolio of assets which include investments with both higher and lower risks and returns. These risks and return differences relate, but are not limited to, qualification to receive government subsidies, exposure to fluctuations in future energy prices and levels of project finance debt.

Interest rate risk

The Group invests in subordinated loan stock of project companies, usually with fixed interest rate coupons. The portfolio's cash flows are continually monitored and reforecast, both over the near future and the long term, to analyse the cash flow returns from investments. The Group may use borrowings to finance the acquisition of investments and the forecasts are used to monitor the impact of changes in borrowing rates against cash flow returns from investments, as increases in borrowing rates will reduce net interest margins.

The Group's policy is to ensure that interest rates are sufficiently hedged to protect the Group's net interest margins from significant fluctuations when entering into material medium/long-term borrowings. This includes engaging in interest rate swaps or other interest rate derivative contracts.

The Company has an indirect exposure to changes in interest rates through its investment in project companies, many of which are financed by senior debt. Senior debt financing of project companies is generally either through floating rate debt, fixed rate bonds or index-linked bonds. Where senior debt is floating rate, the projects typically have similar length hedging arrangements in place, which are monitored by the project companies' managers, finance parties and boards of directors.

The revolving credit facility is ESG-linked, resulting in a possible increase or reduction to future interest payments based on the companies' performance against KPIs relating to ESG targets over time.

Inflation risk

The Group's project companies are generally structured so that contractual income and costs are either wholly or partially linked to specific inflation, where possible, to minimise the risks of mismatch between income and costs due to movements in inflation indexes. The Group's overall cash flows vary with inflation, although they are not directly correlated as not all flows are indexed. The effects of these inflation changes do not always immediately flow through to the Group's cash flows, particularly where a project's loan stock debt carries a fixed coupon and the inflation changes flow through by way of changes to dividends in future years. Inflation is managed through the use of inflation linked swaps where the Group deems it to be appropriate. The sensitivity of the portfolio valuation is shown further on in Note 4.

Market risk

Returns from the Group's investments are affected by the price at which the investments are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter alia, movements in interest rates, market prices and the competition for such assets. The Investment Manager carries out a full valuation semi-annually and this valuation exercise considers changes described above.

Currency risk

The projects in which the Group invests all conduct their business and pay interest, dividends and principal in sterling, with the exception of the euro-denominated investments which at 31 December 2021 comprised 37% (2020: 40%) of the portfolio by value on an invested basis and 42% (2020: 37%) of the portfolio by value on a committed basis. The sensitivity of the portfolio valuation is shown in this note.

The Group monitors its foreign exchange exposures using its near-term and long-term cash flow forecasts. Its policy is to use foreign exchange hedging to provide protection to the level of sterling distributions that the Company aims to pay over the medium-term, where considered appropriate. This may involve the use of forward exchange.

Credit risk

Credit risk is the risk that a counterparty of the Group will be unable or unwilling to meet a commitment that it has entered into with the Group. Key credit ratings for the Company's counterparties are detailed in Note 14.

The credit standing of subcontractors is reviewed, and the risk of default estimated for each significant counterparty position. Monitoring is on-going, and year-end positions are reported to the Board on a quarterly basis. The Group's largest credit risk exposure to a project at 31 December 2021 was to the Beatrice project, representing 10% (2020: East Anglia one, representing 9%) of the invested portfolio value.

The largest subcontractor counterparty risk exposure (O&M or OEM whereby the maintenance provider is not always the original equipment manufacturer) was to Vestas, who provided turbine maintenance services in respect of 24% (2020: Vestas 26%) of the invested portfolio by value. The largest exposure to any equipment manufacturer was to Siemens, who provided turbines in respect of 46% of the invested portfolio value (2020: Siemens 39%).

The Group's investments enter into Power Price Agreements ("PPA") with a range of providers through which electricity is sold; the PPAs are priced into the fair value of the investments. The largest PPA provider to the portfolio at 31 December 2021 was Statkraft, who provided PPAs to projects in respect of 19% (2020: Statkraft 22%) of the invested portfolio value.

At 31 December 2021, there were no loans and other receivables considered impaired for the Group.

The Group's maximum exposure to credit risk over financial assets is the carrying value of those assets in the balance sheet. The Group does not hold any collateral as security.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meets its liabilities when due. The Group ensures it maintains adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group's investments are predominantly funded by share capital and medium-term debt funding.

The Group's investments are generally in private companies, in which there is no listed market and therefore such investment would take time to realise, and there is no assurance that the valuations placed on the investments would be achieved from any such sale process.

The Group's investments have borrowings which rank senior and have priority over the Group's own investments into the companies. This senior debt is structured such that, under normal operating conditions, it will be repaid within the expected life of the projects. Debt raised by the investment companies from third parties is without recourse to the Group.

The Group's revolving credit facility, which was £72.8m drawn at 31 December 2021 (31 December 2020: £40m), is held by TRIG UK and TRIG UK I, and is guaranteed by the Company. The facility is in place until December 2023 and contains an option to extend.

Capital management

TRIG UK and TRIG UK I, the Company's subsidiaries, have a £500m revolving credit facility with Royal Bank of Scotland International Limited, National Australia Bank Limited, ING Bank N.V, Barclays Bank PLC, Banco Santander S.A. London Branch and Sumitomo Mitsui Banking Corporation. The facility expires on 31 December 2023. The facility was £72.8m drawn at 31 December 2021.

The Group makes prudent use of its leverage. Under the investment policy, borrowings, including any financial guarantees to support outstanding subscription obligations but excluding internal Group borrowings of the Group's underlying investments, are limited to 30% of the portfolio value.

From time to time, the Company issues its own shares to the market; the timing of these purchases depends on market prices.

In order to assist in the narrowing of any discount to the Net Asset Value at which the Ordinary Shares may trade, from time to time the Company may at the sole discretion of the Directors:

- make market purchases of up to 14.99% per annum of its issued Ordinary Shares; and
- make tender offers for the Ordinary Shares.

There were no changes in the Group's approach to capital management during the year.

Fair value estimation

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

Non-derivative financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses the income approach, which discounts the expected cash flows attributable to each asset at an appropriate rate to arrive at fair values. In determining the discount rate, regard is had to relevant long-term government bond yields, the specific risks of each investment and the evidence of recent transactions.

Derivative financial instruments

The fair value of financial instruments inputs other than quoted prices traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. Note 2 discloses the methods used in determining fair values on a specific asset/liability basis. Where applicable, further information about the assumptions used in determining fair value is disclosed in the notes specific to that asset or liability.

Classification of financial instruments

	31 December 2021 £'000s	31 December 2020 £'000s
Financial assets		
Designated at fair value through profit or loss:		
Investments	2,636,785	2,160,946
Other financial assets	27,293	–
Financial assets at fair value	2,664,078	2,160,946
At amortised cost:		
Other receivables	14,232	12,501
Cash and cash equivalents	28,229	23,116
Financial assets at amortised cost	42,461	35,617
Financial liabilities		
Designated at fair value through profit or loss:		
Other financial liabilities	–	1,399
Financial liabilities at fair value	–	1,399
At amortised cost:		
Other payables	362	293
Financial liabilities at amortised cost	362	293

The Directors believe that the carrying values of all financial instruments are not materially different to their fair values.

Other financial assets/liabilities represent the fair value of foreign exchange forward agreements in place at the year-end.

10.0
Notes to the Financial Statements (continued)

Fair value hierarchy

- The fair value hierarchy is defined as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

				As at 31 December 2021
	Level 1 £'000's	Level 2 £'000's	Level 3 £'000's	Total £'000's
Investments at fair value through profit or loss	–	–	2,636,785	2,636,785
	–	–	2,636,785	2,636,785
Other financial assets	–	27,293	–	27,293
	–	27,293	–	27,293

				As at 31 December 2020
	Level 1 £'000's	Level 2 £'000's	Level 3 £'000's	Total £'000's
Investments at fair value through profit or loss	–	–	2,160,946	2,160,946
	–	–	2,160,946	2,160,946
Other financial liabilities	–	(1,399)	–	(1,339)
	–	(1,399)	–	(1,339)

Other financial liabilities/assets represent the fair value of foreign exchange forward agreements in place at the year-end.

Investments at fair value through profit or loss comprise the fair value of the investment portfolio, on which the sensitivity analysis is calculated, and the fair value of TRIG UK and TRIG UK I, the Company's subsidiaries being its cash, working capital and debt balances.

	31 December 2021 £'000's	31 December 2020 £'000's
Portfolio value	2,725,805	2,213,030
TRIG UK and TRIG UK I		
Cash	225	737
Working capital	(19,345)	(17,211)
Debt[1]	(69,900)	(35,610)
	(89,020)	(52,084)
Investments at fair value through profit or loss	2,636,785	2,160,946

1 Debt arrangement costs of £2,927k (2020: £4,390k) have been netted off the £72.8m (2020: £40m) debt drawn by TRIG UK and TRIG UK I.

Level 2

Valuation methodology

Fair value is based on price quotations from financial institutions active in the relevant market. The key inputs to the discounted cash flow methodology used to derive fair value include foreign currency exchange rates and foreign currency forward curves. Valuations are performed on a six-monthly basis every June and December for all financial assets and all financial liabilities.

Level 3

Valuation methodology

The Investment Manager has carried out fair market valuations of the investments as at 31 December 2021 and the Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation. All investments are at fair value through profit or loss and are valued using a discounted cash flow methodology.

The fair value of investments has been calculated using a bifurcated methodology whereby cash flows are discounted on the basis of the risk and return profile of the underlying cash flows.

The following economic assumptions were used in the discounted cash flow valuations at:

	31 December 2021	31 December 2020
Inflation applied to UK ROC Income	3.75% (2022), 3.50% (2023), 2.75% until 2030, 2.00% thereafter	3.0% 2020, 2.75% thereafter
Inflation applied to UK CfD Income	3% (2022), 2.75% (2023), 2.00% thereafter	2.00%
UK inflation rates (other)	3.75% (2022), 3.50% (2023), 2.75% thereafter	2.75%
Ireland, France, Sweden, Germany and Spain inflation rates	2.00%	2.00%
UK deposit interest rates	0.25% to 2025, 1.25% thereafter	0.25% to March 2023, 1.0% thereafter
Ireland, France, Sweden, Germany and Spain deposit interest rates	0.0% to 2025, 0.25% thereafter	0.0% to March 2023, 0.5% thereafter
UK corporation tax rate	19% to April 2023, 25% thereafter	19.00%
Ireland corporation tax rate	12.5% active rate, 25% passive rate	12.5% active rate, 25% passive rate
France corporation tax rate	25%	28%; reducing to 25% by 2022
Sweden corporation tax rate	20.6%	20.6%
Germany corporation tax rate	15.8%	15.8%
Spain corporation tax rate	25%	25%
Euro/sterling exchange rate	1.1899	1.1191
Energy yield assumptions	P50 case	P50 case

Valuation Sensitivities

Sensitivity analysis is produced to show the impact of changes in key assumptions adopted to arrive at the valuation. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life.

The sensitivities assume the portfolio is fully invested and hence the Portfolio Value for the sensitivity analysis is the sum of the Portfolio Valuation at 31 December 2021 (£2,726m) and the outstanding investment commitments (£231m) being £2,957m.

Accordingly, the NAV per share impacts shown below assume the issue of further shares to fund these commitments.

The analysis below shows the sensitivity of the portfolio value (and its impact on NAV) to changes in key assumptions as follows:

Discount rates

The discount rates used for valuing each investment are based on market information and the current bidding experience of the Group and its Managers.

10.0
Notes to the Financial Statements (continued)

The weighted average valuation discount rate applied to calculate the portfolio valuation is 6.6% at 31 December 2021 (2020: 6.7%). An increase or decrease in this rate by 0.5% has the following effect on valuation.

Discount rate	NAV/ share impact	-0.5% change	Total Portfolio Value	+0.5% change	NAV/ share impact
Directors' valuation - December 2021	**+4.4p**	**+£111.7m**	**£2,957.0m**	**-£103.9m**	**-4.1p**
Directors' valuation - December 2020	+4.7p	+£107.3m	£2,629.8m	-£100.5m	-4.4p

Power Price
The sensitivity considers a flat 10% movement in power prices for all years, i.e. the effect of adjusting the forecast electricity price assumptions in each of the jurisdictions applicable to the portfolio down by 10% and up by 10% from the base case assumptions for each year throughout the operating life of the portfolio.

A change in the forecast electricity price assumptions by plus or minus 10% has the following effect.

Power Price	NAV/ share impact	-10% change	Total Portfolio Value	+10% change	NAV/ share impact
Directors' valuation - December 2021	**-8.1p**	**-£202.7m**	**£2,957.0m**	**+£200.8m**	**8.0p**
Directors' valuation - December 2020	-7.6p	-£173.6m	£2,629.8m	+£172.7m	7.6p

Energy Yield
The base case assumes a "P50" level of output. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded – both in any single year and over the long term – and a 50% probability of being underachieved. Hence the P50 is the expected level of generation over the long term.

The sensitivity illustrates the effect of assuming "P90 10-year" (a downside case) and "P10 10-year" (an upside case) energy production scenarios. A P90 10-year downside case assumes the average annual level of electricity generation that has a 90% probability of being exceeded over a 10-year period. A P10 10-year upside case assumes the average annual level of electricity generation that has a 10% probability of being exceeded over a 10-year period. This means that the portfolio aggregate production outcome for any given 10-year period would be expected to fall somewhere between these P90 and P10 levels with an 80% confidence level, with a 10% probability of it falling below that range of outcomes and a 10% probability of it exceeding that range. The sensitivity includes the portfolio effect which reduces the variability because of the diversification of the portfolio. The sensitivity is applied throughout the life of each asset in the portfolio (even where this exceeds 10 years).

The table below shows the sensitivity of the portfolio value to changes in the energy yield applied to cash flows from project companies in the portfolio as per the terms P90, P50 and P10 explained above.

Energy Yield	NAV/ share impact	P90 10-year exceedance	Total Portfolio Value	P10 10-year exceedance	NAV/ share impact
Directors' valuation - December 2021	**-13.9p**	**-£348.6m**	**£2,957.0m**	**+£381.3m**	**15.2p**
Directors' valuation - December 2020	-14.3p	-£324.4m	£2,629.8m	+£349.3m	15.3p

Inflation rates
The projects' income streams are principally a mix of subsidies, which are amended each year with inflation, and power prices, which the sensitivity assumes will move with inflation. The projects' management, maintenance and tax expenses typically move with inflation, but debt payments are fixed. This results in the portfolio returns and valuation being positively correlated to inflation.

The portfolio valuation assumes 3.75% p.a. inflation for the UK in 2022, 3.5% in 2023 and 2.75% thereafter and 2.0% p.a. for each of Sweden, France, Germany, Ireland and Spain.

The sensitivity illustrates the effect of a 0.5% decrease and a 0.5% increase from the assumed annual inflation rates in the financial model for each year throughout the operating life of the portfolio.

Inflation assumption	NAV/ share impact	-0.5% change	Total Portfolio Value	+0.5% change	NAV/ share impact
Directors' valuation - December 2021	**-4.3p**	**-£107.7m**	**£2,957.0m**	**+£115.4m**	**4.6p**
Directors' valuation - December 2020	-4.8p	-£110.1m	£2,629.8m	+£120.0m	5.3p

Operating costs

The sensitivity shows the effect of a 10% decrease and a 10% increase to the base case for annual operating costs for the portfolio, in each case assuming that the change to the base case for operating costs occurs with effect from 1 January 2022 and that change to the base case remains reflected consistently thereafter during the life of the projects.

Operating costs	NAV/ share impact	-10% change	Total Portfolio Value	+10% change	NAV/ share impact
Directors' valuation - December 2021	**5.2p**	**+£129.5m**	**£2,957.0m**	**-£130.7m**	**-5.2p**
Directors' valuation - December 2020	5.8p	+£131.5m	£2,629.8m	-£132.6m	-5.8p

Taxation rates

The profits of each project company are subject to corporation tax in their home jurisdictions at the applicable rates (the tax rates adopted in the valuation are set out in Note 4 to the financial statements). The tax sensitivity looks at the effect on the Directors' valuation of changing the tax rates by +/- 2% each year in each jurisdiction and is provided to show that tax can be a material variable in the valuation of investments. The sensitivities incorporate the impact of portfolio level reliefs.

Taxation rates	NAV/ share impact	-2% change	Total Portfolio Value	+2% change	NAV/ share impact
Directors' valuation - December 2021	**1.7p**	**+£43.5m**	**£2,957.0m**	**-£43.8m**	**-1.7p**
Directors' valuation - December 2020	1.6p	+£37.2m	£2,629.8m	-£37.4m	-1.6p

Interest rates

This shows the sensitivity of the portfolio valuation to the effects of a reduction of 1% and an increase of 2% in interest rates. The change is assumed with effect from 1 January 2022 and continues unchanged throughout the life of the assets.

The portfolio is relatively insensitive to changes in interest rates. This is an advantage of TRIG's approach of favouring long-term structured project financing (over shorter-term corporate debt) which is secured with the substantial majority of this debt having the benefit of long-term interest rate swaps which fix the interest cost to the projects.

The portfolio sensitivity to interest rates is assessed asymmetrically, noting that there is limited capacity for further interest rate reductions.

Interest rates	NAV/ share impact	-1% change	Total Portfolio Value	+2% change	NAV/ share impact
Directors' valuation - December 2021	**-0.1p**	**-£2.5m**	**£2,957.0m**	**+£0.8m**	**0.0p**
Directors' valuation - December 2020	-0.0p	-£0.9m	£2,629.8m	+£0.2m	0.0p

Currency rates

The sensitivity shows the effect of a 10% decrease (euro weakens relative to sterling) and a 10% increase (euro strengthens relative to sterling) in the value of the euro relative to sterling used for the 31 December 2021 valuation (based on a 31 December 2021 exchange rate of €1.1899 to £1). In each case it is assumed that the change in exchange rate occurs from 1 January 2022 and thereafter remains constant at the new level throughout the life of the projects.

At the year-end, 42% of the committed portfolio was located in Sweden, France, Germany, Ireland and Spain comprising euro-denominated assets.

10.0 Notes to the Financial Statements (continued)

The Group has entered into forward hedging of the expected euro distributions for up to 48 months ahead and in addition placed further hedges to reach a position where at least 60% of the valuation of euro-denominated assets is hedged. The hedge reduces the sensitivity of the portfolio value to foreign exchange movements and accordingly the impact is shown net of the benefit of the foreign exchange hedge in place. The value of the outstanding commitments on Grönhult, Ranasjö, Salsjö and the Cadiz solar projects (Arenosas, El Yarte, La Guita and Malabrigo) are included in this sensitivity. A 60% hedge is assumed for the sensitivity below and during 2021, typical hedge levels have been between approximately 60-80%.

Currency rates	NAV/ share impact	-10% change	Total Portfolio Value	+10% change	NAV/ share impact
Directors' valuation - December 2021	**-1.8p**	**-£44.0m**	**£2,957.0m**	**+£44.0m**	**1.8p**
Directors' valuation - December 2020	-1.4p	-£31.9m	£2,629.8m	+£31.9m	1.4p

The euro/sterling exchange rate sensitivity does not attempt to illustrate the indirect influences of currencies on UK power prices which are interrelated with other influences on power prices.

Asset Lives

Assumptions adopted in the year-end valuation typically range from 25 to 40 years from the date of commissioning, with an average 30 years for the wind portfolio and 38 years for solar portfolio. The overall average across the portfolio at 31 December 2021 is 30 years (31 December 2020: 30 years).

The sensitivity below shows the impact on the valuation of assuming all assets within the portfolio have a year longer and a year shorter asset life assumed.

Asset Lives	NAV/ share impact	-1 year change	Total Portfolio Value	+1 year change	NAV/ share impact
Directors' valuation - December 2021	**-1.0p**	**-£25.6m**	**£2,957.0m**	**+£23.3m**	**0.9p**
Directors' valuation - December 2020	-1.2p	-£27.0m	£2,629.8m	+£23.4m	1.0p

5. Segment reporting

The Chief Operating Decision Maker (the "CODM") is of the opinion that the Group is engaged in a single segment of business, being investment in renewable infrastructure to generate investment returns while preserving capital. The financial information used by the CODM to allocate resources and manage the Group presents the business as a single segment comprising a homogeneous portfolio.

6. Total operating income

	For year ended 31 December 2021 £'000s	For year ended 31 December 2020 £'000s
Gain on investments	68,775	41,010
Dividend income	4,900	–
Interest income from investments	101,121	78,165
Total operating income	174,796	119,175

The gains on investment are unrealised. On the Expanded basis, which includes TRIG UK and TRIG UK I, the Company's subsidiaries, which the Directors consider to be an extension of the Company's investment activity, total operating income is £204,331k (2020: £145,826k). The reconciliation from the IFRS basis to the expanded basis is shown in Section 2.8 of the Strategic Report on page 68.

7 Fund expenses

	For year ended 31 December 2021 £'000s	For year ended 31 December 2020 £'000s
Fees payable to the Company's Auditor:		
For audit of the Company's financial statements	171	140
For the other audit-related assurance services	45	39
For additional fees in respect to the prior period	15	15
Investment and management fees (Note 18)	200	200
Directors' fees (Note 18)	339	283
Other costs	1,134	1,117
Fund expenses	1,904	1,794

The fees to the Company's Auditor include £45k (2020: £39k) payable in relation to audit-related assurance services in respect of the interim review of the half-yearly financial statements.

In addition to the above, £508k (2020: £445k) was paid to Deloitte LLP (the Company's auditor) in respect of audit services provided for the 2021 audit to unconsolidated subsidiaries. Please refer to the Independent Auditor's Report on pages 132-139.

On the Expanded basis, fund expenses are £23,759k (2020: £19,987k); the difference being the costs incurred within TRIG UK and TRIG UK I, the Company's subsidiaries. The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.8 of the Strategic Report on page 69.

The Company had no employees during the current or prior year. The Company has appointed the Investment Manager and the Operations Manager to manage the portfolio, the Company and its subsidiaries, on its behalf.

8. Finance and other income/ (expense)

	For year ended 31 December 2021 £'000s	For year ended 31 December 2020 £'000s
Interest income:		
Interest on bank deposits	1	155
Total finance income	1	155
Gain/(loss) on foreign exchange:		
Realised gain/(loss) on settlement of FX forwards	7,643	(3,122)
Fair value gain/(loss) of FX forward contracts	28,693	(14,020)
Other foreign exchange gains/(losses	1,233	(228)
Total gain/(loss) on foreign exchange	37,569	(17,370)
Finance and other income/(expense)	37,570	(17,215)

On the Expanded basis, finance income is £1k (2020: £155k) and finance costs are £5,793k (2020: £4,036k); the difference being the Group's acquisition facility costs which are incurred within TRIG UK and TRIG UK I, the Company's subsidiaries. These costs are shown in Section 2.8 of the Strategic Report on page 69.

10.0
Notes to the Financial Statements (continued)

9. Income tax

Under the current system of taxation in Guernsey, the Company is exempt from paying taxes on income, profits or capital gains. Therefore, income from investments is not subject to any further tax in Guernsey, although these investments will bear tax in the individual jurisdictions in which they operate.

10. Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of Ordinary Shares in issue during the year.

	31 December 2021	31 December 2020
Profit attributable to equity holders of the Company ('000)	£210,462	£100,166
Weighted average number of Ordinary Shares in issue ('000)	2,103,869	1,711,999
Earnings per Ordinary Share (Pence)	10.0p	5.9p

Further details of shares issued in the year are set out in Note 17.

11. Dividends

	31 December 2021 £'000s	31 December 2020 £'000s
Amounts recognised as distributions to equity holders during the year:		
Interim dividend for the 3-month year ended 31 December 2019 of 1.66p		27,167
Interim dividend for the 3-month year ended 31 March 2020 of 1.69p		27,673
Interim dividend for the 3-month year ended 30 June 2020 of 1.69p		29,379
Interim dividend for the 3-month year ended 30 September 2020 of 1.69p		29,439
Interim dividend for the 3-month year ended 31 December 2020 of 1.69p	32,167	
Interim dividend for the 3-month year ended 31 March 2021 of 1.69p	35,508	
Interim dividend for the 3-month year ended 30 June 2021 of 1.69p	35,548	
Interim dividend for the 3-month year ended 30 September 2021 of 1.69p	38,293	
	141,516	113,658
Dividends settled as a scrip dividend alternative	7,458	6,629
Dividends settled in cash	134,058	107,028
	141,516	113,657

On 3 February 2022, the Company declared an interim dividend of 1.69 pence per share for the period 1 October 2021 to 31 December 2021. The total dividend, £38,316,464, payable on 31 March 2022, is based on a record date of 10 February 2022 and the number of shares in issue at that time being 2,267,246,415.

	31 December 2021 Pence	31 December 2020 Pence
Amounts recognised as distributions to equity holders during the year:		
Interim dividend for the quarter ended December 2019		1.66
Interim dividend for the quarter ended March 2020		1.69
Interim dividend for the quarter ended June 2020		1.69
Interim dividend for the quarter ended September 2020		1.69
Interim dividend for the quarter ended December 2020	1.69	
Interim dividend for the quarter ended March 2021	1.69	
Interim dividend for the quarter ended June 2021	1.69	
Interim dividend for the quarter ended September 2021	1.69	
Total dividend per share	6.76	6.73

12. Net assets per Ordinary Share

	31 December 2021	31 December 2020
Shareholders' equity at balance sheet date ('000)	£2,706,177	£2,194,871
Number of shares at balance sheet date, including management shares accrued but not yet issued ('000)	2,268,104	1,904,287
Net Assets per Ordinary Share at balance sheet date (Pence)	**119.3p**	**115.3p**

Shares are issued to the Investment Manager and the Operations Manager twice a year in arrears, usually in March and September for the half-year ending December and June, respectively.

As at 31 December 2021, 857,254 shares equating to £1,008,219, based on a Net Asset Value ex dividend of 117.61 pence per share (the Net Asset Value at 31 December 2021 of 119.3 pence per share less the interim dividend of 1.69 pence per share) were due but had not been issued. The Company intends to issue these shares around 31 March 2022.

In view of this, the denominator in the above Net assets per Ordinary Share calculation is as follows:

	31 December 2021 000s	31 December 2020 000s
Ordinary Shares in issue at balance sheet date	2,267,246	1,903,402
Number of shares to be issued in lieu of Management fees	857	885
Total number of shares used in Net Assets per Ordinary Share calculation	**2,268,104**[1]	**1,904,287**

1 Balance does not cast due to rounding

13. Investments at fair value through profit or loss

Investments at fair value through profit or loss is the sum of the portfolio valuation and the carrying amount of TRIG UK and TRIG UK I, the Company's subsidiaries.

	31 December 2021 £'000s	31 December 2020 £'000s
Brought forward	2,160,946	1,741,457
Investments in the year	452,289	499,466
Distributions paid to the Company	(149,522)	(188,779)
Dividend income	4,900	-
Interest income from investments	99,397	67,792
Gain on valuation	68,775	41,010
Carried forward	2,636,785	2,160,946

The following information is non-statutory. It provides additional information to users of the financial statements, splitting the fair value movements between the investment portfolio and TRIG UK and TRIG UK I, the Company's subsidiaries.

	31 December 2021 £'000s	31 December 2020 £'000s
Fair value of investment portfolio		
Brought forward value of investment portfolio	2,213,030	1,745,185
Investments in the year	478,928	588,249
Exit proceeds[2]	-	(117,950)
Distributions paid to the Company	(169,447)	(147,958)
Interest income	75,167	69,869
Dividend income	33,928	23,506
Gain on valuation	94,199	52,130
Carried forward value of investment portfolio	2,725,805	2,213,030
Fair value of TRIG UK & TRIG UK I		
Brought forward value of TRIG UK & TRIG UK I	(52,083)	(3,728)
Cash movement	(512)	521
Working capital movement	(2,135)	(11,661)
Debt movement[1]	(34,290)	(37,215)
Carried forward value of TRIG UK & TRIG UK I	(89,020)	(52,083)
Total investments at fair value through profit or loss	**2,636,785**	**2,160,947**

1 Debt arrangement costs of £2,927k (2020: £4,390k) have been netted off the £72.8m (2020: £40m) debt drawn by TRIG UK and TRIG UK I.
2 In the prior year, this related to the exit of Ersträsk and sell down of Merkur.

The gains on investment are unrealised.

The SPVs (Project companies) in which the company invests are generally restricted on their ability to transfer funds to the Company under the terms of their individual senior funding arrangements. Significant restrictions include:

- Historic and projected debt service and loan life cover ratios exceed a given threshold;
- Required cash reserve account levels are met;
- Senior lenders have agreed the current financial model that forecasts the economic performance of the Project company;
- The Project company is in compliance with the terms of its senior funding arrangements; and
- Senior lenders have approved the annual budget for the company.

Details of investments recognised at fair value through profit or loss were as follows:

		31 December 2021		31 December 2020	
Investments (project name)	**Country**	**Equity**	**Subordinated loan stock**	**Equity**	**Subordinated loan stock**
TRIG UK	UK	100%	100%	100%	100%
TRIG UK I	UK	100%	100%	100%	100%
Roos	UK	100%	100%	100%	100%
The Grange	UK	100%	100%	100%	100%
Hill of Towie	UK	100%	100%	100%	100%
Green Hill	UK	100%	100%	100%	100%
Forss	UK	100%	100%	100%	100%
Altahullion	UK	100%	100%	100%	100%
Lendrums Bridge	UK	100%	100%	100%	100%
Lough Hill	UK	100%	100%	100%	100%
Milane Hill	Republic of Ireland	100%	100%	100%	100%
Beennageeha	Republic of Ireland	100%	100%	100%	100%
Haut Languedoc	France	100%	100%	100%	100%
Haut Cabardes	France	100%	100%	100%	100%
Cuxac Cabardes	France	100%	100%	100%	100%
Roussas-Claves	France	100%	100%	100%	100%
Puits Castan	France	100%	100%	100%	100%
Churchtown	UK	100%	100%	100%	100%
East Langford	UK	100%	100%	100%	100%
Manor Farm	UK	100%	100%	100%	100%
Parsonage	UK	100%	100%	100%	100%
Marvel Farms	UK	100%	100%	100%	100%
Tamar Heights	UK	100%	100%	100%	100%
Stour Fields	UK	100%	100%	100%	100%
Meikle Carewe	UK	100%	100%	100%	100%
Tallentire	UK	100%	100%	100%	100%
Parley	UK	100%	100%	100%	100%
Egmere	UK	100%	100%	100%	100%
Penare	UK	100%	100%	100%	100%

Earlseat	UK	100%	100%	100%	100%
Taurbeg	Republic of Ireland	100%	100%	100%	100%
Four Burrows	UK	100%	100%	100%	100%
Rothes 2	UK	49%	49%	49%	49%
Mid Hill	UK	49%	49%	49%	49%
Paul's Hill	UK	49%	49%	49%	49%
Rothes 1	UK	49%	49%	49%	49%
Crystal Rig 1	UK	49%	49%	49%	49%
Crystal Rig 2	UK	49%	49%	49%	49%
Broussan	France	48.9%	100%	48.9%	100%
Plateau	France	48.9%	100%	48.9%	100%
Borgo	France	48.9%	100%	48.9%	100%
Olmo 2	France	48.9%	100%	48.9%	100%
Chateau	France	48.9%	100%	48.9%	100%
Pascialone	France	48.9%	100%	48.9%	100%
Santa Lucia	France	48.9%	100%	48.9%	100%
Agrinergie 1&3	France	48.9%	100%	48.9%	100%
Agrinergie 5	France	48.9%	100%	48.9%	100%
Agrisol	France	48.9%	100%	48.9%	100%
Chemin Canal	France	48.9%	100%	48.9%	100%
Ligne des 400	France	48.9%	100%	48.9%	100%
Logistisud	France	48.9%	100%	48.9%	100%
Marie Galante	France	48.9%	100%	48.9%	100%
Sainte Marguerite	France	48.9%	100%	48.9%	100%
Freasdail	UK	100%	100%	100%	100%
FVP du Midi	France	51.0%	100%	51.0%	100%
Neilston	UK	100%	100%	100%	100%
Garreg Lwyd	UK	100%	100%	100%	100%
Broxburn	UK	100%	100%	100%	100%
Sheringham Shoal	UK	14.7%	14.7%	14.7%	14.7%
Pallas	Republic of Ireland	100%	100%	100%	100%
Solwaybank	UK	100%	100%	100%	100%
Montigny	France	100%	100%	100%	100%
Rosieres	France	100%	100%	100%	100%
Jadraas	Sweden	100%	100%	100%	100%
Venelle	France	100%	100%	100%	100%
Fujin	France	41.9%	100%	34.6%	100%
Epine	France	100%	100%	100%	100%
Little Raith	UK	100%	100%	100%	100%
Gode Wind 1	Germany	25%	25%	25%	25%
Blary Hill	UK	100%	100%	100%	100%

Merkur	Germany	24.6%	24.6%	24.6%	24.6%
Haut Vannier	France	100%	100%	100%	100%
East Anglia 1	UK	14.3%	14.3%	14.3%	14.3%
Beatrice	UK	17.5%	17.5%	–	–
Grönhult	Sweden	100%	100%	–	–
Ranasjö	Sweden	50%	50%	–	–
Salsjö	Sweden	50%	50%	–	–
Arenosas	Spain	100%	100%	–	–
El Yarte	Spain	100%	100%	–	–
Guita	Spain	100%	100%	–	–
Malabrigo	Spain	100%	100%	–	–

		31 December 2021		31 December 2020	
Investments (project name)	**Country**	**Ownership**	**Mezzanine debt**	**Ownership**	**Mezzanine debt**
Phoenix	France	–	100%	–	100%

On 15 January 2021, TRIG exchanged contracts to acquire 17.5% of equity interest in Beatrice offshore wind farm located off the northeast coast of Scotland and completed in March 2021 following regulatory and lending consent.

On 12 February 2021, TRIG acquired 100% interest in Grönhult, a 67.2 MW ready-to-build onshore wind farm located in the southwest of Sweden. The project was purchased from Vattenfall, the leading Swedish utility supplier and major developer of renewables, who will also manage the construction process. The project is expected to become operational at the end of Q4 2022 and will be funded through equity investment rather than project debt.

On 27 May 2021, TRIG exchanged contracts to acquire a 50% interest in two onshore pre-construction wind farms, Ranasjö and Salsjö, also known as Twin Peaks, located in central Sweden. TRIG has partnered with InfraRed European Infrastructure Income Fund 4, who acquired a 50% interest in the project alongside TRIG. This is consistent with TRIG's strategy of partnering with aligned co-investors on larger transactions whilst maintaining a diversified portfolio. The transaction subsequently completed in July 2021.

On 06 September 2021, TRIG exchanged contracts to acquire a 100% interest in four solar PV sites located in the province of Cadiz, Spain. The four sites combine for a total capacity of 234MW. This solar investment in Spain adds to TRIG's technological and geographical diversification, including diversification of power markets and weather systems.

Further detail of acquisitions made in the year can be found in Section 2.5 of the Strategic Report.

14. Other receivables

	31 December 2021 £'000's	31 December 2020 £'000's
Other receivables	14,232	12,501
Fair value of FX forward contracts expiring within 12 months	14,074	–
Total current receivables	28,306	12,501
Fair value of FX forward contracts expiring after 12 months	13,219	–
	41,525	12,501

The Company has entered into forward foreign currency contracts to hedge the expected euro distributions up to a maximum of 48 months. In addition, the Company has placed further hedges and aims to reach a position where 60%-80% of the valuation of euro-denominated assets is hedged, providing a partial offset to foreign exchange movements in the portfolio value relating to such assets.

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Notes to the Financial Statements (continued)

The following table details the forward foreign currency contracts outstanding as at 31 December 2021. The total euro balance hedged at 31 December 2021 was €747.5m (2020: €747.5m).

	31 December 2021			
	Average exchange rate	Foreign currency €'000's	Notional value £'000's	Fair value £'000's
Less than 3 months	–	–	–	–
3 to 6 months	1.0980	73,200	66,665	4,823
6 to 12 months	1.1173	202,500	181,242	9,251
12 to 24 months	1.1052	100,600	91,021	4,863
Greater than 24 months	1.1084	371,200	334,886	8,356
	1.1094	747,500	673,814	27,293

As at the year-end, the valuation on the foreign exchange derivatives consisted of £10,279k receivable from NatWest Markets Plc, £16,784k receivable from National Australia Bank Limited and £230k receivable from Santander UK PLC. At 31 December 2021 NatWest Markets Plc had an S&P credit rating of A/Stable, National Australia Bank Limited had an S&P credit rating of AA-/Stable and Santander UK PLC had an S&P credit rating of A/Stable.

15. Cash and cash equivalents

	31 December 2021 £'000's	31 December 2020 £'000's
Bank balances	28,229	23,116
Cash and cash equivalents	28,229	23,116

On the Expanded basis, which includes balances carried in TRIG UK and TRIG UK I, cash is £28,454k (2020: £23,853k). The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.8 of the Strategic Report on page 68.

As at the year-end, cash and cash equivalents on the Expanded basis consisted of £1k held with Sumitomo Mitsui Banking Corporation Europe Limited and £28,453k held with Royal Bank of Scotland International Limited. At 31 December 2021 Sumitomo Mitsui Banking Corporation Europe Limited had an S&P credit rating of A/Stable and Royal Bank of Scotland International Limited had an S&P credit rating of A-/Stable.

16. Other payables

	31 December 2021 £'000's	31 December 2020 £'000's
Management fees[1]	50	50
Fair value of forward FX contracts	–	1,399
Other payables	312	243
	362	1,692

1 For related party and key advisor transactions see note 18.

17. Share capital and reserves

	Ordinary Shares 31 December 2021 '000's	Ordinary Shares 31 December 2020 '000's
Opening balance	1,903,403	1,636,564
Issued for cash	356,289	260,000
Issued as a scrip dividend alternative	5,788	5,056
Issued in lieu of management fees	1,766	1,783
Issued at 31 December – fully paid	2,267,246	1,903,403

On 26 March 2021, the Company issued 195,000,000 shares raising £239,850,000 before costs.

On 17 September 2021, the Company issued 161,290,323 shares raising £200,000,000 before costs.

In each case the Company used the funds to repay the revolving credit facility and then fund acquisitions.

The company issued 5,788,023 shares in relation to scrip take-up as an alternative to dividend payments in relation to the dividends paid in the year.

The holders of the 2,267,246,415 (2020: 1,903,402,338) Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The Company shares are issued at nil par value.

Share capital and share premium

	31 December 2021	31 December 2020
	£'000s	£'000s
Opening balance	2,046,237	1,721,309
Ordinary Shares issued	449,305	328,632
Cost of Ordinary Shares issued	(6,948)	(3,704)
Closing balance	2,488,594	2,046,237

Other reserves

	31 December 2021 £'000s	31 December 2020 £'000s
Opening balance	1,005	1,008
Shares to be issued in lieu of management fees incurred in H1 2020	-	995
Shares to be issued in lieu of management fees incurred in H2 2020 (Note 18)	-	1005
Shares to be issued in lieu of management fees incurred in H1 2021 (Note 18)	992	
Shares to be issued in lieu of management fees incurred in H2 2021 (Note 18)	1,008	
Shares issued in the year, transferred to share premium	(1,997)	(2,003)
Closing balance	1,008	1,005

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Notes to the Financial Statements (continued)

Retained reserves

Retained reserves comprise retained earnings, as detailed in the statement of changes in shareholders' equity.

18. Related party and key advisor transactions

Loans to related parties:

	31 December 2021 '000's	31 December 2020 '000's
Short-term balance outstanding on accrued interest receivable	13,147	11,423
Short-term balance outstanding from TRIG UK, in relation to Management fees to be settled in shares[2]	1,008	1,005
Long-term loan stock to TRIG UK and TRIG UK I[1]	1,671,894	1,312,037
	1,686,049	1,324,465

1 Included within Investments at fair value through profit or loss on the Balance Sheet.
2 Included within Other receivables on the Balance Sheet.

During the year, interest totalling £101,121k (2020: £78,165k) was earned in respect of the long-term interest-bearing loan between the Company and its subsidiaries TRIG UK and TRIG UK I, of which £13,147k (2020: £11,423k) was receivable at the balance sheet date.

Key advisor transactions

The Group's Investment Manager (InfraRed Capital Partners Limited) and Operations Manager (Renewable Energy Systems Limited) are entitled to 65 per cent and 35 per cent, respectively, of the aggregate management fee (see below), payable quarterly in arrears.

The aggregate management fee payable to the Investment Manager and the Operations Manager is 1 per cent of the Adjusted Portfolio Value in respect of the first £1 billion of the Adjusted Portfolio Value, 0.8 per cent in respect of the Adjusted Portfolio Value between £1 billion and £2 billion, 0.75 per cent in respect of the Adjusted Portfolio Value between £2 billion and £3 billion and 0.70 per cent in respect of the Adjusted Portfolio Value in excess of £3 billion. These fees are payable by TRIG UK, less the proportion that relates solely to the Company, the advisory fees, which are payable by the Company.

The advisory fees payable to the Investment Manager and the Operations Manager in respect of the advisory services they provide to the Company are £130k per annum and £70k per annum, respectively. The advisory fees charged to the Company are included within the total fee amount charged to the Company and its subsidiary, TRIG UK, as set out above. The Investment Manager advisory fee charged to the income statement for the year was £130k (2020: £130k), of which £33k (2020: £33k) remained payable in cash at the balance sheet date. The Operations Manager advisory fee charged to the income statement for the year was £70k (2020: £70k), of which £18k (2020: £18k) remained payable in cash at the balance sheet date.

The Investment Manager management fee charged to TRIG UK for the year was £13,858k (2020: £10,884k), of which £3,290k (2020: £2,484k) remained payable in cash at the balance sheet date. The Operations Manager management fee charged to TRIG UK for the year was £7,462k (2020: £5,861k), of which £1,772k (2020: £1,337k) remained payable in cash at the balance sheet date.

In addition, the Operations Manager received £13,070k (2020: £9,752k) for services in relation to Asset Management, Operation and Maintenance and other services provided to project companies within the investment portfolio, and £79k (2020: £65k) for additional advisory services provided to TRIG UK, neither of which are consolidated in these financial statements.

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the Group's aggregate management fees up to an Adjusted Portfolio Value of £1 billion are to be settled in Ordinary Shares. The shares issued to the Managers by the Company relate to amounts due to the Managers by TRIG UK. Accordingly, TRIG UK reimburses the Company for the shares issued.

As at 31 December 2020, 885,012 shares equating to £1,005,462, based on a Net Asset Value ex dividend of 113.61 pence per share (the Net Asset Value at 31 December 2020 of 115.3 pence per share less the interim dividend of 1.66 pence per share) were due, in respect of management fees earned in H2 2020, but had not been issued. The Company issued these shares on 31 March 2021.

On 30 September 2021, the Company issued 880,719 shares, equating to £991,777, based on a Net Asset Value ex dividend of 112.61 pence per share (the Net Asset Value at 30 June 2021 of 113.0 pence per share less the interim dividend of 1.69 pence per share), in respect of management fees earned in H1 2021.

As at 31 December 2021, 857,254 shares equating to £1,008,219, based on a Net Asset Value ex dividend of 117.61 pence per share (the Net Asset Value at 31 December 2021 of 119.3 pence per share less the interim dividend of 1.69 pence per share) were due, in respect of management fees earned in H2 2021, but had not been issued. The Company intends to issue these shares on 31 March 2022.

The Directors of the Company received fees for their services. Further details are provided in the Directors' Remuneration Report on page 121. Total fees for the Directors for the year were £338,500 (2020: £282,667). Directors' expenses of £3,510 (2020: £3,042) were also paid in the year.

All of the above transactions were undertaken on an arm's length basis.

19. Guarantees and other commitments

As at 31 December 2021, the Company and its subsidiaries had provided £177.0m (2020: £58.9m) in guarantees in relation to projects in the TRIG portfolio.

The Company also guarantees the revolving credit facility, entered into by TRIG UK and TRIG UK I, which it may use to acquire further investments.

As at 31 December 2021 the Company has £231.2m of future investment obligations (2020: £392.0m).

More details on timing and amounts can be found in section 2.8 of the Strategic Report.

The Company and its subsidiaries have issued decommissioning and other similar guarantee bonds with a total value of £22.8m (2020: £22.9m).

20. Contingent consideration

The Group has performance-related contingent consideration obligations of up to £1.8m (2020: £0.4m) relating to acquisitions completed prior to 31 December 2021. These payments depend on the performance of certain wind farms and other contracted enhancements. The valuation of the investments in the portfolio does not assume that these enhancements are achieved. If further payments do become due, they would be expected to be offset by an improvement in investment. The arrangements are generally two-way in that if performance is below base case levels, some refund of consideration may become due.

21. Events after the balance sheet date

On 3 February 2022, the Company declared an interim dividend of 1.69 pence per share for the period 1 October 2021 to 31 December 2021. The total dividend, £38,316,464, payable on 31 March 2022, is based on a record date of 10 February 2022 and the number of shares in issue at that time being 2,267,246,415.

22. Subsidiaries

As a result of applying Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) and Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28), all subsidiaries (including Associates and Joint Ventures) are held at fair value based on the Company's ownership interest as opposed to being consolidated on a line-by-line basis. The following subsidiaries have not been consolidated in these Financial Statements:

Name	Country	Ownership Interest
The Renewables Infrastructure Group (UK) Limited	UK	100%
The Renewables Infrastructure Group (UK) Investments Limited	UK	100%
Roos Energy Limited	UK	100%
Grange Renewable Energy Limited	UK	100%
Hill of Towie Limited	UK	100%
Green Hill Energy Limited	UK	100%
Wind Farm Holdings Limited	UK	100%
Forss Wind Farm Limited	UK	100%
Altahullion Wind Farm Limited	UK	100%
Lendrum's Bridge Wind Farm Limited	UK	100%
Lendrum's Bridge (Holdings) Limited	UK	100%
Lough Hill Wind Farm Limited	UK	100%
European Investments (SCEL) Limited	UK	100%
European Investments (Cornwall) Limited	UK	100%

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Notes to the Financial Statements (continued)

European Investments (Cornwall) Holdings Limited	UK	100%
Churchtown Farm Solar Limited	UK	100%
East Langford Solar Limited	UK	100%
Manor Farm Solar Limited	UK	100%
European Investments Solar Holdings Limited	UK	100%
Sunsave 12 (Derriton Fields) Limited	UK	100%
Sunsave 25 (Wix Lodge Farm) Limited	UK	100%
Parley Court Solar Park Limited	UK	100%
Egmere Airfield Solar Park Limited	UK	100%
Penare Farm Solar Park Limited	UK	100%
European Investments (Earlseat) Limited	UK	100%
Earlseat Wind Farm Limited	UK	100%
European Investments Solar Holdings 2 Limited	UK	100%
BKS Energy Limited	UK	100%
Hazel Renewables Limited	UK	100%
Kenwyn Solar Limited	UK	100%
MC Power Limited	UK	100%
Tallentire Energy Limited	UK	100%
Freasdail Energy Limited	UK	100%
Neilston Community Wind Farm LLP	UK	100%
Carbon Free Limited	UK	100%
NDT Trading Limited	UK	100%
Carbon Free Neilston Limited	UK	100%
Garreg Lwyd Energy Limited	UK	100%
UK Energy Storage Services Limited	UK	100%
Solwaybank Energy Limited	UK	100%
European Wind Investments Group Limited	UK	100%
European Wind Investments Group 2 Limited	UK	100%
Irish Wind Investments Group Limited	UK	100%
Offshore Wind Investments Group Limited	UK	100%
Scandinavian Wind Investments Group Limited	UK	100%
European Storage Investments Group Limited	UK	100%
Trafalgar Wind Holdings Limited	UK	100%
European Investments Tulip Limited	UK	100%
Little Raith Wind Farm Limited	UK	100%
Blary Hill Energy Limited	UK	100%
Offshore Wind Investments Group 2 Limited	UK	100%
Offshore Wind Investments Group 3 Limited	UK	100%
Offshore Wind Investments Group 4 Limited	UK	100%
Scandinavian Wind Investments Group 2 Limited	UK	100%
Iberian Solar Investment Group Limited	UK	100%

Verneuil Holdings Limited	UK	72%
Merkur Offshore Wind Farm Holdings Limited	UK	69%
Fred. Olsen Wind Limited	UK	49%
Fred. Olsen Wind Holdings Limited	UK	49%
Fred Olsen Wind 2 Limited	UK	49%
Crystal Rig Windfarm Limited	UK	49%
Rothes Wind Limited	UK	49%
Paul’s Hill Wind Limited	UK	49%
Crystal Rig II Limited	UK	49%
Rothes II Limited	UK	49%
Mid Hill Wind Limited	UK	49%
Equitix Offshore 3 Limited (MidCo 1)	UK	37%
Equitix Offshore 4 Limited (MidCo 2)	UK	37%
Equitix Offshore 5 Limited (BidCo)	UK	37%
Bilbao Offshore Investment Limited	UK	36%
Bilbao Offshore Holding Limited	UK	36%
Beatrice Offshore Windfarm holdco Ltd	UK	18%
Beatrice Offshore Windfarm Ltd (ProjectCo)	UK	18%
Scira Offshore Energy Limited	UK	15%
East Anglia One Limited	UK	14%
The Renewables Infrastructure Group (France) SAS	France	100%
CEPE de Haut Languedoc SARL	France	100%
CEPE du Haut Cabardes SARL	France	100%
CEPE de Cuxac SARL	France	100%
CEPE des Claves SARL	France	100%
CEPE de Puits Castan SARL	France	100%
Verrerie Photovoltaique SAS	France	100%
Parc Eollen Nordex XXI SAS	France	100%
CEPE Rosieres	France	100%
CEPE Montigny La Cour SARL	France	100%
Energies TIlle et Venelle Holdings SAS	France	100%
Energies Entre Tille et Venelle SAS	France	100%
Haut Vannier Holding SAS	France	100%
Haut Vannier SAS	France	100%
FPV du Midi	France	51%
FPV Chateau	France	49.1%
FPV du Plateau	France	49.1%
SECP Bongo	France	49.1%
SECP Olmo 2	France	49.1%
FPV Pascialone	France	49.1%
FPV Santa Lucia	France	49.1%

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Notes to the Financial Statements (continued)

FPV Agrinergie	France	49.1%
FPV d'Export	France	49.1%
Agrisol 1A Services	France	49.1%
SECP Chemin Canal	France	49.1%
FPV Ligne des Quatre Cents	France	49.1%
FPV Ligne des Bambous	France	49.1%
Heliade Bellevue	France	49.1%
SECP Creuilly	France	49.1%
Akuo Tulip Assets SAS	France	49.1%
FPV Broussan	France	49.1%
Fujin SAS	France	41.9%
Eolienne de Rully	France	41.9%
Parc Eollen de Fontaine Macon	France	41.9%
Parc Eollen de Vignes	France	41.9%
Val De Gronde	France	37.3%
Energie du Porcin	France	33.5%
German Offshore Wind Investments Group (Holdings) Limited	Germany	100%
German Offshore Wind Investments Group Limited	Germany	100%
Gode Wind 1 Investor Holding GmbH	Germany	50%
Gode Wind 1 Offshore Wind Farm GmbH	Germany	25%
Merkur Offshore GP GmbH	Germany	24.6%
Merkur Offshore Investment Holdings GmbH & Co KG	Germany	24.6%
Merkur Offshore Holdings GmbH	Germany	24.6%
PG Merkur Holding GmbH	Germany	24.6%
Merkur Offshore GmbH	Germany	24.6%
Merkur Offshore Service GmbH	Germany	24.6%
Malabrigo Solar SLU	Spain	100%
Arenosas Solar SLU	Spain	100%
El Yarte Solar SLU	Spain	100%
Pisa Solar Holdings Limited	Spain	100%
MHB Wind Farms Limited	Republic of Ireland	100%
MHB Wind Farms (Holdings) Limited	Republic of Ireland	100%
Taurbeg Limited	Republic of Ireland	100%
Pallas Energy Supply Limited	Republic of Ireland	100%
Pallas Windfarm Limited	Republic of Ireland	100%
Sirocco Wind Holding AB	Sweden	100%
Jadraas Vindkraft AB	Sweden	100%
Gronhult Wind AB	Sweden	100%
Hallasen Kraft AB	Sweden	100%
Krange	Sweden	50%
GOW01 Investor LuxCo SARL	Luxembourg	50%

Alternative Performance Measures (“APMs”)

We assess our performance using a variety of measures that are not specifically defined under IFRS. These alternative performance measures are termed “APMs”. The APMs that we use may not be directly comparable with those used by other companies.

These APMs are used to present an alternative view of how the Company has performed over the year and are all financial measures of historical performance.

Performance Measure	Definition
Investments made	Investments made is the sum of investments entered into in the year (which net off small amounts relating to any refinance proceeds or sell downs) and does not include movements in the balance sheet items in TRIG UK Limited and TRIG UK Investments Limited. The IFRS measure of investments made (see note 13 to the accounts) includes movements in TRIG UK Limited and TRIG UK Investments Limited also
Directors’ Portfolio Valuation	The Valuation of the investments only and excluding the cash, working capital and debt balances in TRIG UK Limited and TRIG UK Investments Limited which are the companies owned by TRIG Limited through with investments are made. The IFRS measure of Investments at fair value through profit or loss is the Directors Portfolio Value plus the consolidation of the balance sheets of TRIG UK Limited and TRIG UK Investments Limited. Portfolio Value or Directors Portfolio Value is reconciled to Investments at fair value through profit or loss at note 13 to the accounts
NAV per share	The Net Asset Value per ordinary share
Total shareholder return for the year (share price appreciation plus dividends paid)	The movement in share price, combined with dividends paid during the year
Total NAV return for the year (NAV per share appreciation plus dividends paid)	The movement in the NAV per ordinary share, plus dividend per ordinary share declared or paid to shareholders with respect to the year

Sustainability Terminology Glossary

Term	Definition
Renewable electricity generated	The amount of renewable electricity generated by the portfolio during the year, net of the Company’s ownership share
Tonnes of CO_2 avoided per annum	The estimate of the portfolio’s annual CO_2 emission reductions, based on the portfolio’s estimated generation as at the relevant reporting date prepared on the IFI approach to GHG Accounting
Lost Time Accident Frequency Rate (LTAFR)	A safety at work metric for every 100,000 hours worked. Calculated as the number of accidents which occurred in the given period divided by number of hours worked times 100,000. Whilst all accidents are recorded, only accidents that have resulted in the worker being unable to perform their normal duties for more than seven days are included in this calculation, in line with reportable accidents as defined by UK HSE RIDDOR regulation

Jädraås, Sweden (Credit: Vestas)

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Directors and Advisers

Directors and Advisers

DIRECTORS
Helen Mahy (Chairman)
Jonathan (Jon) Bridel
Shelagh Mason
Klaus Hammer
Tove Feld
John Whittle (appointed 1 July 2021)
Erna-Maria Trixl (to be appointed 1 March 2022)

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London EC2Y 9LY

Key Company Data

Company name	The Renewables Infrastructure Group Limited
Registered address	East Wing Trafalgar Court Les Banques St Peter Port Guernsey
Listing	London Stock Exchange – Premium Listing
Ticker symbol	TRIG
SEDOL	BBHX2H9
Index inclusion	FTSE All-Share, FTSE 250, FTSE 350 and FTSE 350 High Yield indices
Company year-end	31 December
Dividend payments	Quarterly (March, June, September, December)
Investment Manager ("IM")	InfraRed Capital Partners Limited
Operations Manager ("OM")	Renewable Energy Systems Limited
Company Secretary and Administrator	Aztec Financial Services (Guernsey) Limited
Net assets	£2,706m as at 31 December 2021
Market capitalisation	£3,047m as at 31 December 2021
Management Fees	1.0% per annum of the Adjusted Portfolio Value[53] of the investments up to £1.0bn (with 0.2% of this paid in shares), falling to (with no further elements paid in shares) 0.8% per annum for the Adjusted Portfolio Value above £1.0bn, 0.75% per annum for the Adjusted Portfolio Value above £2.0bn and 0.7% per annum for the Adjusted Portfolio Value above £3.0bn. Fees are split between the Investment Manager (65%) and the Operations Manager (35%). No performance or acquisition fees
ISA, PEP and SIPP status	The ordinary shares are eligible for inclusion in PEPs and ISAs (subject to applicable subscription limits) provided that they have been purchased in the market. The shares are permissible assets for SIPPs.
NMPI status	Following the receipt of legal advice, the Board confirms that it conducts the Company's affairs, and intends to continue to conduct the Company's affairs such that the Company would qualify for approval as an investment trust if it were resident in the United Kingdom, and that IFAs should therefore be able to recommend its Ordinary Shares to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products.
FATCA	The Company has registered for FATCA and has a GIIN number of J0L1NL.99999.SL.831
KID	The Company issues a KID in line with EU PRIIPs regulation, and this can be found on the Company's website
Investment policy	The Company's investment policy can be found on the Company's website
Website	www.TRIG-Ltd.com

53 Adjusted Portfolio Value means fair market value, without deductions for borrowed money or other liabilities or accruals, and including outstanding subscription obligations.

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