INVESTMENTS
WITH **PURPOSE**
FOR **PROFIT**
BY **PEOPLE**
FROM TRIPLE POINT

D/9
DIGITAL 9
INFRASTRUCTURE

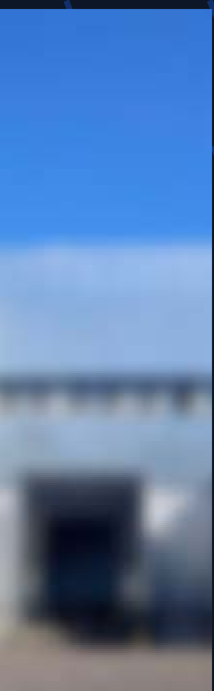
Annual Report 2022

COMPANY OVERVIEW

STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS



INFORMATION

Company Overview

At a Glance

/ WHO WE ARE

Digital 9 Infrastructure plc (Ticker: DGI9) ("D9" of the "Company" or, together with its subsidiaries, the "Group") is an investment trust listed on the London Stock Exchange. The Company invests in the infrastructure of the internet that underpins the world's digital economy: digital infrastructure.

D9 is bringing people closer together by meeting the global demand for improved speed, reliability, accessibility and learning from data. By investing in critical Digital Infrastructure, including subsea cables and data centres, D9 drives our interconnected world, promoting economic growth and sustainable development – all whilst targeting recurring income and capital growth for investors.

Our purpose-driven investment strategy targets the provision of key infrastructure for data transfer and data storage around the world, helping to address burgeoning demand for global digital communications.

Our focus is to provide Digital Infrastructure that leverages greener, cleaner power in line with the UN's Sustainable Development Goal 9 ("SDG9"): "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation". SDG9 encourages nations and firms alike to reduce the global digital divide by increasing access to information and communications technology, while at the same time decarbonising Digital Infrastructure energy usage.

Our ambition is to become a leading investor across the Digital Infrastructure ecosystem, building a global, vertically-integrated platform that leverages our existing relationships with leading multinational and technology companies, ensuring we achieve an attractive, long-term total return for our shareholders.

The Investment Manager is Triple Point Investment Management LLP ("Triple Point" or "Investment Manager") which is authorised and regulated by the Financial Conduct Authority, with extensive experience in infrastructure, real estate and private credit, while keeping ESG principles central to its business mission. Triple Point's Digital Infrastructure team has over $300 billion in digital infrastructure transaction experience and in-depth relationships across global tech and global telecoms companies.

/ WHAT WE DO

Closing the digital divide:

The internet is the lifeblood of the future. We are leading the way in carrier neutral connectivity globally and democratising access to critical digital infrastructure.

Levelling up all stakeholders:

Our team shares one core ambition; to empower societies, unleash economies, and connect investors to cutting edge opportunities that deliver stable income and capital growth.

Connecting the world:

As a major partner to the world's most connected companies, we're creating a unique, interconnected ecosystem that is bringing people together and helping to change lives on a global scale.

Fuelling a better, cleaner future:

Our open-access, clean-connectivity data centre platforms harness renewable energy to provide a more sustainable solution to exponential growth in global data demand.

Accelerating progress:

We are engaging global stakeholders on the urgent need for a cleaner solution, spearheading change in one of the world's most energy intensive industries.

We seek to improve the accessibility of reliable, functional internet to billions of people worldwide – including developing countries. The assets we invest in typically comprise of future proofed, scalable platforms and technologies that facilitate communications, data transfer, interconnectivity and data storage. These assets come from the following sectors:

- Data centres;
- Subsea fibre optic networks;
- Terrestrial fibre optic networks; and
- Wireless networks.

Our primary focus is Digital Infrastructure investments that are already operational. These investments typically have secured medium to long-term contracts that are underpinned by investment grade counterparties or from a diversified portfolio of shorter-term contracts providing essential underlying services. We expect target acquisitions to have high cash flow visibility and resilience embedded in their business models.

SUBSEA FIBRE

Backbone of the internet:
global connectivity

98% of the world's data is carried by **subsea cables**

40% shortfall in **transatlantic subsea** capacity by 2026

DATA CENTRES

Brain of the internet:
processing & storage

Only 10% of enterprise IT spending has moved to the cloud with $600 billion a year still to move

WIRELESS NETWORKS

The number of IoT devices is forecast to reach **25 billion by 2030**, an increase from 10 billion in 2021

Globally, there were 107 million FWA subscriptions in 2022, of which 18% were 5G. The number of subscriptions is expected to grow to 196 million by 2025, with c.51% being 5G

- Fitting one million smart water meters in the UK each year for the next 15 years could save one billion litres of water a day by the mid-2030s
- Broadcast media remains the UK's preferred means of consuming video content, with **the average person watching 2 hours and 24 minutes of live TV per day in 2022**. As of December 2022, 88% of BBC audience engagement time is through traditional broadcasting

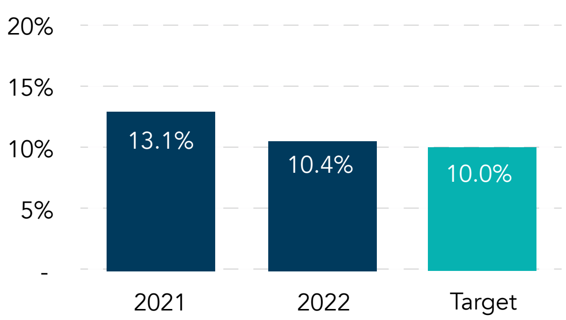
TERRESTRIAL FIBRE

Only 45% of households in the UK currently benefit from **Fibre To The Home** (FTTH) capability

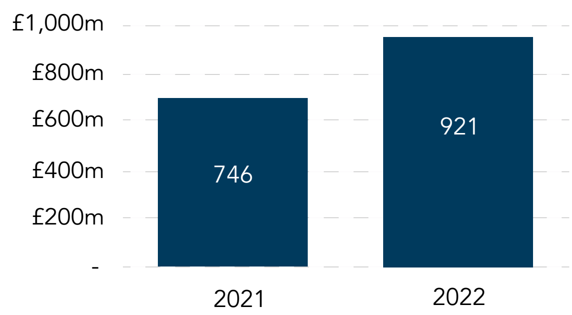
The government is targeting **85% of households to have fibre access by 2025,** providing the foundations for substantial growth

Key Highlights

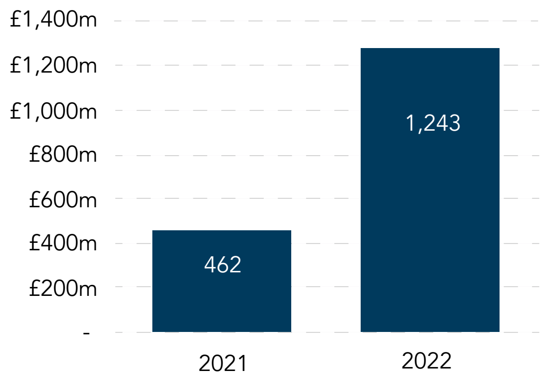
Annualised Total Return*



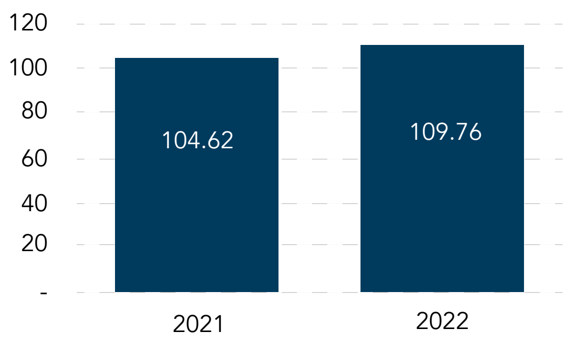
IFRS NAV



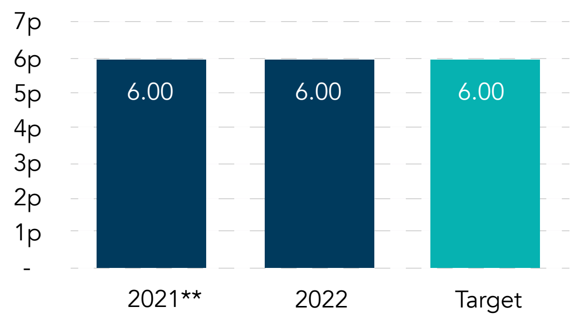
Capital Deployed*



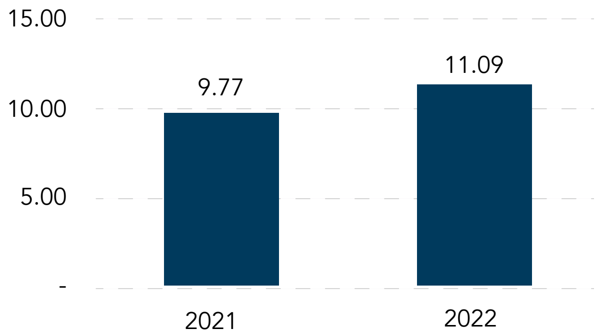
NAV (pence per share)



Dividend (pence per share)



Earnings (pence per share)



/ POST BALANCE SHEET ACTIVITY

In February 2023 the Company drew an additional £25 million of the RCF post-period end to fund additional capital expenditure at Verne Global London and Aqua Comms.

* Alternative Performance Measure, further information on APMs can be found on pages 219 to 221.

** Dividend per share for 2021 is an annualised figure.

Strategic Report

Chair's Statement

/ INTRODUCTION

I am pleased to present the Company's 2022 Annual Report. The period since our IPO was characterised by accretive portfolio growth through targeted acquisitions. The Company faced several challenges last year, but the portfolio is well positioned heading into 2023 to deliver sustainable and growing income and capital growth for our shareholders.

PHIL JORDAN, Chair

As well as the challenging macro-economic environment characterised by rising inflation and interest rates, the Company's Investment Manager also experienced change, following the departure of investment team personnel in November 2022. The remainder of the Triple Point Digital Infrastructure team has continued in place and is supported by an excellent Operating Partner panel and the management teams at the respective investee companies to deliver on respective business plans.

Our Investee Companies have identified significant growth opportunities, reflected in their recent forecasting and growth capital planning. As we aim to strike the right balance between growth, financial leverage and total return, we will remain disciplined in our capital management approach.

As a constituent of the FTSE 250 since December 2022, the Company is proud to own and actively manage a £1.2 billion portfolio of nine high-quality Digital Infrastructure investments. These investments create a global growth platform of carrier-neutral, interconnected data centre, subsea fibre, wireless, and fibre assets; all with a common purpose to reduce the digital divide and help decarbonise the sub-sectors in which they operate.

/ SHAREHOLDER RETURNS

The Company generated a total return for shareholders of 10.4%, 0.4% in excess of the Company's target. Owing to the quality and organic growth of the assets within the portfolio, the Company's NAV increased to £950 million or a NAV per share increase of 4.9% to 109.76 pence (2021: 104.62 pence), providing shareholders with a compelling opportunity for capital growth.

The Company has paid or declared dividends totalling 6 pence per share for the twelve-month period, in line with our target set at IPO. The Board has maintained its target annual dividend of 6 pence per share for the year ending 31 December 2023, payable quarterly.[1]

D9 reported a profit before tax of £92.0 million (2021: £38.3 million) for the year, equal to 11.09 pence per share (2021: 9.77 pence per share) calculated on the weighted average number of shares in issue during the year. This was the net result of income received from investments acquired and revaluation gain arising on the investments held at fair value through profit or loss as at 31 December 2022.

The Company's annualised ongoing charges ratio ("OCR")[2] was 1.10% (2021: 1.04%). As the Company has now largely deployed its available capital, we expect the OCR to decrease as economies of scale and operating efficiencies are achieved. The Board will continue to monitor the OCR closely as we seek to grow D9 and continue delivering value to our shareholders.

1 This is a target only and not a forecast. There can be no assurance that this target will be met and it should not be taken as an indication of the Company's expected future results.

2 Alternative Performance Measure further information on APMs can be found on pages 219 to 221.

/ PORTFOLIO PERFORMANCE

During the year the Company deployed £768 million, including a £163 million vendor loan note into new investments, and we are delighted to welcome Arqiva, Verne Global Finland (previously Ficolo Oy), Verne Global London (previously Volta Data Centres), Elio Networks (previously Host Ireland) and Giggle Broadband to the Company's portfolio.

Our diversified portfolio performed strongly during the year in line with management expectations. Consolidated Investee Company revenue was £409 million and consolidated Investee Company EBITDA was £206 million for the year 31 December 2022[3,4], increasing to £226 million on a contracted run rate basis.

Our Investee Companies are led by high-quality management and operational teams, who complement the experience of the Investment Manager. Among the Investee Company management teams, the Board was delighted to welcome the expansion of Verne Global's senior leadership team with three key appointments: Mike Allen as Chief Operating Officer; Kate Hennessy as Chief Financial Officer; and Hildegard van Zyl as General Counsel. They bring with them considerable experience and diverse skills and demonstrate the ability of D9's platform to attracting the highest calibre individuals within the sector. We are also delighted to welcome Jim Fagan as the CEO of Aqua Comms, effective from 1 May 2023, who brings 25 years' industry leading experience in Asia-Pacific, North America and EMEA, including executive roles with Global Cloud Xchange, Rackspace, and Pacnet (later acquired by Telstra).

/ GROWTH CAPITAL EXPENDITURE PIPELINE

The Board maintains conviction that it is in the best interests of shareholders to continue funding the Investee Companies long-term growth both through growth capital expenditure and the reinvestment of operating cash flow by the Investee Companies due to the long-term opportunities for enhanced returns and ultimately capital growth.

The Board and Investment Manager have evaluated options and commenced processes seeking complementary sources of growth capital to support our Investee Companies alongside the capital expenditure already committed by the Company. These processes include a syndication through a competitive process of a minority stake in existing Investee Companies to a strategic capital partner in conjunction with a leading investment bank and the arrangement of appropriate debt financing at Investee Company level. The syndication would provide proceeds which could be used to pay down the RCF and/or fund growth capital expenditure and provide valuable follow-on capital to Investee Companies. In relation to Investee Company level debt, a term sheet has been agreed for a $100 million facility to be provided to one of the high growth Investee Companies, the proceeds of which will be used to finance accretive growth opportunities, and to repay a Company shareholder loan, which will be used to reduce the drawings of the Group RCF. Further updates on these processes will be announced to shareholders following their completion.

As our Investee Companies mature, we expect them to begin to optimise their capital structure and take on appropriate levels of longer-term structural debt finance in the future to facilitate growth. With the exception of Arqiva, the Investee Companies had no financial gearing in place at 31 December 2022.

The utilisation of debt financing at Investee Company level or complementary sources of capital will only be approved by the Board when it is accretive to shareholder value. This value could be achieved when the incremental return on a new investment significantly exceeds the cost of debt or to fund growth capital expenditure and provide valuable follow-on capital to Investee Companies.

[3] The revenue and EBITDA figures are for the full, actual year to 31 December 2022 and are not pro-rated for the period of ownership. EBITDA excludes Infrastructure as a Service ("IaaS") revenue for Verne Global Iceland .

[4] The Company is now presenting EBITDA excluding Infrastructure as a Service ("IaaS") revenue at the data centre level for Verne Global Iceland , which passes through the profit & loss statement as a cost after EBITDA. This is a more prudent measure when looking at the Investee Companies' financial performance. The Company previously reported EBITDA on a reported EBITDA basis, including IaaS revenue. The comparable figure for 2022 would be £225 million, and £216 million for 2021.

/ DIVIDEND COVER

We have paid or declared dividends totalling 6 pence per share for the 12-month period from 1 January 2022 to 31 December 2022, in line with our target set at IPO. We remain committed to implementing a progressive dividend policy; however, in the current environment the Board has decided that it is appropriate to maintain a target annual dividend of 6 pence per share for the year ending 31 December 2023, payable quarterly[1].

The Company's dividends are underpinned by the Operating Cash Flows of our Investee Companies, with an operating cash dividend cover of 0.4x as at 31 December 2022 (0.4x at 31 December 2021; 0.5x at 30 June 2022). Cash dividend cover was broadly in line with 31 December 2021, with a decline over the second half of 2022 reflecting the impact of the Arqiva accretion payment during this period of high inflation, and as the customer contracts secured by the growth platforms are yet to fully ramp. As these investments continue to mature, we expect this to translate progressively into cash cover at the Company level. For illustrative purposes only, if all sold contract capacity of the data centre platform assets was at maximum capacity, portfolio cash flow cover would be 80% at 31 December 2022.

Further information can be found in the Investment Manager's Report on page 34.

/ SHARE PRICE

The Board and Investment Manager are disappointed that the share price closed the year out at a 21% discount to NAV at 86.40 pence per share (closing share price as at 31 December 2021 was at an 8.8% premium to the NAV as at the same date). This followed a period of high market volatility for global equity markets, and particularly UK investment trusts, at the end of the year, following an increase in interest rates in the UK, European and North American markets. Like many other investment trusts, the share price has been particularly suppressed following the UK Government's mini-budget announcement on 23 September 2022 driving a further increase in gilt yields, and prior to that the Company had traded at a healthy premium to NAV for the first nine months of the year. The Board and Investment Manager closely monitor the share price and are focussed on narrowing the discount to NAV. We have confidence in the actions the Company is taking to enhance shareholder value that we believe will, in turn, support a recovery of the share price.

Following the departure of investment team personnel in November 2022, we saw further downward pressure on the share price; however, we believe this is unjustifiable and does not reflect the inherent value and capital appreciation potential of the portfolio, particularly the Nordic data centres. We remain confident in the growth potential of the underlying investment portfolio and expect a positive impact on the share price when economic uncertainty reduces and as significant demand for infrastructure that underpins the digital economy continues to increase. We have continued to update the market on progress with shareholders, for example through our Trading Update released in January 2023, to demonstrate the significant customer demand of the Investee Companies. The Company will continue to seek shareholder approval at its annual general meeting, as a matter of course, to allow it to undertake share buybacks to reduce the discount to NAV where it has uncommitted cash, or cash in excess of scheduled dividend payments, taking into account the Company's working capital position and other relevant economic factors.

/ ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Board recognises that Digital Infrastructure is critical to a future sustainable economy but to ensure it fulfils its role, the infrastructure developed must have ESG considerations at its core. The Company is focused on investment opportunities that are aligned with the Sustainable Development Goal 9. Ensuring alignment to this theme and wider ESG factors is an important part of the investment decision making process and on-going asset ownership. Progress continues with each Investee Company to enhance their understanding and approach to ESG, with 2022 seeing a focus on data capture with all Investee Companies making progress on their carbon footprint. A continued focus on the decarbonisation theme of sustainable digital infrastructure is reflected in D9's data centre platform reporting a carbon footprint which is estimated to be 86% lower than the average UK data centre and 93% lower than the average US data centre. The ESG metrics each Investee Company now tracks and reports continues to extend. Targets have now been implemented for SDG9 alignment (e.g., energy efficiency tracked through an aggregated PUE of 1.3 and connectivity through a growth in network capacity of 10% year-on-year) and operational ESG action (e.g., net zero roadmaps to be implemented by all Investee Companies by 31 December 2024 and the implementation of enhanced cyber security standards across all). These aim to ensure ongoing alignment to the Company's commitment to SDG9 and to ensure each Investee Company continues to improve across a range of operational ESG-related activities to protect the wider value of each business. Reporting and outcomes are provided in the Sustainability Report on pages 66 to 115.

/ THE INVESTMENT MANAGER'S TEAM

As previously announced, Ben Beaton currently leads the Digital Infrastructure team supported by the existing and established Digital Infrastructure team within Triple Point, which includes Investment Director, Arnaud Jaguin. Further biographical details of Ben and Arnaud, the Operating Partners supporting the portfolio businesses, and the Investee Company CEOs can be found on pages 62 to 64.

As disclosed on 1 December 2022, the Investment Manager initiated a formal recruitment and selection process for the Head of Digital Infrastructure with a leading executive search firm led by consultants with specialist Digital Infrastructure expertise, focusing on senior asset management/value creation individuals and industry professionals, to complement the existing skillset of the team and Investee Company management; this process is being overseen by the Board. The Board and the Investment Manager have thoroughly evaluated the skills and experience D9 would benefit from and expect to announce the selected candidate in Q2 2023.

/ OUTLOOK

In the year ahead, the Board and the Investment Manager are focused on portfolio optimisation and value creation, as well as leveraging the synergies between the platform investments within the portfolio. We intend to continue reinvesting in our subsea and data centre platforms to fulfil the accelerated customer demand and create long-term opportunities for sustainable income and capital growth for the portfolio.

The Investment Manager, with the support of the Board, continue to dedicate extensive resource to managing the portfolio's growth, operational performance, and liquidity position.

In doing so, the Investment Manager will continue to execute the Company's accretive convergence strategy by driving the breadth and depth of customer relationships across global tech and telecom operators. Through this investment approach, we aim to build a global platform that promotes scalability, flexibility, reliability, and neutrality across the digital infrastructure value chain.

On behalf of the Board, I remain confident in the Company's future ability to continue generating sustainable and growing income and capital growth for our shareholders, and we thank our shareholders for their support during the year.

We look forward to welcoming shareholders to our Capital Markets Day on 20 March 2023.

Phil Jordan
Chair

8 March 2023

Strategy and Business Model

The Board is responsible for the Company's Investment Objective and Investment Policy and has overall responsibility for ensuring the Company's activities are in line with such overall strategy.

The Investment Policy was amended on 27 February 2022 as approved by shareholders at a General Meeting, and further non-material amendments to the Investment Policy were announced on 24 August 2022.

The Group's current Investment Policy and Investment Objective are published below.

/ INVESTMENT OBJECTIVE

The Company's investment objective is to generate a total return for investors comprising sustainable and growing income and capital growth through investing in a diversified portfolio of resilient Digital Infrastructure Investments.

/ INVESTMENT POLICY

The Company intends to achieve its investment objective by investing in a diversified portfolio of Digital Infrastructure Investments which provide key infrastructure for global data transfer (subsea fibre-optic networks, wireless networks and terrestrial fibres) and data storage (data centres), all of which contribute to facilitating global digital communication.

The Company is focused on the provision of Digital Infrastructure integrated with green and cleaner power in line with UN Sustainable Development Goal 9: "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".

The Company seeks to invest in assets or Investee Companies which typically have secured medium to long term contracts underpinned by high quality counterparties.

The Company invests (directly or via subsidiary companies) in a range of Digital Infrastructure assets which deliver a reliable, functioning internet. The portfolio will typically comprise future proofed, non-legacy, scalable platforms and technologies including (but not limited to) subsea fibre, data centres, terrestrial fibre, tower infrastructure and small cell networks which meet the following criteria:

- assets and Investee Companies which deliver communications, data transfer, interconnectivity and data storage;
- assets and Investee Companies which derive a significant proportion of their revenues from high quality counterparties (meaning, for these purposes, companies (or their parent companies) which are included in the FTSE 350 (or equivalent) or which are investment-grade rated by a recognised grading agency) and/or a diversified portfolio of counterparties that, by reason of its diversity, is resilient and well placed to weather economic downturns;

- assets and Investee Companies with high cash flow visibility and resilience, specifically from medium to long term contracts or from a diversified portfolio of shorter term contracts providing essential underlying services.

The Group focuses, primarily, on Digital Infrastructure Investments where the assets (or Investee Companies which own the assets) are operational and, where appropriate, there is a contract in place with the end user and/or off-taker. Where suitable opportunities arise, however, the Group may provide limited funding during the Construction Phase or Development Phase of a Digital Infrastructure asset, in particular, on a forward funding basis where development risk for the Company is limited, subject to the restrictions set out below.

/ INVESTMENT RESTRICTIONS

The Company invests and manages its assets with the objective of spreading risk and, in doing so, will maintain the following investment restrictions:

- the Company will not invest more than 25 per cent. of Adjusted Gross Asset Value in any single asset or Investee Company. When the Gross Asset Value reaches £2 billion (as notified by the Company in its annual or half year financial results report), this restriction will change to 20 per cent. of Adjusted Gross Asset Value;
- investments will be focused on acquiring a controlling interest (meaning more than a 50 per cent. interest) in the relevant investment assets or Investee Companies being acquired or invested in but can also comprise minority interests (where appropriate minority protections are in place);
- at least 50 per cent. of Adjusted Gross Asset Value will be invested in developed markets, in particular (but not limited to), the UK, EU and US;
- neither the Company nor any of its subsidiaries will invest in any assets or Investee Companies located in or with co-investment exposure to any Restricted Territories;
- neither the Company nor any of its subsidiaries will invest in any assets or Investee companies using technologies or equipment under any current prohibition ruling by relevant UK, EU, or US authorities, unless such equipment is in the process of being removed in line with the guidelines of such UK, EU or US authorities;
- the Company may invest a limited amount in assets (or Investee Companies which own assets) which are predominantly in construction, which typically will be undertaken via a forward funding arrangement which pays a return during the Construction Phase, with any investments which expose the Company to development risk limited to, in aggregate, no more than 5 per cent. of Adjusted Gross Asset Value, and the aggregate value of assets in construction or development being no more than 20 per cent. of Adjusted Gross Asset Value (such amount to be calculated as the aggregate value of all material construction or development activities, including forward funded developments, within Investee Companies);

- neither the Company nor any of its subsidiaries will invest in any listed entities, or in private closed-ended investment companies or any funds of any kind; and
- the Company itself will not conduct any trading activities which are significant in the context of the Group as a whole.

Compliance with the above investment limits will be measured at the time of investment and non-compliance resulting from changes in the price or value of assets following investment will not be considered as a breach of the investment limits.

For the purposes of the foregoing, the term **"Adjusted Gross Asset Value"** shall mean the aggregate value of the total assets of the Company as determined with the accounting principles adopted by the Company from time to time as adjusted to include any third-party debt funding drawn by, or available to, any Group company (which, for the avoidance of doubt, excludes Investee Companies).

/ BORROWING POLICY

The Directors do not intend to use gearing at the Company level, other than utilising short-term credit facilities for financing acquisitions (which could be at the level of the Company or a Group company (which, for the avoidance of doubt, excludes Investee Companies)), such borrowings to be at a Conservative level. Intragroup debt between the Company and its subsidiaries, and the debt of Investee Companies, will not be included in the definition of borrowings for these purposes.

Long term gearing is likely to be applied at an Investee Company level in order to enhance returns but will be at a prudent level, appropriate for the particular Investee Company and sub-sector.

/ HEDGING AND DERIVATIVES

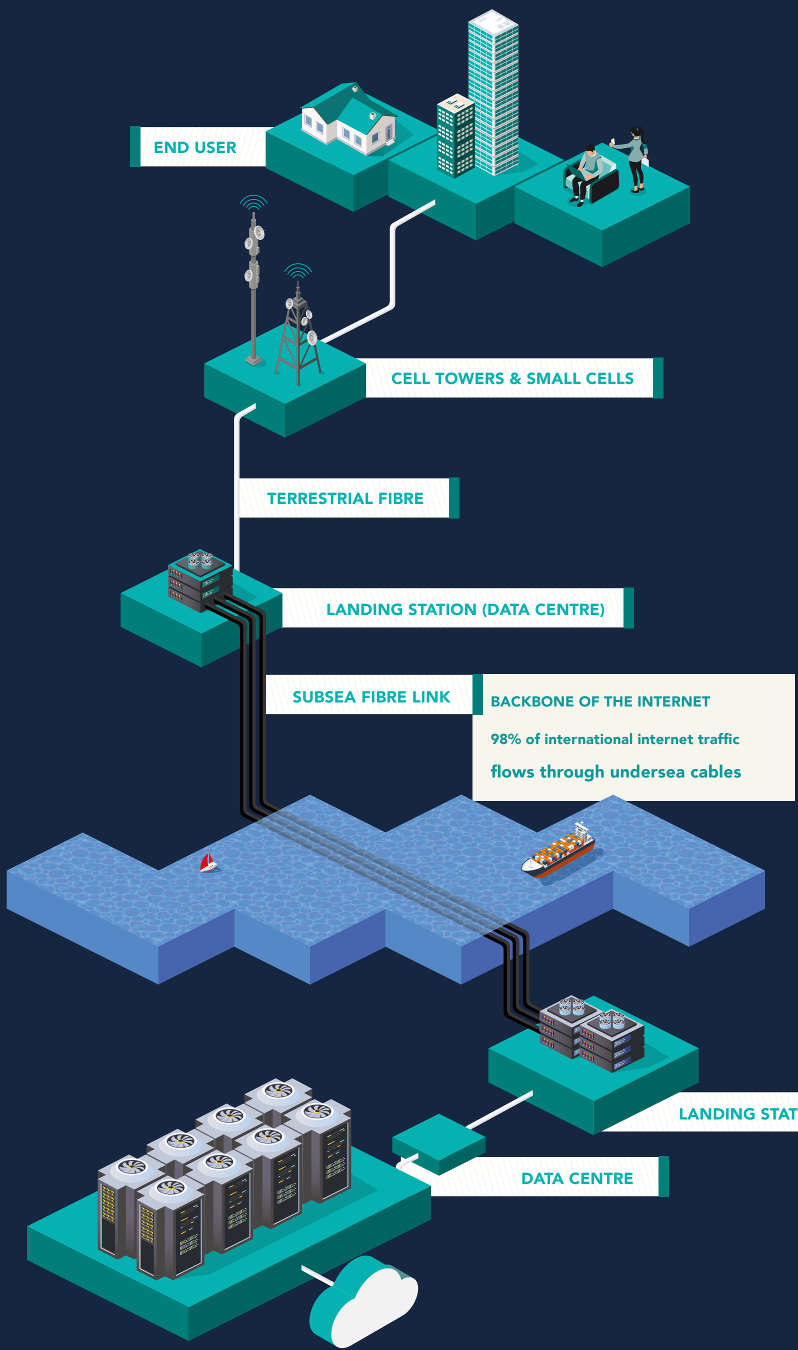
The Company will not employ derivatives for investment purposes. Derivatives may however be used for efficient portfolio management. In particular, the Company may engage in interest rate or currency hedging or otherwise seek to mitigate the risk of interest rate increases and currency movements.

The Group will only enter into hedging contracts and other derivative contracts when they are available in a timely manner and on acceptable terms. The Company reserves the right to terminate any hedging arrangement in its absolute discretion. Any such hedging transactions will not be undertaken for speculative purposes.

/ CASH MANAGEMENT

The Company may hold cash on deposit for working capital purposes and awaiting investment and, as well as cash deposits, may invest in cash equivalent investments, which may include government issued treasury bills, money market collective investment schemes, other money market instruments and short-term investments in money market type funds (**"Cash and Cash Equivalents"**). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position.

/ OUR BUSINESS MODEL



D9 is an investment entity and therefore does not produce consolidated accounts.

D9 creates shareholder value by investing in companies and assets that provide the critical Digital Infrastructure required to deliver equal, ubiquitous internet access to people and organisations across the globe. Furthermore, our open-access, low-carbon connectivity platform provides a sustainable solution to exponential growth in global data demand, fuelling a greener future.

We are leading the way in carrier-neutral connectivity globally and are committed to democratising access to critical digital infrastructure. By building a diversified portfolio of investments across the key sectors, we aim to offer our customers access to a resilient and uniquely interconnected ecosystem.

We aim to create shareholder value through three primary approaches:

1. Significant opportunity for accretive investment in growth platforms.
2. Portfolio convergence and global customer relationships: Portfolio synergies through a value chain focus and relationships with the biggest purchasers across the digital infrastructure value chain (global carriers and global tech).
3. SDG9 purpose driven initiatives: United Nations Sustainable Development Goal 9, focusing us on connectivity and environmentally sustainable investments.

The business model for each target sector depends on the sector's characteristics and location, but they each exhibit a fundamental commonality that is critical for our wider business model, being the interconnectedness of our assets delivering a resilient ecosystem to our customers. Through this we target a robust customer base delivering a creditworthy, inflation-linked income stream to deliver returns to our shareholders.

/ INVESTMENT PROCESS

The Investment Manager's Digital Infrastructure team employs a rigorous investment process when appraising new opportunities presented to it for consideration. The Company makes its investments via its sole direct subsidiary and main investment vehicle, Digital 9 Holdco Limited ("Holdco").

1 Investment Team Review

Opportunity thesis development.

Target identification and ultimately iterative review of selected targets.

SDG9/ESG scorecard.

2 Triple Point Investment Committee

Meetings to analyse proposed deals, pre-approve expenditure, and final sign off on investment after full Investment Team due diligence.

3 Active Portfolio Monitoring

Weekly engagement with management

Bi-weekly Team Partner review of portfolio.

Monthly management account updates

Bi-monthly Investee Company Board meetings (include Partners and NEDs).

SDG9/ESG scorecard tracking.

4 Portfolio Monitoring and Risk Review

Quarterly updates, risk review with Triple Point Portfolio Monitoring Group (includes Investment Committee).

Quarterly reports to D9 Board.

Risk register review.

5 Triple Point Valuation Committee

Discuss top Risks to Investors.

Valuations presented for approval.

AIFM report presented for approval.

6 Board and Board Committees

Quarterly risk and portfolio monitoring report presented.

Investment Committee paper presented for review and comment.

The Strategy in Practice: Arqiva

/ ALWAYS-ON

Increasing digital connectivity has both mirrored and facilitated changes in the way consumers behave. We are always "switched-on", with seeming limitless content, information, and data now at our fingertips – and consumers and businesses are hungry for more.

For example, the average person in the UK spent five hours and 16 minutes per day watching TV and video content across all devices in 2022, which included two hours and 24 minutes of live TV. As of December 2022, 88% of BBC audience engagement time is through traditional broadcasting.

The Board believes there is a significant opportunity for more investment in the digital infrastructure that delivers this data and content. D9 is exploring new frontiers in wireless via a landmark investment in Arqiva, an established wireless "national champion".

[5] https://www.nao.org.uk/wp-content/uploads/2022/12/A-Digital-BBC.pdf

/ PIONEERING NEW TECHNOLOGIES

Arqiva plays a central role in keeping people connected and has done so for the past 100 years.

With a tradition of innovation, alongside its well-established licensed customer base and reputation for excellent service, Arqiva has strong roots in leading the development of Internet Protocol television ("IPTV") or delivering content to consumers via the internet.

Arqiva works with customers to meet new challenges and has helped to develop cloud solutions to help the UK's transition to IPTV consumption. It has integrated over 50 platforms through its Video on Demand processing platform and has launched Arqade and Arqplex in recent years to take advantage of the benefits of cloud processing for content owners and broadcasters.

This was possible because of Arqiva's heritage in broadcasting. Having delivered the world's first TV broadcast for the BBC in 1936, Arqiva remains at the heart of TV and radio and enables household names like the BBC, ITV, Discovery, BT Sport, and Sky to distribute their content to UK consumers.

/ RELIABLE INVESTMENT RETURNS

Arqiva's revenue is underpinned by long-term contracts with blue-chip customers including the BBC, ITV, Channel 4, Sky, Discovery, and Thames Water. Revenue contracts benefit from inflation protection, with an estimated 65-70% of forecast recurring revenue for the financial year ending 30 June 2023 linked to the consumer price index ("CPI") or the retail price index ("RPI"). Around 80% of Arqiva's revenues are contracted, with a weighted average unexpired contract term of c.eight years. Arqiva's operational cash flow will generally benefit from an inflationary environment, however inflation-linked swaps currently in place (until April 2027), offset the positive inflationary effect on operational cash flow. Therefore, while Arqiva will benefit from an inflationary environment in the longer term with cash flows increasing over our original investment case and driving a higher valuation, the overall effect in the short-to-medium term will be a negative impact on cash flows from Arqiva to the Company.

The Company is working closely with Arqiva to consider the optimisation of its capital structure.

/ NO ONE LEFT BEHIND

One of D9's investment objectives is ensuring that global connectivity is accessible to all. Digital Terrestrial Television ("DTT") is a complementary technology to Internet Protocol Television ("IPTV") which continues to play a crucial role in the daily lives of millions of people across the UK.

DTT, which many consumers know better as Freeview, provides near universal access to channels that keep the UK informed and entertained. Superfast broadband connection or a subscription fee is not required, instead ensuring communities are not cut off from what many perceive to be an essential service. DTT provides access to free-to-air standard channels and radio services, reaching 98.5% of UK households.[6]

Its infrastructure is the only means by which just under eight million adults are able to access television content. These people are some of the most vulnerable in UK society, with three million living alone, four million belonging to the C2DE[7] socio-economic group, and nearly 1.8 million who have a disability.[8] The digital skills gap prevents around one in 10 people across the UK from accessing broadcast alternatives due to their inability to set up internet services or access TV online, while a similar number (7%) do not have a strong enough internet connection to support alternative services.[9]

The role that Arqiva plays in supporting essential broadcasting and transmission services has extremely high barriers to entry, given the significant investment that would be required to replicate existing infrastructure.

/ SUSTAINABLE GROWTH

The next phase of Arqiva's growth is unlocking the potential in its digital connectivity platform, which revolves around Internet of Things ("IoT"). The Investment Manager views this part of Arqiva's strategy as a huge NAV accretion opportunity and expects it to be a key driver of value in the future. Smart Utilities already contributes around a quarter of Arqiva's revenues and it is expected to continue to grow.

We have seen a rising number of IoT devices, ranging from our cars and smart watches to smart TVs over the past few years, and there is potential for the market for industrial application to grow exponentially.

[6] https://www.arqiva.com/group-financial-results/2022/Arqiva-GroupLimited/Arqiva%20Group%20Ltd%20financial%20statements%202022.pdf https://www.arqiva.com/group-financial-results/2022/Arqiva-GroupLimited/Arqiva%20Group%20Ltd%20financial%20statements%202022.pdf

[7] https://nrs.co.uk/nrs-print/lifestyle-and-classification-data/social-grade/

[8] Hind, G., Harrington, T. and Standen-Jewell, T., 2022. BBC and subscription. Impractical and not inclusive. Enders I Analysis, p.2.; C2DE as defined in the NRS social grades classification.

[9] https://www.arqiva.com/Importance_of_Broadcast_summary.pdf

Having first applied IoT solutions to gas and electricity metering in 2013, Arqiva has since developed a national IoT utilities connectivity platform. It is one of the preeminent UK Critical National Infrastructure Providers, having deployed the largest smart water metering network in the world. Now over 12 million premises can connect to Arqiva's smart meter networks.

Smart meters offer a number of benefits to consumers, from providing transparency of usage and more accurate bills, to enabling consumers to switch energy suppliers with greater ease. Arqiva also owns one of the largest contracts with the Data Communications Company ("DCC"), which operates the network connecting smart meters to energy suppliers. This enables Britain to make the fullest use of its energy by helping to digitise the UK's energy system, tracking and monitoring supply in real-time.

/ ONE-PORTFOLIO APPROACH

As IoT usage increases, there will be a significant rise in the amount of data generated by IoT devices. As a result, data centres will be expected to store, process, and analyse more data than ever before.

D9's portfolio is structured in the way that supports data transfer and storage at all stages of its journey. By building a diversified portfolio of investments across key sectors, Investee Company customers, and, ultimately D9's shareholders, benefit from a uniquely interconnected ecosystem: from IoT where data is generated, to terrestrial fibre, wireless networks, subsea cables and landing stations where data is transported; to data centres, where data is processed and stored.

This is the critical global infrastructure chain that underpins connectivity and communications.

CASE STUDY: SMART WATER METERING

Today, less than 10% of UK premises have a smart water meter, and less than 30% have a smart energy meter. The rollout of smart meters would deliver huge benefits for households, the environment and the water industry. Smart metering of water has been shown to reduce house consumption by 17-18%, ensuring the security of future water supplies and protecting local environments.[10] Fitting one million smart water meters in the UK each year for the next 15 years could save one billion litres of water a day by the mid-2030s and reduce the UK's current greenhouse gas emissions by up to 0.5%.[11]

Arqiva has one of the largest smart water networks in the world. Its IoT technology can help aid the UK's water resilience and combat water scarcity through the more efficient operation and management of UK water utility networks. This is because Arqiva's smart metering networks deliver around 50 million data points every day, meaning leaks and pollution incidents can be detected more quickly.

[10] https://www.arqiva.com/Arqiva+Waterwise+Net+Zero+Report+FINAL.pdf

[11] https://www.arqiva.com/news-views/news/smart-water-metering-rollout-could-deliver-19-billion-net-benefit-to-society https://www.arqiva.com/news-views/news/smart-water-metering-rollout-could-deliver-19-billion-net-benefit-to-society

Key Performance Indicators

In order to track the Company and/or Group's progress, the following key performance indicators are monitored:

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
1. DIVIDENDS PER SHARE (PENCE)			
Dividends paid and declared on every ordinary outstanding share in relation to the year.	The dividend reflects the Company's ability to deliver a growing income stream from the portfolio.	The Company has paid or declared dividends of 6 pence per share in respect of the year to 31 December 2022 (4.5 pence per share in 2021, or 6 pence on an annualised basis).	The Company met its target for the year ended 31 December 2022, and is targeting a dividend of 6 pence per share for the year ending 31 December 2023.[1]
2. TOTAL RETURN (%)[2]			
The change in NAV in the period and dividends paid per share in the period.	The total return highlights the underlying performance of the portfolio's investment valuations, including dividends paid.	10.4% year to 31 December 2022 (13.1% period from IPO to 31 December 2021).	A medium-term total return target of 10% per annum was set during the IPO process. The Company exceeded this target in the current financial year by 0.4%.
3. TOTAL SHAREHOLDER RETURN (%)[2]			
The change in share price and dividends paid per share.	The total shareholder return highlights the gross return to investors including dividends paid.	-19.56% in respect of the year to 31 December 2022 (+16.94% for the period from IPO to 31 December 2021).	This decrease was driven by a fall in the share price from 113.8 pence per share on 31 December 2021 to 86.4 pence per share on 31 December 2022.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
4. EARNINGS PER SHARE (PENCE)			
The post-tax earnings attributable to shareholders divided by weighted average number of shares in issue over the period.	The EPS reflects our ability to generate earnings from our investments including valuation increases.	11.09 pence per share for the year to 31 December 2022 (see Note 22) (9.77 pence per share from IPO to 31 December 2021).	EPS increased by 13.5%. The main driver for which, was the increase in the underlying valuation of the Company's investments during the period.
5. NAV PER SHARE (PENCE)			
NAV divided by number of shares outstanding as at the period end.	The NAV per share reflects our ability to grow the portfolio and to add value to it throughout the life cycle of our assets.	109.76 pence per share (104.62 pence per share as at 31 December 2021) (see Note 23).	This is an increase of 4.9% during the year driven by growth in the underlying valuation of the Company's investments and income paid to the Group during the period.
6. OPERATING CASH DIVIDEND COVER[2]			
Operational cash flow of the Investee Companies divided by dividends paid to shareholders during the year.	The operating cashflow dividend cover reflects the Company's ability to cover its dividends from the operational cash flow generated by its Investee Companies, after deducting Investee Companies' maintenance capex and interest costs.	Operating cashflow dividend cover for the year to 31 December 2022 was 40% (39.6% for the period from IPO to 31 December 2021). Operating cash dividend cover is measured as total dividends paid and payable at 31 December 2022, as a percentage of total operating cashflows for the Investee Companies.	As these investments continue to mature, it is expected to translate progressively into cash cover at the Company level. For more detail on dividends and dividend cover please see the Investment Manager's report.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
7. ONGOING CHARGES RATIO[2]			
Annualised ongoing charges are the Company's management fee and all other operating expenses (i.e. excluding acquisition costs and other non-recurring items) expressed as a percentage of the average published undiluted NAV in the period, calculated in accordance with Association of Investment Companies guidelines.	Ongoing charges show the drag on performance caused by the operational expenses incurred by the Company.	1.10% for the year to 31 December 2022 (1.04% from IPO to 31 December 2021).	A key measure of our operational performance. Keeping costs low supports our ability to pay dividends. As the Group has acquired more Investments during the period, the Group structure has become more complex. As a result, audit costs and professional fees have increased. Additional costs were also incurred as a result of the Company's move to the premium segment.
8. POINTS OF PRESENCE (POPS)			
A Point of Presence is a discrete geographic location within the Investee Company network, containing Investee Company owned exchange equipment and allows for connection into the wider network.	Points of presence represent a physical demonstration of the fibre networks distribution to a wider set of customers. We seek growth in this value over time.	58 (17 at 31 December 2021).	POPs, with kilometres of fibre and growth in network capacity provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrate an increase in connectivity as a result of the Company's investments. The number of Points of Presence grew significantly during the reporting year due to the acquisition of Elio Networks, a fixed wireless provider with a large network.
9. KILOMETRES OF FIBRE			
The total length of fibre (operational and in development) owned or part-owned by Investee Companies[3].	Kilometres of fibre represent a physical demonstration of the fibre networks presence. We seek growth in this value over time.	32,000 at 31 December 2022 (32,000 at 31 December 2021).	Kilometres of fibre, with POPs and growth in network capacity provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrate an increase in connectivity as a result of the Company's investments.
10. GROWTH IN NETWORK CAPACITY			
The increase in sold capacity across fibre networks, between two points in time. This metric is relevant to our Investee Companies.	Growth in network capacity represents the network's ability to respond to and deliver on demand for more connectivity. We seek a positive percentage growth year-on-year.	13% (7% at 31 December 2021).	Growth in network capacity, with kilometres of fibre and POPs provide a picture of the connectivity provided by the Company. These KPIs are intended to be tracked over time and their growth demonstrate an increase in connectivity as a result of the Company's investments.

KPI AND DEFINITION	RELEVANCE TO STRATEGY	PERFORMANCE	COMMENT
11. POWER USAGE EFFECTIVENESS (PUE)			
PUE is the total energy entering a data centre divided by the energy used by IT equipment inside the data centre.	PUE is a measure of our energy efficiency and represents the decarbonisation of our investments either through targeting assets with the most advanced energy efficiency practices, or through improvements of existing systems. The decarbonisation measure reflects the Company's success in aligning to SDG9, target 9.4.	1.33 (1.22 at 31 December 2021).	PUE is applicable to Data Centre assets and represents an important measure in the environmental sustainability of an asset. Efficiency and increases in efficiency can contribute to a lower carbon emission and better use of natural resource. Industry average is commonly reported to be 1.3 in cold air temperature locations and 1.4 in warm air temperature locations. PUE showed a slight increase this year, mostly due to the acquisition of additional data centres in Finland and the UK, with a variety of ages and efficiency credentials, as well as a slight decrease in efficiency at Verne Global Iceland due to changes in customer usage. Work is undergoing to improve the PUE of each data centre over time.

NOTES:

1. The target dividend is a target only and not a forecast. There can be no assurance that the target will be met and it should not be taken as an indication of the Company's expected or actual future results.
2. Alternative Performance Measure. See Unaudited Performance Measures for further information.
3. Total kilometres of fibre owned or part-owned 32,000km (14,250km operational; 17,750km in development (including EMIC-1)).

Investment Manager's Report

/ REVIEW OF THE PERIOD

We are pleased that during the year, all available capital raised since IPO has been substantially invested or committed. Further, the Investee Companies benefit from high-quality management teams, who continue to add key hires with a comprehensive understanding of their respective sectors. They have the potential to be platforms for significant future growth through providing attractive and compelling opportunities to deploy additional capital.

BEN BEATON, Fund Manager

The Company has now moved into a period of consolidation and focus on the operational performance and optimisation of each of the assets acquired to date. The Board and Investment Manager have evaluated options and commenced processes seeking complementary sources of growth capital to support our Investee Companies alongside the capital expenditure already committed by the Company. These sources include the syndication through a competitive process of a minority stake in existing Investee Companies to a strategic capital partner and/or appropriate debt financing at Investee Company level. Further detail on these processes can be found on page 43.

The Investment Manager includes a strong team of investment professionals which have been involved with the Investee Companies since their acquisition, who work with the operating partners and management of the Investee Companies. As disclosed on 1 December 2022, Triple Point initiated a formal recruitment and selection process with a leading executive search firm led by consultants specialising in Digital Infrastructure for senior asset management/value creation and industry professionals who complement the existing skillset of the team and Investee Company management. The Board and Triple Point have thoroughly evaluated the skills and experience D9 would benefit from and look forward to updating shareholders on the outcome as soon as practicable. Triple Point are encouraged by the high quality candidates in the process, and expect to select a candidate in Q2 2023.

/ INVESTMENT ACTIVITY

During the year, the Company, through its subsidiaries invested or committed c.£768 million into the target digital infrastructure sectors , including a £163 million vendor loan note to fund the acquisition of Arqiva. This is split between c.£693 million into acquiring five new Investee Companies, c.£20 million fees and c.£58 million as reinvestments into the portfolio. The investments were funded by a combination of cash held by the Group and utilising the RCF. The Company invested £77.5 million into D9 HoldCo, with the remainder of investments made with existing cash on hand and by drawing on the RCF.

April:

Elio Networks (previously Host Ireland), £51 million. A leading enterprise broadband provider which owns and operates the highest capacity licensed Fixed Wireless Access network in Greater Dublin.

April:

Verne Global London (previously Volta Data Centres), £45 million. A 6MW data centre offering robust connectivity to customers requiring low latency solutions in Central London.

July:

Verne Global Finland (previously Ficolo Oy), £114 million. A leading Finnish data centre and cloud services platform, with ultra-modern infrastructure spread across three campuses, with 23MW existing capacity and further development potential up to 90MW

July:

Giggle Broadband, £1 million. A development opportunity providing affordable broadband to social housing through a revolutionary FTTH network across the city of Glasgow.

October:

Arqiva, £300 million (£463 million including vendor loan note): The only UK provider of national terrestrial TV and Radio broadcasting and a leading national IoT utilities connectivity platform.

Throughout the year we have reinvested c.£75 million of RCF and cash proceeds into existing Investee Companies to fund capex projects.

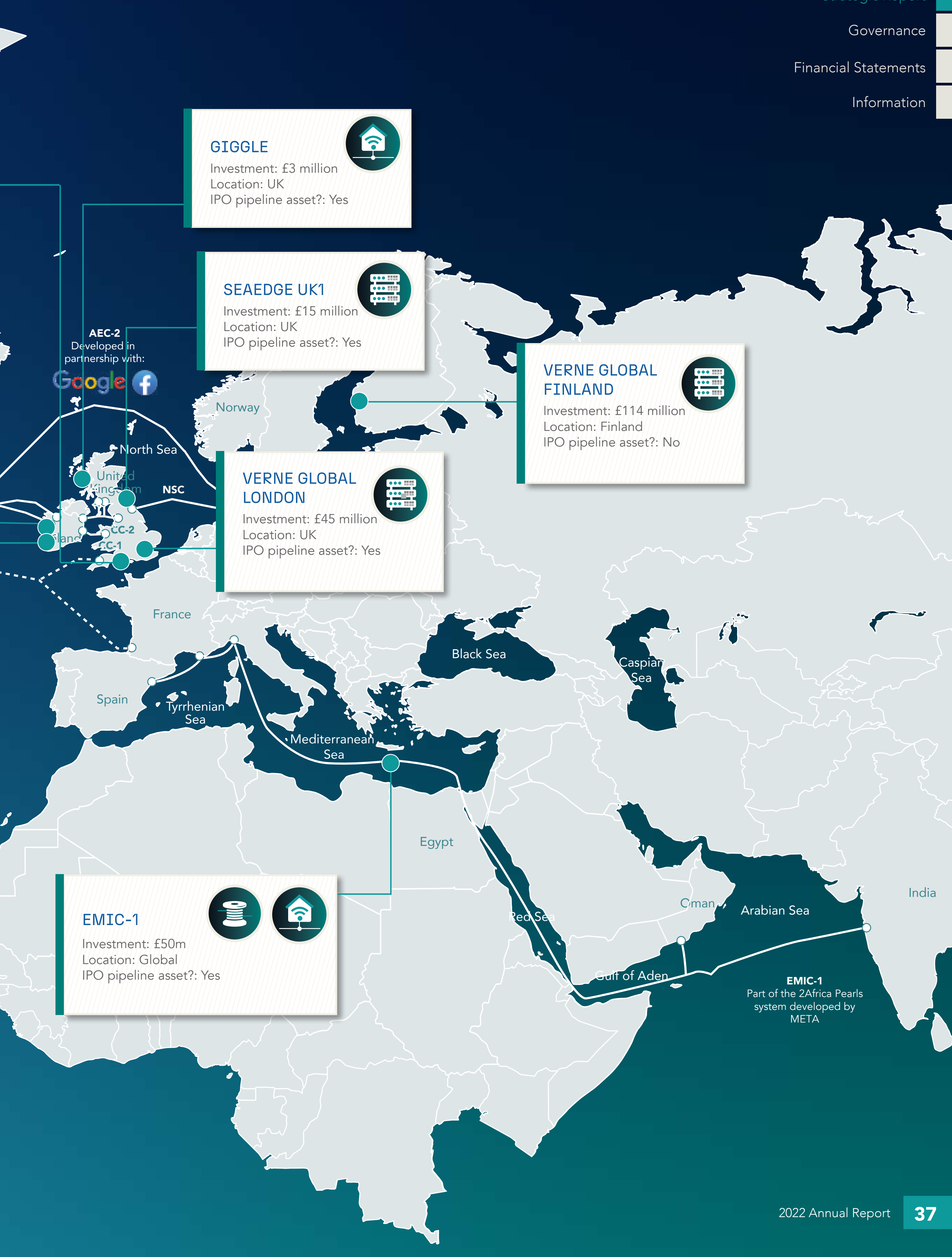
Due to accelerated customer demand, the Investee Companies, in aggregate, have a significantly increased growth capital expenditure pipeline of c.£223 million for the year ending 31 December 2023. Notably, Verne Global Iceland identified a substantially increased growth capital expenditure pipeline in its latest five-year business plan, with capital expenditure pipeline in 2023 increasing to $115 million (£95 million). Over the five-year period, the Investee Companies have capital expenditure opportunities of over £900 million.

SUBSEA FIBRE

TERRESTRIAL FIBRE

DATA CENTRES

WIRELESS NETWORKS



GIGGLE

Investment: £3 million
Location: UK
IPO pipeline asset?: Yes

SEAEDGE UK1

Investment: £15 million
Location: UK
IPO pipeline asset?: Yes

VERNE GLOBAL FINLAND

Investment: £114 million
Location: Finland
IPO pipeline asset?: No

VERNE GLOBAL LONDON

Investment: £45 million
Location: UK
IPO pipeline asset?: Yes

EMIC-1

Investment: £50m
Location: Global
IPO pipeline asset?: Yes

The Company has committed capital towards several projects including completion of the build out of the remaining capacity at Verne Global London bringing it to 6MW. Capital committed to Aqua Comms will see the launch of the AEC-3 subsea cable, its third transatlantic submarine cable system, adding further resilience to its existing transatlantic AEC-1 and AEC-2 fibre network links and continue the development of EMIC-1, launching in 2024.

The Company, through its subsidiary undertakings, has committed to fund c.£46 million of the total pipeline which will be funded by a combination of cash and the available RCF (c.£5 million is expected to fall due in 2024 as EMIC-1 approaches being operational).

The Company's intercontinental reach is illustrated in the map on the previous page.

/ LIQUIDITY

The Group held unrestricted cash of £55.5 million as at 31 December 2022. During the period, the Company successfully raised £155 million in gross equity proceeds from existing and new shareholders, supported by a £375 million RCF.

At period-end, the RCF was £331.2 million drawn, with a further £43.8 million available to draw. The Company drew an additional £25 million of the RCF post-period end to fund additional capital expenditure at Verne Global London and Aqua Comms.

/ SHAREHOLDER RETURNS

At IPO, the Company committed to a 10% total return target comprising sustainable and growing income and capital growth. At 31 December 2022, the Company generated a total return for shareholders of 10.4%, 0.4% in excess of the Company's target. The total return was comprised of a 6 pence dividend per share, and NAV growth of 5% per share, from 1 January to 109.76 pence per share.

Since IPO, the Company has continued to deliver income for shareholders in meeting the target annualised dividend of 6 pence per Ordinary Share.[12]

Dividend outlook

The Group's portfolio is comprised of market-leading companies which generate sustainable inflation-link cash flows, and companies that have exceptional growth opportunities. Together, the portfolio is designed to produce income and capital growth, thereby achieving the Company's total return target. The Company's dividend target is unchanged for the year ended 31 December 2023.

The Company's methodology to bridge from EBITDA to OCF is described in the illustrative table below.

The table is presented on a full-year basis assuming ownership of Investee Companies and £300 million being drawn of the RCF for the full financial period.

In the full year ended 31 December 2022, the Company's dividend cover was 0.4x, a decrease of 25% from the six-month period ended 30 June 2022. This decline was primarily attributable to the impact of the Arqiva accretion payment, which was paid in June 2022.

[12] The target dividend is a target only and not a forecast. There can be no assurance that the target will be met, and it should not be taken as an indication of the Company's expected or actual future results.

EBITDA TO OCF BRIDGE	£'000
EBITDA	**206,294**
(-) Cash tax	(428)
(-) Working Capital	(13,825)
(-) Maintenance Capex	(20,813)
(+) Adjustment for exeptional transaction expenses	1,208
(-) IFRS 16 Adjustment	(18,645)
Gross Operating Cash Flow	**153,792**
(-) VLN Interest	(9,780)
(-) Arqiva Interest Costs	(51,419)
(-) Accretion Payments*	(46,584)
Adjusted cash flow	**46,009**
D9 Financing Costs	(16,954)
Fund Operating expenses	(10,360)
Net cash flow	**18,695**
Dividends	50,274
Operating cash flow cover	0.4x

* D9's share of Arqiva's accretion payments. The inflation-linked swaps are due to expire in 2027, after which point Arqiva will benefit from the incremental revenue growth from the inflationary period without the added cost of the accretion payments. For further information see below.

Path to Dividend Cover

There exist two principal factors which are expected to significantly improve dividend cover generated from the existing portfolio over the coming years, notably; the ramp up of existing customer contracts in Verne Global Iceland, and the anticipated fall in inflation over the coming year, which will reduce accretion payments due from Arqiva under their inflation linked swaps. Further detail can be found below.

Verne Global

Verne Global Iceland, Verne Global London, and Verne Global Finland have presold existing data centre capacity, the take up of which will ramp up over time. It is expected that of the 13.1MWs remaining contracted capacity to be ramped, 4.2MW will be fully ramped by December 2023, 8.6MW by December 2024 with all MW fully ramped by December 2027.

Once fully ramped, the Investment Manager expect this fulfilment of contracted capacity will add c.£21.2 million to OCF. This figure excludes future OCF contribution from capacity that has not yet been sold.

Arqiva

The Company defines Arqiva's OCF as EBITDA less interest, cash taxes, changes in working capital, maintenance capital expenditure and accretion payments.

As previously disclosed, Arqiva uses interest rate swaps, including inflation-linked interest rate swaps, to hedge interest rate exposures. Inflation-linked swaps convert existing interest costs to RPI-linked costs, which fluctuate in line with the RPI index, as do a significant portion of Arqiva's revenues. The notional amounts of these swaps accrete with RPI, and these accretion amounts require cash settlement annually in June. These swaps are entered into on terms (including maturity) that mirror the debt instrument that they hedge, and act as an effective hedge against rising interest rates.

65-70% of Arqiva's revenues remain linked to inflation, and therefore a high inflationary environment is beneficial to the long-term profitability and value of the Company's investment in Arqiva. A 1% increase in inflation versus the inflation curve assumed for the current valuation model results in a c.£22 million valuation gain for the Company's investment as of 31 December 2022, which is reflected in the NAV.

However, a 1% increase in inflation against the current assumed curve also results in a c.£5 million reduction in the OCF attributable to D9 for the financial year ending June 2023, due to the cash settlement of the accretion payments mentioned above.

As a result of the current higher inflationary environment, operating cash flow generated by Arqiva in 2022, since D9's period of ownership, was negatively impacted by the June 2022 cash settlement of inflation-linked swap accretion payment, which amounted to £46.6 million on a D9 pro rata basis.

Inflation continues to be high, which has a positive impact on the long-term value of the business, and a negative impact on short-term OCF generation. However, if inflation falls back to more typical levels, as is expected at the end of 2023, there will be a positive impact on OCF generation.

Illustratively, assuming inflation fell to 4%, the Company would benefit from an additional £24.1 million of OCF on a pro rata basis as a direct result of a reduced accretion payment. The Company anticipates the portfolio will benefit materially from the sustainable cash flows Arqiva generates following the expiry of inflation-linked swaps in 2027. However, in the short term it is expected that dividend cover will be impacted by the accretion payment in June 2023 that is based on the prevailing RPI index at the end of March.

This £24.1 million increase in OCF, taken with the Verne Global Iceland and Verne Global London ramp-up benefit of £21.2 million, would have the impact of increasing OCF dividend cover to c.1.3x on a like-for-like basis.

Re-investment of OCF and Complementary Capital

The Company believes the free cash flow generated by the portfolio's growth platforms will, over time, grow as accelerated demand is fulfilled by ramping up customers' workloads and moving construction assets into full operation – particularly in the case of Verne Global, Aqua Comms, and EMIC-1.

Until the point of the growth platforms' maturity, the Company expects these Investee Companies will require utilising their operating cash flow to support their respective growth plans alongside capital expenditure as identified by the Company's growth capital expenditure pipeline.

In the Trading Update published on 11 January 2023, the Company announced that it was exploring complementary sources of capital, including debt at an Investee Company level and a potential syndication of a minority stake in existing Investee Companies to a strategic partner, a process which has since commenced in conjunction with a leading investment bank, to fund the significantly increased growth capital expenditure pipeline of the Investee Companies and provide valuable follow-on capital to Investee Companies.

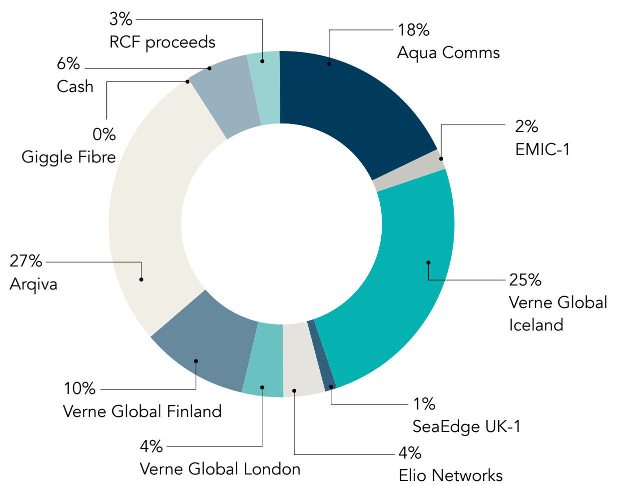
In relation to Investee Company level debt, a term sheet has been agreed for a $100 million facility to be provided to one of the high growth Investee Companies, the proceeds of which will be used to finance accretive growth opportunities, and to repay a Company shareholder loan, with the intention this will be used to reduce the drawings of the Group RCF.

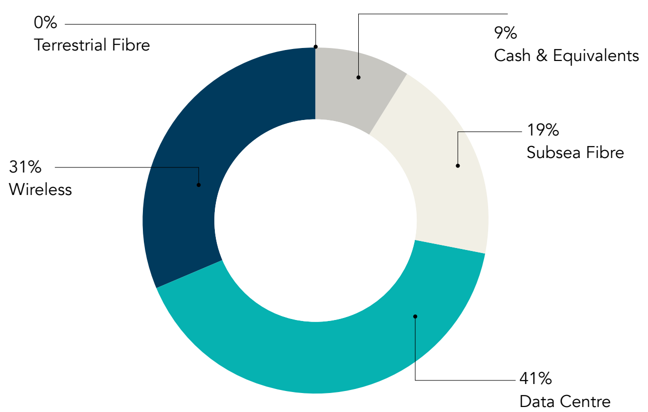
Further updates on these processes will be announced to shareholders following their completion.

/ PORTFOLIO SUMMARY AND KEY VALUE DRIVERS

The Company's portfolio now consists of nine attractive and complementary investments, with four high-quality platforms comprising best in sector operators, benefitting from accretive convergence value throughout the portfolio. With our most recent investment in Giggle Broadband, we have now invested across the four target sub-sectors: Data Centres, Subsea Fibre, Terrestrial Fibre and Wireless networks. The tables below shows the portfolio's asset and sector concentration levels comprising valuations as at 31 December 2022.

Portfolio asset and sector concentration (% of GAV)

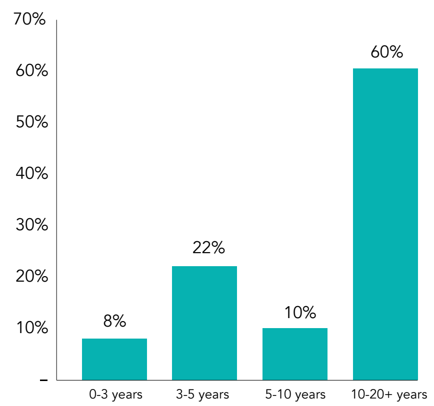




High revenue visibility with balanced and stable currency mix:

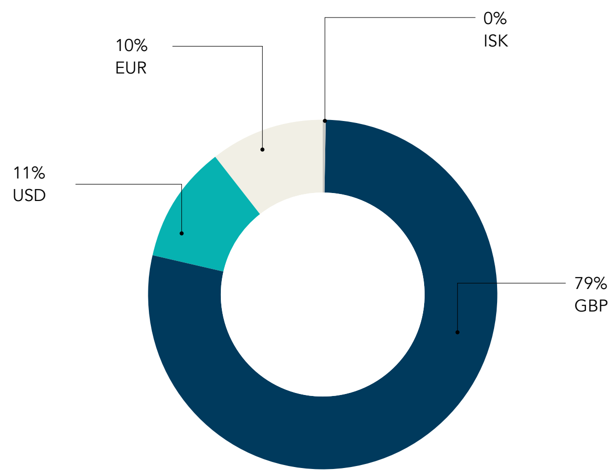
We have invested in businesses with high revenue visibility, with a weighted average remaining contract term for recurring revenue of 7.1 years across the Investee Companies. This is reflective of our investment approach, with investments underpinned by a combination of diversified and long-term contract stacks with high quality counterparties.

7.1 years



Balanced and stable currency mix:

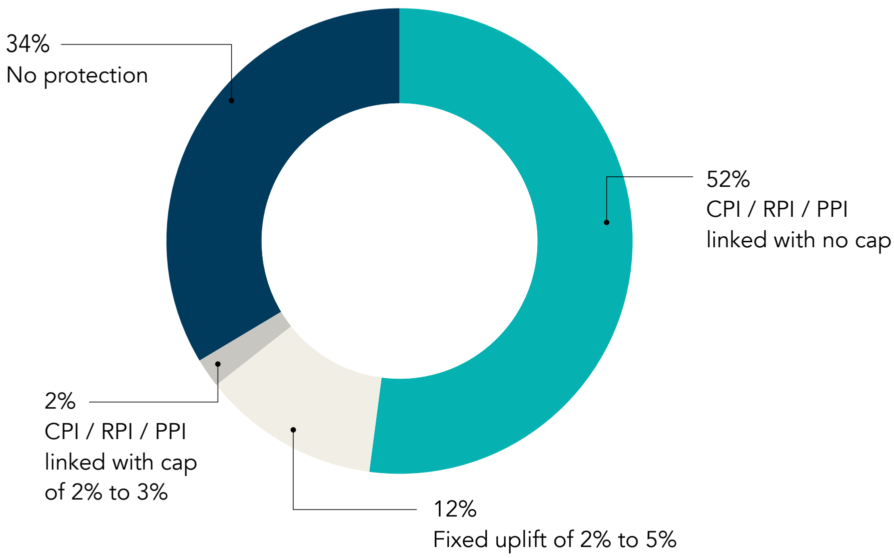
Currency markets have fluctuated as central banks respond to rising inflation by increasing interest rates and adopting a contractionary monetary policy. The Company has over 99% exposure to major currencies (GBP, USD, EUR), offering a balanced currency mix to major economies.



Inflation protection[13]:

Amidst an economic backdrop of record inflation levels not seen in decades, we believe D9 is well positioned to cope with the risks arising from rising inflation with 66% of recurring revenues benefitting from a form of inflation protection at underlying contract level.

% investee company recurring revenue with inflation protection



Diversified customer stack offering resilient income streams

The Group's portfolio consists of an increasingly diversified contract stack, both by the number of customers and the sectors in which they operate contributing to a resilient income stream across the Investee Companies.

As shown in the table below, the portfolio concentration to the highest revenue generating customers has reduced as a result of this increased diversification, meaning there is a lower dependency on any one customer across the portfolio.

Customer Concentration by Annual Recurring Revenue ("ARR")

ARR is a metric of predictable and recurring revenue generated by Investee Company customers during a year, not adjusted for period of ownership.

	2021		2022	
Customer by Revenue	ARR GBP m	% of total ARR	ARR GBP m	% of total ARR
Top 5	22.4	52%	171.5	51%
Top 10	30.3	71%	217.4	65%
Top 20	35.9	84%	254.2	76%

[13] A portion of the inflation protection from Arqiva is subject to swaps. Note, Arqiva has predominantly uncapped, 0% floor, RPI-linked escalators within its core customer contracts. Taking advantage of the favourable and high proportion of inflation-linked revenue in the underlying business, Arqiva has inflation-linked swaps whose payments are financed by the inflation-linked customer contracts that run beyond 2027. For further information see below.

Growth capital requirements and value creation

The sub-sectors in which the Company invests are typically growth sectors where extensive capital expenditure can be deployed, for example, to increase data capacity and fibre connectivity. Through the "power of the platform", accretive incremental growth capital expenditure can drive enhanced portfolio returns and strong opportunities for valuation uplifts.

For the period between 2023 and 2027 the Investee Companies, in aggregate, have a growth capital expenditure pipeline of c.£903 million.

Besides driving returns through platform reinvestment, the Company is also able to create value through a combination of complementary acquisitions and organic growth. This has been demonstrated through the acquisitions, and subsequent restructuring, of Verne Global Finland and Verne Global London into a single Northern European data centre platform under a single brand. The platform is able to benefit from shared resources and cross-selling of capacity to customers, whilst accessing a wider customer base in itself.

The Board and the Investment Manager recognise the importance of balancing the possibility of raising additional equity in the current capital markets, with a prudent approach to short and long-term borrowings within the Company's capital structure to sustainably finance growth capital expenditure.

The Board and Investment Manager have evaluated options and commenced processes seeking complementary sources of growth capital to support our Investee Companies alongside the capital expenditure already committed by the Company. These processes include a syndication through a competitive process of a minority stake in existing Investee Companies to a strategic capital partner in conjunction with a leading investment bank and the arrangement of appropriate debt financing at Investee Company level. The syndication would provide proceeds which could be used to pay down the RCF and/or fund growth capital expenditure and provide valuable follow-on capital to Investee Companies. In relation to Investee Company level debt, a term sheet has been agreed for a $100 million facility to be provided to one of the high growth Investee Companies, the proceeds of which will be used to finance accretive growth opportunities, and to repay a Company shareholder loan, which will be used to reduce the drawings of the Group RCF. The Company will update shareholders as further progress is made.

The Company will consider the most suitable use of any additional capital at the time, taking account of efficient management of its costs (including reducing RCF interest payments through the repayment of the RCF) as well as the financing of accretive portfolio growth opportunities.

\ REVIEW OF PORTFOLIO

AQUACOMMS (including EMIC-1)

Sector	
Currency	USD
Date invested	April 2021
Ownership	100%
SDG9 alignment	Connectivity
Initial investment	£170 million
Total capex funded to date	£29 million
Total investment to date	£199 million
Closing value (31 Dec 2022)	£257 million

Aqua Comms has established itself as a leading subsea fibre operator in the transatlantic market with two of the most modern systems in AEC-1 and AEC-2. In 2023 we expect to launch the AEC-3 system, providing further network connectivity between the US and UK. The cable will provide up to 20TB of capacity bringing Aqua Comms' total capacity to c.60TB across its operational subsea cables.

Aqua Comms is also managing the EMIC-1 system with its development continuing through 2023 before launch in 2024. Construction on the cable system and negotiations with the various stakeholders along the route are on time and on budget.

In December 2022, Aqua Comms announced the appointment of Jim Fagan as CEO effective from 1 May 2023, following Nigel Bayliff standing down from the role. Jim's appointment follows a competitive recruitment and selection process, and the Investment Manager continues to support the leadership transition period closely. Jim brings 25 years' industry leading experience in Asia-Pacific, North America and EMEA, including executive roles with Global Cloud Xchange, Rackspace, and Pacnet (later acquired by Telstra).

In September 2022, Aqua Comms completed the acquisition of Openbyte Infrastructure Private Limited ("Openbyte"). The acquisition was funded from existing cash in Aqua Comms. Openbyte is an India-based licensed telecom consultancy company focused on providing neutral, open access landing solutions for submarine cables. The acquisition complements Aqua Comms investment in EMIC-1 and is key to supporting Aqua Comms' global connectivity expansion plans, providing a carrier-neutral platform in India for Aqua Comms services.

Aqua Comms remains one of the Company's cornerstone investment platforms since IPO and the Investment Manager is very confident of the ability to create accretive organic growth as well as seeking out potential additional pipeline acquisitions in subsea fibre.

Verne Global Iceland

Sector	
Currency	USD
Date invested	September 2021
Ownership	100%
SDG9 alignment	Decarbonisation
Initial investment	£231 million
Total capex funded to date	£50 million
Total investment to date	£281 million
Closing value (31 Dec 2022)	£329 million

Verne Global Iceland is a leading data centre platform based in Iceland. It provides highly scalable data centre capacity to its enterprise customers in a geographically optimal environment, powered by 100% baseload renewable energy. Energy is sourced exclusively from local, stable and predictable hydroelectric and geothermal power generation which is secured with a ten-year fixed-price supply contract, enabling customers to reduce their carbon footprint significantly. Verne Global Iceland's year-round, free-air cooling capabilities make it one of the most energy-efficient data centres in the world and reaffirms the Company's ambition to decarbonise digital infrastructure in line with UN SDG9.

At 31 December 2022, Verne Global Iceland had 99% of recurring revenue benefiting from fixed annual uplifts ranging from 2% to 5% offering strong revenue inflation protection generated from c.40 leading global High-Performance Computing, supercomputing and enterprise customers. This delivers long-term, inflation-protected income in a variety of sectors including automotive, artificial intelligence and financial services.

In light of increased global temperatures, increasing ESG reporting requirements, along with the recent power pricing and availability crisis in Northern Europe, enterprises are focused on sustainable data centre solutions, which benefit from low-cost, long-term, renewable power, and that bring stability, availability and scalability to support their rapidly increasing high performance compute needs.

As a result, Verne Global Iceland is experiencing accelerated customer demand for its facilities from both new and existing customers and has booked and sold all of its remaining capacity. Due to this level of demand, Verne Global Iceland has identified a substantially increased growth capital expenditure pipeline in its latest five-year business plan, with capital expenditure pipeline in 2023 increasing to $115 million (£95 million). Furthermore, its capital expenditure pipeline for the five years to 31 December 2027 increased from $208 million (£172 million) in its 2021 plan to c. $472 million (£391 million).

This capital expenditure will fund the expansion of capacity from an existing 40 Mega Watts ("**MW**") in operation or development to a total of 94MW out of a potential of more than 100MW on the site. At 31 December 2022, the Group had funded c.$60 million, (c.£49.5 million), of capital expenditure in Verne Global Iceland since its acquisition for £231 million in September 2021. The Group has not currently committed to any further capital expenditure for 2023 onwards.

The Company's Investment Policy includes a restriction that the Company will not invest more than 25% of Adjusted Gross Asset Value in any single asset or Investee Company (measured at the time of any investment into such asset or Investee Company) and therefore the Group cannot currently materially increase its exposure to Verne Global Iceland.

The Company and the Investment Manager continue to believe in Nordic data centres as a significant differentiator for the Company's investment proposition, giving exposure to the fastest growing market for low-carbon, low-cost data centre services.

Verne Global Finland (Previously Ficolo Oy)

Sector	
Currency	EUR
Date invested	July 2022
Ownership	100%
SDG9 alignment	Decarbonisation
Initial investment	£114 million
Total capex funded to date	£5 million
Total investment to date	£119 million
Closing value (31 Dec 2022)	£132 million

Verne Global Finland is a leading Finnish data centre and cloud services platform. It has ultra-modern infrastructure, spread across three campuses (The Air, The Rock and The Deck) with industry-leading sustainability credentials and surplus heat distribution, offering a full suite of cloud infrastructure, connectivity and cybersecurity services. Verne Global Finland has existing buildings capable of providing up to 23MW of capacity of which 7.4MW is currently developed.

Verne Global Finland was acquired in July 2022. This acquisition expands D9's Nordic data centre portfolio and continues to deliver on our strategy of sustainable data storage.

As part of the five-year business plan, Verne Global Finland identified a growth capital expenditure pipeline of £92 million for the five-year period to 31 December 2027. This is to realise the potential to expand existing resilient fit out capacity of 7.4MW to 17MW; the Group has not yet committed to underwrite any of this expenditure. At 31 December 2022, the Group had funded £5.1 million in growth capital expenditure in Verne Global Finland, since its acquisition for c.£114 million in July 2022

In order to capitalise on the benefits of a multi-campus, consolidated data centre offering, the rebranding to Verne Global Finland is expected to support the growth and consolidation of the Group's Nordic data centre platform. The Company and the Investment Manager believe further synergies can be derived through offering the combined Verne Global data centres' customers with a choice of Nordic data centre locations through a common platform and therefore drive greater convergence value across the portfolio.

VERNE GLOBAL

Verne Global London (previously Volta Data Centres)

Sector	
Currency	GBP
Date invested	April 2022
Ownership	100%
SDG9 alignment	Connectivity
Initial investment	£45 million
Total capex funded to date	£8 million
Total investment to date	£54 million
Closing value (31 Dec 2022)	£56 million

Verne Global London (previously Volta) wholly owns and operates a premier data centre with state-of-the-art facilities based in Farringdon, central London, providing 6MW of retail co-location services. It has over 40 networks available in its carrier-neutral facility, making it one of the most connected central London data centres (first among independents), offering ultra-low latency and high-performance connectivity. It also has a PUE of 1.5 making it one of the most energy efficient data centres in London, which we are looking to improve further, and procures its power from renewable sources, delivering on our ambition to decarbonise digital infrastructure.

Since its acquisition, the Verne Global team has taken on the day-to-day operations within the facility. This includes negotiating new and existing customer contracts, implementing a hedged power procurement strategy, and designing the expansion within the facility as it builds towards full capacity of 6MW, with development expected to be completed in 2023. This will include a new 2.1MW contract with a key financial services customer, bringing total utilisation to 4.3MW out of a total available 6MW.

We will continue to promote convergence value across our various data centre strategies, including our broader Nordic data centre platform, as we educate UK customers on the benefits of shifting energy-intensive, latency insensitive data workloads into the Nordics.

SEAEDGEUK1

Sector	
Currency	GBP
Date invested	December 2021
Ownership	100%
SDG9 alignment	Connectivity & Decarbonisation
Initial investment	£16 million
Total capex funded to date	Nil
Total investment to date	£16 million
Closing value (31 Dec 2022)	£18 million

D9 owns the underlying real estate of the SeaEdge UK1 (also known as Stellium DC1) data centre asset and subsea fibre landing station, located on the UK's largest purpose-built data centre campus in Newcastle. It is the UK's only landing station for the North Sea Connect subsea cable, which improves connectivity in northern England and forms part of the North Atlantic Loop subsea network, which includes D9's Aqua Comms' AEC-1 and AEC-2 cables.

The asset is leased on fully repairing and insuring terms to the tenant and operator, Stellium Data Centres Limited, via a 25-year occupational lease with over 23 years remaining. Stellium continues to meet its payment obligations under the lease, delivering on the Company's target yield at acquisition.

elio

Elio Networks (formerly Host Ireland)

Sector	
Currency	EUR
Date invested	April 2022
Ownership	100%
SDG9 alignment	Connectivity
Initial investment	£51 million
Total capex funded to date	£0 million
Total investment to date	£51 million
Closing value (31 Dec 2022)	£59 million

As part of its five-year business plan, Elio Networks has identified a growth capital expenditure pipeline of c. €8 million (c. £7 million) for the period to 2027, including €1.3 million (£1.1 million) in 2023. At 31 December 2022, the Group had not funded any growth capital expenditure in Elio Networks since its acquisition for £51 million in April 2022.

In line with its strategic growth plans, Elio Networks has recently undergone a re-branding exercise and launched under its new name in February 2023. Furthermore, the network is launching in Cork city in early 2023, reaffirming its position as a leading connectivity player.

D9 believe Elio Networks continues to provide an attractive entry point to Ireland's extensive FWA network and represents a growth platform for further geographical expansion throughout Ireland and internationally.

Elio Networks is a leading enterprise broadband provider that owns and operates the highest capacity licensed Fixed Wireless Access ("FWA") network in Greater Dublin, connecting c.1,600 enterprise customers with high-quality wireless access across c.50 base stations.

Elio Networks continued its growth in high-quality wireless connectivity operations in 2022, with unique customer connections growing from c.2,650 in December 2021 to c.2,800 in December 2022.

The Company has a diverse client base including larger multinationals, government bodies, global technology companies, small professional service firms, retail and hospitality companies. Elio Networks was launched to address the growing requirement for affordable high speed broadband in the greater Dublin area. Since then, they have grown to become the largest wireless Internet Service Provider ("ISP") in the greater Dublin region. This was D9's first investment into wireless infrastructure and is in line with the Company's focus on supporting the SDG9, by providing lower cost and lower latency connectivity to Irish businesses.

Sector	
Currency	GBP
Date invested	October 2022
Ownership	48.02%
SDG9 alignment	Connectivity
Initial investment	£300 million
Total capex funded to date	£0 million
Total investment to date	£300 million
Closing value (31 Dec 2022)	£355 million

Arqiva is the sole provider of national terrestrial TV and radio broadcasting infrastructure in the UK. It serves as a key strategic asset for the nation, owning c.1,450 broadcast transmission sites and reaching 98.5% of UK households. The breadth of its broadcasting network aligns Arqiva well with D9's goal to improve connectivity for consumers. Arqiva also operates a state-of-the-art smart metering platform, which covers c.12 million premises and delivers c.50 million data points every day.

Arqiva is a large, robust business with c.1,300 employees and predictable earnings underpinned by long-term, inflation-linked contracts, strong market positions, diverse revenue streams and long-life assets. Arqiva has a healthy balance sheet consisting of long-term senior and junior debt, which is supported by interest rate swaps and inflation-linked swaps to hedge and manage its exposure to interest rates.

Arqiva's revenue is supported by long-term contracts with blue-chip customers including the BBC, ITV, Channel 4, Sky, Discovery and Thames Water. Revenue contracts benefit from inflation protection, with an estimated 65-70% of forecast recurring revenue for the financial year ending 30 June 2023 linked to the consumer price index or the retail price index. Arqiva's operational cash flow will generally benefit from an inflationary environment, however inflation-linked swaps currently in place (until April 2027), offset the positive inflationary effect on operational cash flow. Therefore, while Arqiva will benefit from an inflationary environment in the longer term, the overall effect in the short-to-medium term is negative.

The Group completed the acquisition of a 48.02% equity stake in Arqiva on 18 October 2022 for approximately £463 million, following the granting of regulatory approval. £300 million of the acquisition was funded by a drawdown on the Group's RCF and £163 million through a non-recourse vendor loan note (VLN) issued by the vendor, which is listed on the International Stock Exchange. It should be noted that D9 holds a 51.76% economic interest in Arqiva, but that this corresponds only to a non-controlling 48.02% equity stake.

The VLN is due to mature in 2029 and has the following stepped interest rate profile:

- 6% per annum up to and including 30 June 2025;
- 7% per annum from 1 July 2025 up to 30 June 2026;
- 8% per annum from 1 July 2026 up to 30 June 2027; and
- 9% per annum from 1 July 2027 to maturity.

Interest payments on the VLN are due annually in arrears on 30 June. Interest can be rolled up but accrued interest must be paid in full before distributions can be made to the Group. After the fourth anniversary of the VLN, the Group can only receive distributions if the entirety of the VLN principal and any rolled up interest has been repaid in full. The VLN becomes repayable in full if the Group's equity position in Arqiva is reduced by more than 50%. The Company expects Arqiva's future cashflows to cover D9's VLN interest payments. The Investment Manager expects that the VLN will be refinanced prior to its fourth anniversary in October 2026, as was anticipated at acquisition.

In Q3 2022, after the Company had signed the SPA, Arqiva successfully deleveraged its capital structure through the refinancing of £625 million of junior notes with a £450 million term loan and residual cash proceeds from the 2019 sale of Arqiva's telecoms business to Cellnex.

The Arqiva Group uses interest rate swaps (including inflation-linked interest rate swaps) to hedge interest rate exposures. Inflation-linked swaps convert existing interest costs to RPI-linked costs, which fluctuate in line with the RPI index, as do a significant portion of Arqiva's revenues. The notional amounts of these swaps accrete with RPI, and these accretion amounts require cash settlement annually. These swaps are entered into on terms (including maturity) that mirror the debt instrument that they hedge, and act as an effective hedge against rising interest rates.

Arqiva's cash flows are sensitive to inflation: an increase in inflation generally results in (i) incremental EBITDA growth due to inflation-linked customer contracts and (ii) accretion payments on the inflation-linked swaps. In the short term, inflation has a net negative cash impact on Arqiva: for Arqiva's financial year ending 30 June 2023, a 1% increase in inflation is expected to cost Arqiva an additonal £10million, owing mainly to the accretion payments. However, each year of inflation will drive incremental revenue growth flowing into all years thereafter. The inflation-linked swaps are due to expire in 2027, after which point Arqiva will benefit from the incremental revenue growth from the inflationary period without the added cost of the accretion payments. Arqiva's large contracts typically run past the expiry of the swaps.

As a result of the current macro-economic environment, inflation is currently higher than at the point the Group agreed to acquire its stake in Arqiva in June 2022; it is expected that this will have a negative impact on short-term cash flows due to the inflation-linked swaps. The key upside of a short-term, high-inflationary period is the incremental revenue increase received across the years that follow. Inflation in 2022 and 2023 is therefore expected to have a material positive impact on cash flows from 2027 onwards once the inflation-linked swaps expire.

Giggle

Sector	
Currency	GBP
Date invested	July 2022
Ownership	100%
SDG9 alignment	Connectivity
Initial investment	£0 million
Total capex funded to date	£3 million
Total investment to date	£3 million
Closing value (31 Dec 2022)	£3 million

In July 2022 the Group invested £1 million seed capital into Giggle, a development opportunity that provides affordable broadband to social housing through a revolutionary Fibre to the Home ("FTTH") network across the city of Glasgow. Giggle represents a truly affordable broadband solution for social housing, allowing families on social benefits to access top quality broadband without having to enter into long-term contracts, contributing positively towards breaking the digital divide.

Due to its attractive proposition, Giggle has attracted a best-in-class senior executive team led by experienced executive Dave Axam and supported by a CFO, CTIO and CCO each with extensive experience in building FTTH networks. Dave has a proven track record in delivering strategic transformation projects and has previously held roles at BT and most recently as COO of LightSpeed Broadband, a fibre alt-net.

Giggle has identified a growth capital expenditure pipeline of c.£113 million for the five-year period to 31 December 2027, including c.£22 million in 2023. Following the Group's further investment of £2 million in the project in December 2022, no further capital expenditure has been committed by the Group, however alternative funding options are being explored.

\ PORTFOLIO FINANCIAL PERFORMANCE

Per the table below, the Company's Investee Companies generated £409 million in revenue in 2022 and £206 million in EBITDA, both growing slightly compared to the previous year. On a run-rate basis, where data centre contracted revenue is assumed to have fully ramped, the portfolio generated EBITDA of £226 million, a £20 million uplift on actual EBITDA and an increase of 6% on the previous year. Consolidated Investee Company revenue and EBITDA disclosed in the Company's Trading Update published in January 2023 included revenues from infrastructure as a service ("IaaS") which were not included in the Company's consolidated revenues for the year.

IaaS is a service which Verne Global Iceland provides to one of its largest customers, whereby Verne Global Iceland purchases the equipment required and holds this on its Balance Sheet. The customer pays for the equipment, as a result there is no negative cash impact for Verne Global Iceland.

	2022 (12 months)	2022 (pro rata)	2021	% change
Revenue	£409 million	£152 million	£401 million	2%
EBITDA[14]	£206 million	£71 million	£204 million	1%
Run-rate EBITDA	£226 million	£88 million	£214 million	5%

\ PORTFOLIO VALUATION PERFORMANCE

The portfolio comprises a diversified portfolio of Digital Infrastructure assets providing critical network connectivity and data storage services. The portfolio has demonstrated resilience throughout the year, and we are confident that it is well positioned to deliver our target returns through a combination of capital growth and income.

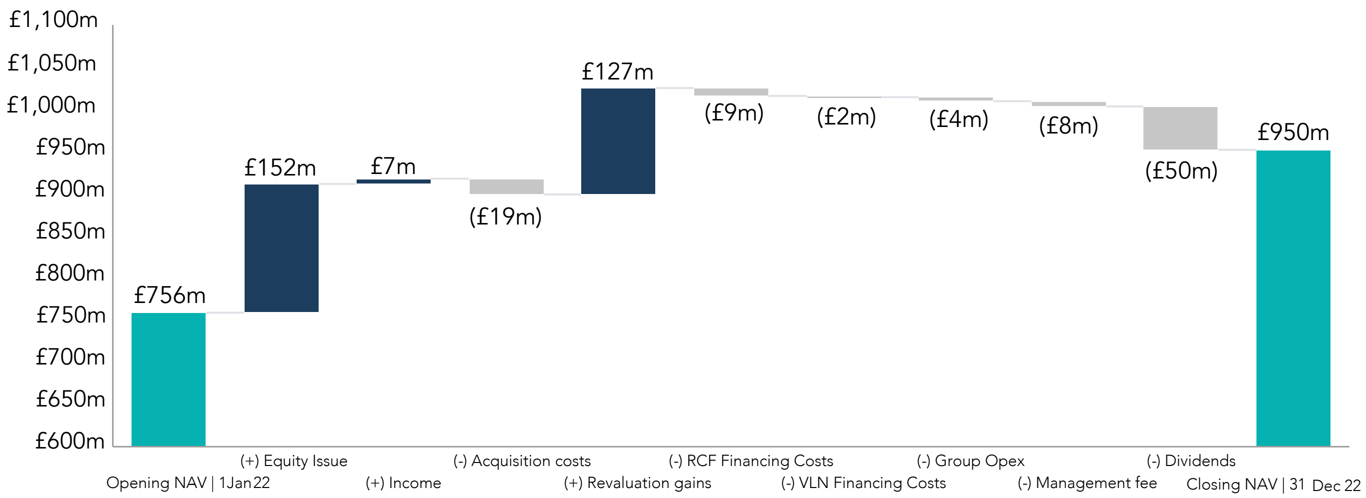
At the reporting date, the Group's portfolio, consisting of nine investments held via the Company's subsidiaries, was valued at £1.2 billion, excluding cash, after factoring for the Group's RCF. The Company and its subsidiaries held unrestricted cash of £55 million (£74 million total cash proceeds). The Group drew an additional £25 million of the RCF following the period end to fund additional capital expenditure at Verne Global London and Aqua Comms. Including this post period draw, the RCF was £356.2 million drawn, with a further £18.8 million available to draw. The party to the RCF is D9 HoldCo.

14 The Company is now presenting EBITDA excluding Infrastructure as a Service ("IaaS") revenue at the data centre level for Verne Global Iceland, which passes through the profit & loss statement as a cost after EBITDA. This is a more prudent measure when looking at the Investee Companies' financial performance. The Company previously reported EBITDA on a reported EBITDA basis, including IaaS revenue. The comparable figure for 2022 would be £225 million, and £216 million for 2021.

\ NET ASSET VALUE

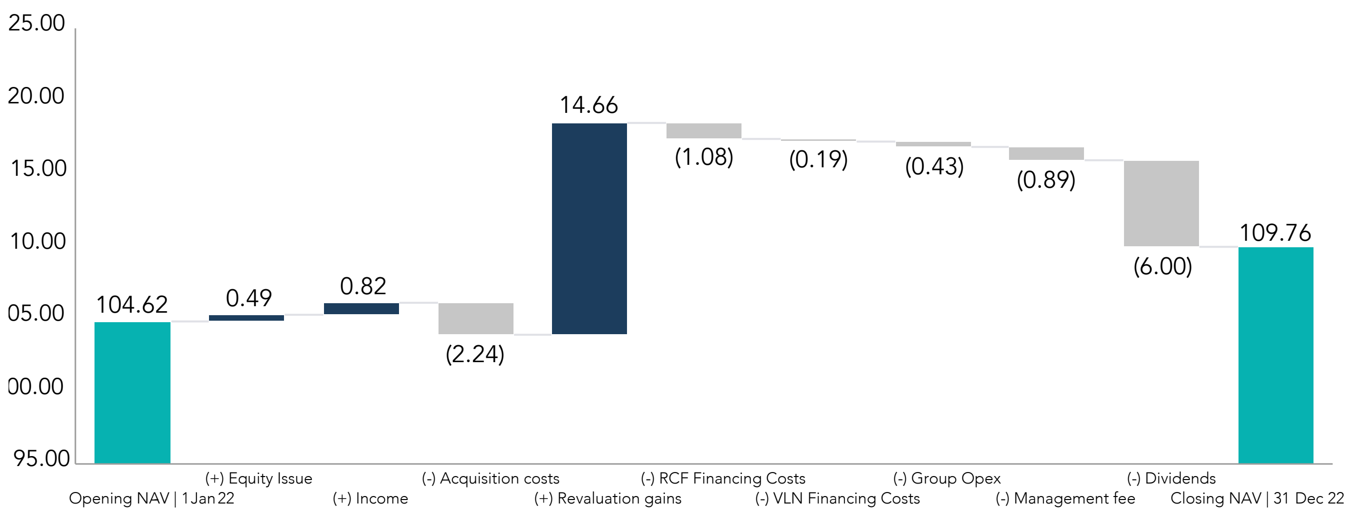
The Company's net assets were valued at £950 million (£756 million at 31 December 2021, £852 million at 30 June 2022), reflecting an increase of 26% year-on-year. This includes £152 million of net proceeds through equity raises and £127 million through net revaluation gains, which includes FX movement after reinvested capex.

The bridge below shows the movement in NAV during the period.



The NAV per share was 109.76 pence at 31 December 2022 (104.62 pence at 31 December 2021, 105.13 pence at 30 June 2022), resulting in a Total Return for the financial year of 10.4% above the 10% target return.

The bridge below shows the movement in NAV during the period and their effect on a pence per share basis.



\ VALUATION PERFORMANCE

In accordance with accounting standards, "Investments at fair value through profit or loss" as reported in the Balance sheet include, in addition to the portfolio asset valuation, the cash and other net assets held within intermediate unconsolidated holding companies.

The revaluation gain delivered 14.66 pence per share uplift to the Company's audited NAV per share. There are several key drivers in the valuation uplift during the period:

- First-time valuations: the introduction of the new investments in Elio Networks, Verne Global London, Verne Global Finland and Arqiva saw these assets being revalued for the first time since acquisition (Elio Networks and Verne Global London were held at cost in June 2022). The investments were made on competitive terms and the revaluation gains are reflective of the investments now being held at Fair Value rather than at cost.
- Discount rate: there is more detail in the Discount Rates section on page 57, but material valuation changes are seen in Aqua Comms, in particular, due to the appropriate application of the company size premium when deriving its discount rate. As previously disclosed, the interim valuation at 30 June 2022 involved a refresh of the previous year-end model and hadn't factored this change.
- FX movements: the Company's portfolio is valued in Pound Sterling, however this involves converting certain Investee Company valuations from their host currency into Pound Sterling at the spot rate at the valuation date. Given the relative strengthening of the US Dollar and Euro relative to British Pound during the year, particularly during the first six months, the value of those investments had additional FX appreciation. The following companies are valued in their host currency:

  a. Aqua Comms: US Dollar

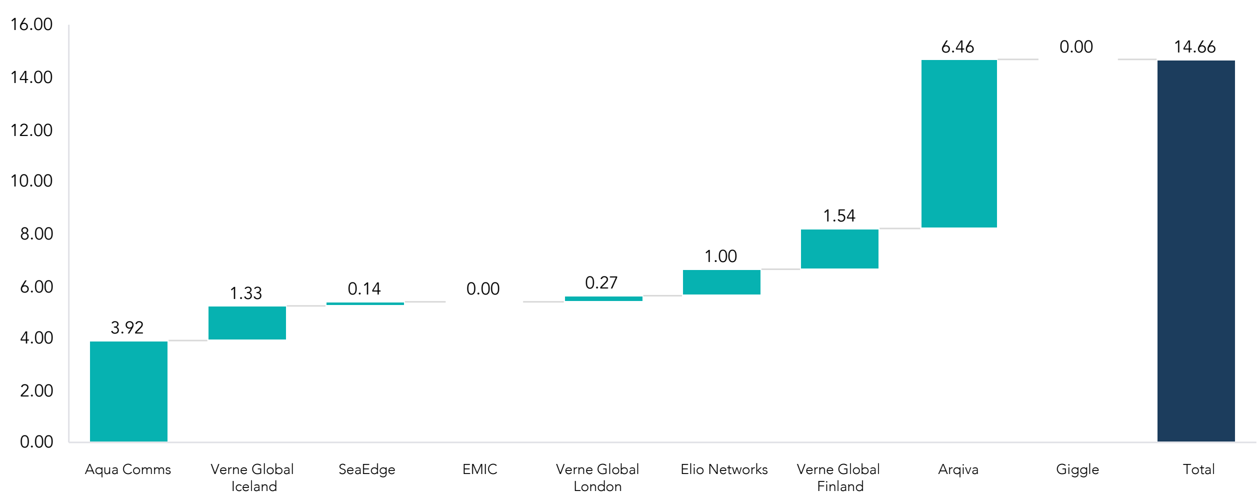
  b. Verne Global Iceland: US Dollar

  c. Verne Global Finland: Euro

  d. Elio Networks: Euro

During the year, the USD:GBP spot rate moved from 1.3477 at 31 December 2021 to 1.2103 at 31 December 2022, representing a 10% increase in US Dollar valued entities. The EUR:GBP spot rate has moved from 1.1907 to 1.1273 reflecting an increase of 5%.

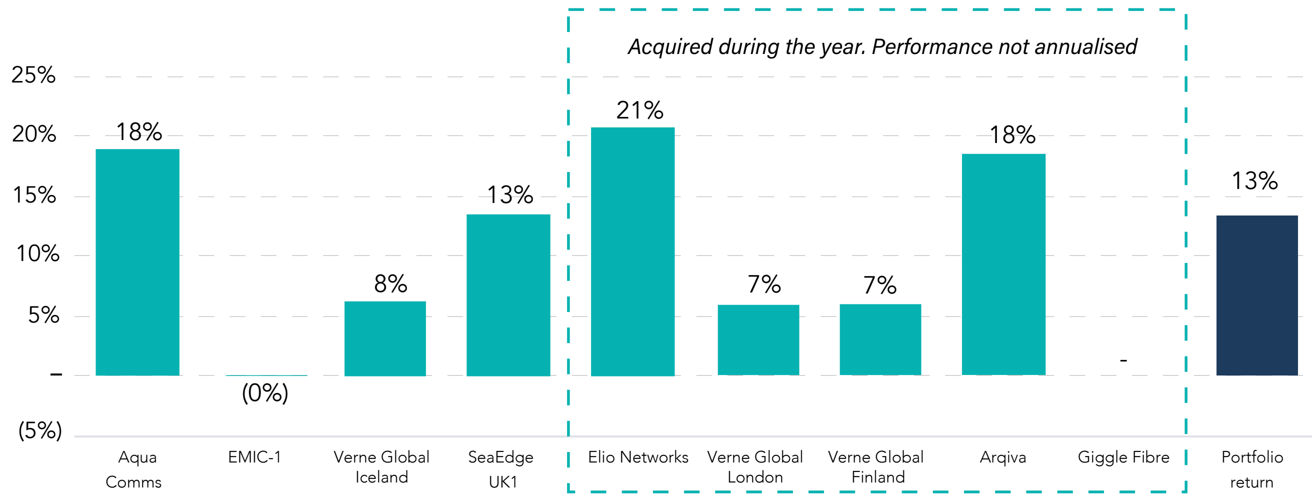
The chart below outlines the NAV movement for the Company on a pence per share basis for each asset.



Commentary on portfolio performance

The chart below shows the net total return during the year for each asset as a percentage of the aggregate of the opening value of the asset and investments in the asset in the year. The total return includes the income return as dividends and interest paid or accrued to the Company. Note that this measure does not time-weight for investments in the year as indicated.

Portfolio Total Return by Asset (year to 31 December 2022)



\ SUMMARY OF PORTFOLIO VALUATION METHODOLOGY

Investment valuations are calculated at the financial half-year (30 June) and the financial year-end (31 December) periods by the Investment Manager and then reviewed by the Board.

Independent Valuation Adviser

For this period, as a result of the increasing size and complexity of the Company's portfolio, the Board has sought an independent review of the Company's valuations prepared by the Investment Manager. This review, provided by a market leading adviser, gives an additional layer of scrutiny to the Investee Company valuations and the inputs which underpin the discount rates used.

Further information on the Company's approach to valuation can be seen in Note 9 on pages 206 to 209.

In determining a DCF valuation, we consider and reflect changes to two principal inputs, being forecast cash flows from the investment and discount rates. We consider both the macro-economic environment and investment-specific value drivers when deriving a balanced base case of cash flows and selecting an appropriate discount rate. The discount rate is built-up annually during the cash flow forecast period on first principles applying the capital asset pricing model.

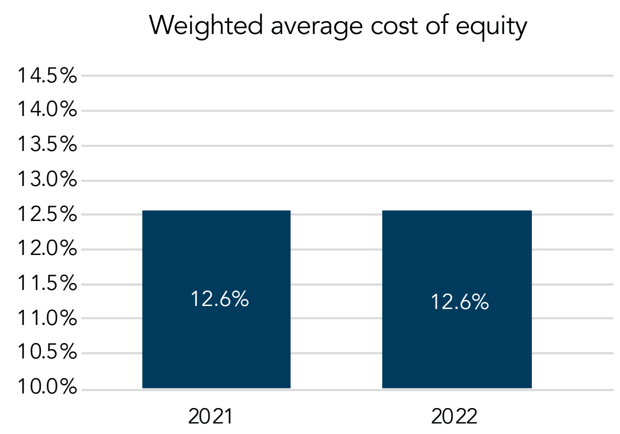
Discount rates

Over the course of the year, the weighted average discount rate increased very slightly from 12.56% to 12.64%, as shown in the chart below. In the mid-to-long term, we expect discount rates to reduce as the Investee Companies mature and risk premiums reduce.

During the year, we witnessed an increase to risk-free rates across North America and Europe as central banks started to take action in response to higher inflation. For example, the ten-year UK bond yield increase from 0.97% on 1 January 2022 to 2.24% on 30 June 2022 and 3.67% on 31 December 2022. Higher risk-free rates translate into an increase in the discount rates applied to Investee Company cashflows. This can be seen when comparing the 2021 Q4 and 2022 Q2 discount rates applied in the chart below, where Aqua Comms and Verne Global Iceland were both revalued.

For the second part of the year, the combined impact of higher risk-free rates and the introduction of the new investments in Elio Networks, Verne Global London and Verne Global Finland to the portfolio at a higher-than-average discount rate added further upward pressure to the weighted average discount rate. However, this was offset by reductions in the discount rates applied for Aqua Comms (due to appropriate application of the company size premium) as well as the introduction of Arqiva at a significantly lower-than-average discount rate. The net impact in the latter half of the year resulted in a reduction in the portfolio weighted average discount rate from 13.8% to 12.6%.

Weighted average discount rate by valuation period, (%)



\ INFLATION

A prevalent theme this year has been inflationary pressures to power prices, supply chain costs and employee costs. The ability to pass cost inflation to customers varies by Investee Company so a granular approach was taken to model the effects of inflation.

The Company has used inflation forecasts provided by an independent provider. CPI is forecast at an average of 7.3% in 2023 and 3.2% for the first half of 2024, before returning to its long-term target of 2.0%. For RPI, we have applied 10% in 2023, 4.8% for the first half of 2024, and reducing gradually by 50bps year-on-year from 4.0% at the end of 2024 to 2.0% by 2028.

As mentioned earlier, on page 40 Arqiva has been negatively impacted from a cash flow perspective due to the recent increased levels of inflation and the impact this has on their existing inflation linked swaps held on their balance sheet. While these have a negative impact on cash outflows over the short-term, it should be highlighted that over the longer-term this is positive for Arqiva's enterprise value. This plays out in two ways, higher revenues in the future as a result of the compounding effect of inflation on their revenues and a larger EBITDA used in any exit assumptions.

The Investment Manager aims to construct and maintain a portfolio that generates year-on-year revenue growth on a progressive basis. The Investment Manager does not aim to construct and maintain a portfolio of investments purely with direct inflation-linked returns; however it targets any potential portfolio downside inflation impact to be broadly offset through revenue growth over the medium to long-term.

\ DEBT FINANCING

In March 2022, the Group raised £300m through a bespoke RCF with an international syndicate of four banks. In August, the RCF was increased by £75 million via an accordion facility, bringing the total capital commitments by the bank syndicate under the RCF to £375 million. Following the increase by £75 million, there is capacity for a further £125 million of financing in the accordion facility which the Company can draw from, if and when appropriate and agreed with the syndicate.

At the time of the RCF's inception, competitive terms were achieved given the Company's size and relatively limited portfolio diversification. The interest rate for the RCF is an agreed margin over SONIA, whereby the starting margin of 3.75% will ratchet down to 3.25% once certain criteria are met. These criteria include achieving increased portfolio diversification and a lower gearing ratio at the Company level. As at 31 December 2022, the Company has met one of the agreed criteria through underlying portfolio investment diversification, achieved by the four acquisitions during the year, bringing total portfolio investments to eight. Therefore, the Group is now benefitting from the first margin ratchet of 3.50% instead of 3.75% previously. As at 31 December 2022, the Group has drawn £331.2 million under the RCF which includes one non-cash draw in the amount of £1.2 million for a letter of credit. The drawn funds have enabled the Company to acquire Arqiva and make further investments into existing Investee Companies through growth capital expenditure. An additional £25 million of the RCF was drawn post-period end to fund additional capital expenditure at Verne Global London and Aqua Comms.

Given the combination of rising interest rates and the Company's added maturity and diversification compared to when the RCF was agreed, the existing debt structure is under permanent review by the Board and the Investment Manager, to explore market driven optimisation aspects for the benefit of the Company's shareholders. One aspect under review is bringing forward the deployment of asset level financing into selected Investee Companies, helping to repay the drawn RCF. Asset level debt would be in the form of structured term debt together with an appropriate interest rate structure so that the Company is not exposed to interest rates fluctuations. Once specific asset level financing propositions have been identified in Q1 2023, the RCF will likely be downsized to adjust for the revised debt structure and not to exceed target gearing ratios.

The Group completed the acquisition of a 48.02% equity stake in Arqiva on 18 October 2022 for approximately £463 million, following the granting of regulatory approval. £300 million of the acquisition was funded by a drawdown on the Group's RCF and £163 million through a non-recourse VLN issued by the vendor, which is listed on the International Stock Exchange ("TISE").[15]

The VLN is due to mature in 2029 and has the following stepped interest rate profile:

- 6% per annum up to and including 30 June 2025;
- 7% per annum from 1 July 2025 up to 30 June 2026;
- 8% per annum from 1 July 2026 up to 30 June 2027; and
- 9% per annum from 1 July 2027 to maturity.

Interest payments on the VLN are due annually in arrears on 30 June. Interest can be rolled up but accrued interest must be paid in full before distributions can be made to the Group. After the fourth anniversary of the VLN, the Group can only receive distributions if the entirety of the VLN principal and any rolled up interest has been repaid in full. The VLN becomes repayable in full if the Group's equity position in Arqiva is reduced by more than 50%. The Company expects Arqiva's future cashflows to cover D9's VLN interest payments. The Investment Manager expects that the VLN will be refinanced prior to its fourth anniversary in October 2026, as was anticipated at acquisition.

[15] https://tisegroup.com/market/securities/14809

As at 31 December 2022, the only Investee Company with asset level debt was Arqiva, In August 2022, Arqiva secured a 5.5-year £450 million term loan facility at an interest rate of c.10.3% per annum. Proceeds of the loan, together with cash held on the balance sheet, were used on 30 September 2022 to redeem the £625 million 6.75% coupon junior notes, which were due in September 2023. Alongside the term facility, the Arqiva Group also entered into a £50 million working capital facility providing additional liquidity support, which was subsequently increased to £70 million in December 2022.

Further details of its capital structure are outlined in the "The Strategy in Practice – Arqiva" section on page 26.

As set out in the Prospectus, gearing will only be used by the Company to finance acquisitions and growth capital expenditure on a short-term basis, with longer-term gearing likely to be applied at an asset level. As at 31 December 2022, D9 and D9 HoldCo had unrestricted cash of £55 million and an undrawn RCF of £45 million, giving £90 million in potential liquidity. In aggregate, excluding Investee Companies and including undrawn RCF, D9 had gross debt of £538 million, comprising of the VLN and RCF as at 31 December 2022 which is 40.6% of Adjusted GAV and below the 50% maximum permitted in the Company's Investment Policy.

	£'000	Leverage as a % of Adjusted GAV	Leverage as a % of GAV
Drawn RCF	331,200	25.0%	25.8%
Total RCF (excluding accordion)	375,000	28.3%	29.2%
RCF and VLN	538,000	40.5%	41.9%

This gives the Company headroom under this restriction of £124.5 million. This level of debt is equivalent to 3.3x EBITDA including the Company's own and VLN interest costs as a deduction in the calculation of EBITDA. The Company's Net Debt / EBITDA ratio is disclosed below.

NET DEBT / EBITDA	£million
Drawn RCF	331,2
VLN	163,0
Cash & Cash Equivalents (inc restricted)	(73,6)
Net Debt	**420.6**
Portfolio EBITDA	206,3
Net Debt / EBITDA	2.04x
Arqiva debt (pro-rated for D9 ownership)	754.0
Adjusted net debt / EBITDA	**5.69x**

/ OUTLOOK

Over the next 12 months we expect a shift in our approach from one of growth through M&A activity to one of portfolio optimisation and value creation as our Investee Companies look to execute their respective business plans. We are confident that the portfolio we have built since IPO is well positioned to deliver on the Investment Policy and deliver value to the Company's shareholders.

The underlying fundamentals driving the fourth industrial revolution, one of technological progress and adoption, are accelerating. Digitalisation has taken hold of our everyday lives and interaction with appliances, driving endless demand for the digital infrastructure supporting this unstoppable transformation.

We are playing our part in solving the world's biggest problems by helping to close the digital divide and creating greener, more sustainable connectivity. An investment in our portfolio seeks to accelerate economic growth, social development and critical climate action.

We believe big problems create strong demand, strong demand drives good investments, and good investments solve big problems. The internet is the lifeblood of progress, and we're making sure its progress benefits people and the planet alike.

Ben Beaton
Fund Manager
Triple Point Investment Management LLP

8 March 2023

Key Representatives of the Investment Manager

\ BEN BEATON, **Managing Partner and Fund Manager**

Ben is the Co-Managing Partner of Triple Point and Fund Manager for D9. He was instrumental in establishing D9 and has taken an active role in the development of Triple Point's digital infrastructure team. Ben joined Triple Point in 2007 and was appointed Co-Managing Partner of Triple Point in 2016.

\ ARNAUD JAGUIN, **Investment Director**

Arnaud joined Triple Point in January 2021 and has over 15 years' experience in telecoms and digital infrastructure. He began his career in telecoms M&A advisory at UBS Investment Bank, advising on £50 billion of transactions. He then had a varied career in the industry with Level3 Communications (corporate development and strategy), CenturyLink (marketing), RETN (sales operations) and Ontix (finance).

Operating Partner Panel

ALAN HARPER

- D9 positions held: Chair of Aqua Comms.
- Background: Alan spent 12 years at Vodafone Plc, as Group Strategy Director, he led c.$200 billion of acquisitions. Alan co-founded and was CEO at Eaton Towers, a leading tower company, which was acquired by American Tower for c.$1.9 billion in 2019.

SIMON BERESFORD-WYLIE

- D9 positions held: Operating Partner.
- Background: Simon was the CEO of Arqiva and led the sale of Arqiva's telecoms division for c.$2 billion, as well as the Indoor Networks portfolio sale to Wireless Infrastructure Group (WIG), a 3i Infrastructure company. Simon was previously VP at Network's Business Unit of Samsung Electronics and founding CEO of Nokia Siemens Networks.

STEVE ANDREWS

- D9 positions held: Chair of Verne Global, Board Observer to Verne Global Finland and Verne Global London and Non-Executive Director for Elio Networks.
- Background: Steve was an Executive at BT plc for 25 years, including as President of the Global Carrier business where he was responsible for managing BT's Network Operations across 125 countries, MD Fixed and Wireless/Mobile Products, and was a member of BT Group Capital Investment Committee. Previously he was Chair of PE backed Azzurri Communications until its successful exit in 2016.

Investee Company CEOs

DAVID RUSSELL, CEO of Elio Networks

David is Chief Executive for Elio Networks, joining as Head of Sales in 2016 before becoming Chief Executive in 2018. He led the sale of Elio Networks to Digital 9 in 2022. Previously, David held positions in The Dixons Group and started a bonded logistics company in his native Northern Ireland.

DOMINIC WARD, CEO of Verne Global Iceland and Verne Global London, and Chair of Verne Global Finland

Dominic joined Verne Global's management team in 2015. Prior to that he ran direct investments at the Wellcome Trust, one of Verne Global's previous shareholders. He began his career at Jones Lang LaSalle Corporate Finance and later co-founded Lepe Partners, a technology investment and advisory firm.

JIM FAGAN, CEO of Aqua Comms from 1 May 2023

Jim is a technology executive with 25 years of experience in telecom and IT spanning private and public companies across the US, Asia Pacific and EMEA. Jim had been with GCX since 2020, and he has also worked at Pacnet from 2012 to 2015 as president of managed services. Jim also went on to work for Telstra after it acquired Pacnet.

SHUJA KHAN, CEO of Arqiva

Shuja joined Arqiva in January 2020 as Chief Commercial Officer where he played an integral part in establishing the new strategic direction for the business. Shuja has 20 years' leadership experience in the technology, media, and communications sector. Prior to joining Arqiva he was Chief Commercial Officer for Cable & Wireless and has also held a number of leadership positions at both Virgin Media and Liberty Global Europe.

Sustainability Report

/ INTRODUCTION

This report provides a summary of the Company's sustainability outcomes, approach and ambition (as implemented by the Investment Manager). The report includes Environmental, Social and Governance performance, including reporting aligned with TCFD (voluntary), SFDR and planning for the pending SDR. Refer to section 3 for regulated reporting results, and reporting aligned with a range of best practice frameworks.

D9's approach to sustainability is predicated on the belief that digital infrastructure is essential to a thriving society, and that access to digital services is becoming a new human right.

How such a vital and global service is delivered could have significant environmental and social implications. Digital access needs to be open and inclusive, reaching those who have previously been excluded. Implementation needs to take account of the wider possible negative impacts (in particular environmental impacts such as carbon intensity and resource use) such infrastructure can have.

For Digital Infrastructure to provide a real social service it must be developed as sustainably as possible. In seeking to build a network of sustainable digital infrastructure, D9's approach is to consider:

i. **Does this asset align to the theme of sustainable digital infrastructure?** We use Sustainable Development Goal 9 to ascertain this, focusing on targets relating to reduction in digital divide and environmental quality (SDG targets 9.4 and 9.c). For outcomes and targets refer to section 2.i.

ii. **Does this asset have sound business practices that reassure us it conducts itself in a way which is aligned to sustainable business practice and long-term success,** allowing it to achieve the implementation of sustainable digital infrastructure whilst managing wider ESG operational risks and opportunities. For outcomes and targets refer to section 2.ii.

iii. **How can this asset improve over time, and what can D9 do to help facilitate this?** For outcomes and targets refer to section 2.iii.

Milestones: action demonstrating commitment to align D9 to sustainability

2021

JAN
D9 commits to align to SDG9 and select assets aligned with one or both of decarbonisation of digital infrastructure and reducing the digital divide.

MAR
ESG Integration approach captured and reported in dedicated ESG Integration Policy

JUN
Investment Manager, on behalf of D9, becomes a member of the Sustainable Digital Infrastructure Alliance (SDIA)

JUL
Investment Manager publishes first Sustainable Financial Disclosure Regulation (SFDR) Article 8 disclosure for D9

2022

JAN
Baseline of Scope 1 and 2 emissions across the portfolio, with process to ensure roll out for each new asset

MAR
Update and strengthen Article 8 disclosure, publish first voluntary TCFD report

AUG
Investment Manager engages Carbon Trust to develop Net Zero Roadmap, including targets dedicated to D9 (submission of net zero targets and transition plan is intended to be submitted to the SBT Initiative for approval in September 2023, this submission will include a D9 reduction pathway)

SEP
Investment manager joins PCAF

NOV
Sustainability Targets set across D9 portfolio (see Section 2.i and 2.ii)

DEC
Investment Manager joins the Net Zero Asset Managers initiative (NZAM)

Investment Manager becomes B Corp certified

\ SECTION 1: SUSTAINABILITY COMMITMENT FROM D9

2022 Highlights

- Sustainability training provided to all Board members
- Appointment of a Board apprentice
- Triple Point Net Zero Roadmap project to develop a net zero target and transition plan initiated with a dedicated plan for D9's contribution to this pathway incorporated (the plan is intended to be submitted to the Science Based Targets Initiative for approval, in September 2023)

Goals for the year ahead

- Dedicated Investment Manager resource to be allocated to D9 Investee Companies to support improved ESG performance in relation to our stated targets, data capture and reporting requirements, with a particular focus on Scope 3
- Developing data collection to assess avoided emissions as a result of clients of the Nordic data centre platform having the option to select between locations to achieve the best data transmission results for the lowest carbon footprint

\ NET ZERO ROADMAP ACTIVITIES

The Company recognises the need to take action in the production of net zero targets and a net zero transition plan in line with the Paris Agreement. Real carbon emission reduction outcomes are best achieved at the individual Investee Company level. Companies need support in this process (particularly in Scope 3 data collection and then the subsequent changes to business practice). It is also relevant for the Company, with support from the Investment Manager, to make progress on developing commitments which align with industry frameworks, such as Science Based Targets (SBTs) – which help to ensure a credible and detailed understanding of what needs to be achieved.

The Company:

In April 2023, D9 representatives will participate in a workshop with specialist external carbon consultants to establish net zero targets for the Company. These targets will contribute to the Investment Manager's net zero target and transition plan which will be submitted to the Science Based Target Initiative (SBTi) for approval, whilst also providing important and useful guidance to support each Investee Company as they begin preparing individual net zero roadmaps. It is recognised that this approach has limitations as it would predominantly focus on Investee Company Scope 1 and 2 emissions, and an incomplete Scope 3 data set. Scope 3 data collection being a key area of engagement with Investee Companies in 2023. The Company's targets will be adjusted as progress is made in Scope 3 data collection, and in time will reflect the individual net zero roadmaps of each Investee Company.

The Company has committed that all wholly-owned Investee Companies implement their own net zero roadmap with targets and a transition plan within the next 24 months. Arqiva is the only company that the Group is invested in, in which it does not own greater than 50% of the equity and hence does not have operational control. It is noted, Arqiva have embarked on the collection and reporting of their carbon footprint, including scope 3 and the Investment Manager will work collaboratively with Arqiva to make progress on their net zero planning.

The Investment Manager:

Target setting has been split between near and long-term setting in order to accommodate the publication of SBTi's "Guide to net zero for financial institutions"; upon publication of this guidance Triple Point will be in a position to integrate the guidance and set long-term targets in line with it. The Investment Manager intends to set near-term Science-Based Targets for 2030 across all of its eligible assets as a first step towards reaching Net Zero emissions by 2050, and as part of their obligations as signatories of the Net Zero Asset Managers initiative. A bottom-up approach is being taken whereby targets for D9 will be developed, alongside those for each Triple Point strategy to inform an Investment Manager-wide initiative. Data for the baseline year of 2021 has already been collected and ratified by external specialists the Carbon Trust and the Investment Manager intends to submit targets and a transition pathway to the SBTi in September 2023.

\ SECTION 2: SUSTAINABILITY VISION FOR D9 AND APPROACH IN ACTION

The sustainability vision of the Company is to build a portfolio of sustainable digital infrastructure assets, and to demonstrate these credentials through alignment to Sustainable Development Goal 9:

Build Resilient Infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

Digital infrastructure is recognised as essential for a modern thriving economy, crisis resilience and human wellbeing. Those without access to good connectivity or infrastructure are economically disadvantaged[16]. D9 is a thematic investment opportunity, investing in the theme of sustainable digital infrastructure. The investment team commits to developing a digital infrastructure network whose sum is greater than their parts by contributing to the societal need for greater connectivity with a lower environmental footprint, than digital infrastructure built without sustainability as a consideration.

2.i "Does this asset align to the theme of sustainable digital infrastructure?"

This intended contribution to the societal need for greater digital connectivity with a low environmental footprint, aligns to two Sustainable Development Goal 9 targets. To manage Company's alignment, when selecting an asset for inclusion in the portfolio we require one or both of these targets to be addressed by the asset.

- Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
- Target 9.c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020

The Investment Manager identifies an appropriate KPI to demonstrate alignment to one or more of the SDG9 targets, and these are monitored and reported. This year the Company has set targets, where appropriate, and will report against achieving these targets year-on-year. The table below shows the KPIs identified and how these align to SDG9 with associated targets, with results for each portfolio company. Noting, Arqiva and Giggle performance has not been included but the KPIs identified for tracking SDG9 alignment in future reporting are shown.

[16] OECD, "Digital Transformation in the Age of COVID19, Building Resilience and Bridging Divides. Digital Economy Outlook, 2020

SDG 9 alignment	Metric	Units	Target (2023)	2021	2022	Wireless networks	Wireless networks	Data Centres					
								Verne Global					
						Elio Networks	Aqua Comms	Iceland	London	The Rock	The Deck	The Air - Phase 0	The Air - Phase 1
Decarbonisation and Energy Security	Scope 1 and 2 (market-based) emissions intensity	tCO2e/£M revenue	–	19	23	40	20	24	3	29			
		tCO2e/GWh	–	8	10	564	213	4	1	22			
	Renewable energy consumption	%	–	98.66% **A**	98.66% **A**	23%	64%	100%	99%	94%			
	Power Usage Effectiveness (PUE)	-	1.3	1.22 **A**	1.33 **A**			1.30	1.54	1.33	1.36	1.26	1.54
	Carbon Usage Effectiveness (CUE)	kgCO2e/kWh	0	–	0.04			0.01	0.30	0.08	0.08	0.09	0.08
	Water Usage Effectiveness (WUE)	litres/kWh	0.002	–	0.03			–	–	0.026	0.003	0.051	0.051
	Increased technology to improve energy and water efficiency[1]	Growth in smart meter business	10										
Increasing connectivity and reducing the digital divide	Growth in network capacity (% increase in sold TB/s)	%	10	7% **A**	13% **A**	6%	13%						
	Percentage of customers by revenue also deployed in Nordic Data Centres	%	10						n/a				
	Average speed increase for customers compared to previous quickest provider operating in the area[2]	%	n/a										
	Number of customers[2]	#	n/a										

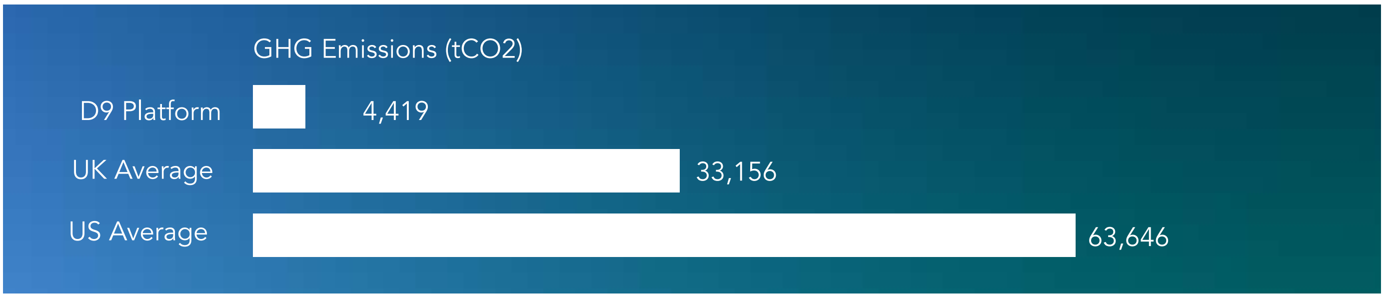
Sustainability Table 1: Per Investee Company alignment to the chosen SDG9 targets. 2021 data is aggregated. 2022 data is aggregated and provided per company. Independent limited assurance has only been provided over aggregated D9 data marked with the 'A' symbol. PwC's assurance statement for the 2022 data can be found in the Annual Report on pages 189-191. PwC's assurance statement for the 2021 data can be found in the 2021 Annual Report. n/a reflects where information is not yet available, but the KPI is relevant to the Company and is being tracked for future reporting. SeaEdge is excluded as an asset where D9 acts as landlord, not owner, and has limited influence on behaviours.. As recent acquisitions data on Arqiva and Giggle are not yet included. Outcomes will be tracked and reported in the 2023 annual report, the metrics which will be tracked are shown in the table (for Arqiva see metric labelled 1; for Giggle see metric labelled 2).

The following information provides contextualisation of how the carbon footprint of D9's companies compare to the wider global economy. It should be noted there are few digital infrastructure strategies which report their carbon intensity, and therefore providing a comparison to an aggregated digital infrastructure footprint is not possible. The first table provides comparison to indices which show footprints indicative of certain economic activities. The second comparison is provided as a chart to demonstrate context for the emissions of our data centres. As a particularly emission-intensive activity, it is appropriate to draw out the D9 data centre footprint and compare to market.

Strategy	Descriptor	tCO2e/£million[17]
Digital 9 Infrastructure	Digital infrastructure, selected with existing or future sustainable credentials a strategic requirement	23
iShares US Technology ETF	Large technology companies e.g. Microsoft, Meta, Apple, Alphabet	25
iShares Core S&P 500 ETF	An example of US economy snapshot	171
iShares North American Natural Resources ETF	Oil & Gas	605

Sustainability Table 2: comparison of D9's carbon footprint to alternative relevant technology, natural resource and broad economic indices. Footprint data represents Scope 1 and 2 (market-based) emissions.

[17] ETF information is sourced from MSCI. ETFs are reported in USD and have been converted using Bank of England spot rate for 30 December 2022. D9 data is based on £million revenue; ETF data is based on $million sales.



Sustainability Chart 3: emissions comparison. Aggregated D9 data centre energy use compared to the average UK Data Centre and the average US Data Centre. Total location-based emissions of D9's data centre portfolio compared to a data centre portfolio with an average PUE, consuming grid electricity in the UK and US respectively.[18]

2.ii "Does this asset have sound business practices that reassure us it conducts itself in a way which is aligned to sustainable business practice and long-term success?"

It is essential that the broader ESG quality of an Investee Company is assessed. An asset may align with the theme of offering a contribution to the creation of a sustainable digital infrastructure network, but the quality of the assets contribution may be compromised as a result of poor management of unintended impacts and externalities.

The following non-subsector specific metrics are now tracked to gauge the ongoing management of ESG risks and opportunities for the Investee Companies of D9.

[18] An average PUE of 1.55 is used (https://uptimeinstitute.com/about-ui/press-releases/2022-global-data-center-survey-reveals-strong-industry-growth), with location-based emissions data from UK Government GHG Conversion Factors for Company Reporting and the US Environmental Protection Agency (US Average).

	Category	Metric	AquaComms	Verne G Iceland	Verne G London	Verne G Finland	Elio Networks	Arqiva**	Giggle**
E	Emissions	Scope 1 emissions	10	46	19	15	2	n/a	n/a
E	Emissions	Scope 2 emissions (location-based)	783	1,289	2,696	591	142	n/a	n/a
E	Emissions	Scope 2 emissions (market-based)	552	449	-	162	234	n/a	n/a
E	Energy	Renewable energy consumption (%)	64%	100%	99%	94%	23%	n/a	n/a
E	Net Zero roadmap in place	yes/no	no	no[4]	no[8]	no	no[10]	no	no
E	Biodiversity management plan in place	yes/no	no	yes[5]	no[9]	no	no	no	no
S	Living wage employer	% of employees receiving a living wage	100	100	100	n/a	100	98.9[13]	100
S	Uphold employee right to collective bargaining	yes/no	yes	yes	yes	yes	yes	yes	yes
S	D&I approach	policy implemented: yes/no	yes	yes	yes	no	yes	yes	yes
S/G	Board Gender diversity	% self-identifying female	0	0	0	0	0	n/a	n/a
S/G	Board Ethnic diversity	% ethnic minorities	67[1]	0	0	33	50[11]	n/a	n/a
S/G	Company gender diversity	% self-identifying female	26	17[6]	44	8.3	14	8[14]	23
S/G	Company ethnic diversity	% ethnic minorities	53[2]	0	33	8.3	0	n/a[15]	3.8
S/G	Serious health and safety incidents*	#	0	0	0	0	0	0	0
G	Customer complaints	#	0	0	0	0	0	0	0
G	Cyber Essentials Plus certificate achieved (for in-house IT), or valid alternate	yes/no	no[3]	yes[7]	yes[7]	yes[7]	n/a[12]	no	no[16]
G	Is CEO remuneration linked to ESG?	yes/no	no	no	no	no	no	no	no

Sustainability Table 4. Operational ESG metrics tracked to provide overview of sustainability-related business behaviours across the Investee Companies. Only companies where we hold an equity stake are included.

NOTES

Data as at 31 December 2022 unless stated otherwise

* All Health and Safety data is report according to RIDDOR definitions: https://www.hse.gov.uk/riddor/reportable-incidents.htm

** Emissions data on Giggle and Arqiva excluded from reporting.

1 Based on "White British" only. If it was "white" then answer would be 0%. This detail is unconfirmed as Aqua Comms does not formally collect this data.

2 Based on "White British" only. If it was "white" then answer would be 2.6% not including Board and 2.3% if Board is included. This detail is unconfirmed as Aqua Comms does not formally collect this data.

3 The company are in the process of acquiring this certification.

4 No formal net zero roadmap however the company has implemented some action such as a feasibility study on hydrogen backup power as a solution for existing diesel engines.

5 Verne Global Iceland carbon offset is implemented for 2022 emissions via local Icelandic Wetland fund, whose goal is, in addition to offset emissions, to increase and/or restore biodiversity.

6 Verne Global

7 ISO 27001

8 Via purchasing renewable sources of energy to lower market-based emissions.

9 To date biodiversity action is linked to action by Verne Global Iceland.

10 Currently offsetting carbon with Climate Partners.

11 Based on "White Irish" only.

12 Company IT is outsourced.

13 1.2% of employees (12) are on salaries between National Living Wage and Real Living Wage. These 12 employees are a combination of apprentices and some administrative roles.

14 Disclosure of gender data is optional for employees. Currently only 23% of Arqiva employees report this information. Statistic is based on the disclosing 23%.

15 Sufficient diversity data is not yet available for Arqiva, this information set is still being developed by the company.

16 Currently working to achieve cyber essentials in Q1 23, with plans to achieve Cyber Essentials Plus later in 2023.

Targets (for the coming two years – we will monitor for progress year-on-year); all D9 companies will be engaged to act, the following will be required by wholly-owned D9 companies:

- prepare a net zero roadmap with targets and a transition pathway by end of 2024
- develop an action plan on biodiversity, mapping the potential and actual negative impacts of their business model on biodiversity, with mitigation plans to reduce negative impacts and innovations to create quantified biodiversity net gain
- develop further diversity & inclusion measures, including, but not limited to training for all staff, improved understanding of the divergent demographics of their existing workforce (e.g. race and ethnicity, gender, LGBTQ+, disability, menopause, mental health, neuro diversity, returners, working families) with action plans to support, and non-discriminatory hiring policy with conscious inclusion hiring training
- implement a minimum of Cyber Essentials Certification plus where IT management is in-house
- CEO executive remuneration linked to clear ESG behaviours or actions

The operational metrics detailed in table 4 will be tracked and reported along with progress against the targets listed above. As plans by Investee Companies are developed to meet these targets further detail on the commitments and action for each Investee Company will be provided.

Throughout the due diligence and onboarding process, an asset is assessed for a wide range of ESG qualities, through a bespoke set of analysis tailored to each D9 subsector and drawing on best practice frameworks, including UN Global Compact, Sustainable Accounting Standards Board (SASB) and SDIA. The chart below depicts topic analysis per subsector.

ENVIRONMENTAL

- Environmental approach (GHG, energy efficiency, water, renewables)
- Ecological impacts of processes & assets
- Materials sourcing & efficiency
- Waste & hazardous materials management
- Climate risk management (physical & transitional)

SOCIAL

- Employee engagement, diversity & inclusion
- Employee health & safety
- Human Rights
- Modern Slavery prevention
- Systemic risk management
- Stakeholder relations

GOVERNANCE

- Product design & lifecycle management
- Supply chain management
- Fair treatment of customers
- Competitive behaviours
- Prevention of corruption
- Privacy & data security
- Overall strength of governance (inc pay, tax, systems & structures)

Typically, there is some customisation in all analysis
An "Engagement Flag" or area of improvement can emerge from any question

DATA CENTRES

Ecological impacts of processes & physical assets
(biodiversity impact from site construction; monitoring of biodiversity; on-going water-way impacts, through use and discharge)

Energy efficiency
(implementation of physical (e.g. hot and cold aisles) and technological solutions (e.g. power usage effectiveness) to improve use of energy)

Employee Health & Safety
(evidence of understanding prolonged server exposure on worker health; mitigation steps)

Stakeholder relations
(engaging with local communities; seeking to create local employment)

Systemic Risk Management
(management of service disruption; tracking of numbers affected and downtime; disputes over technology; changes to regulation)

Data Security
(approach to identifying and addressing risk; use of 3rd party standards; number of breaches; number of users affected; personal identifiable data involved)

Climate Risk Management
Physical: Flood risk to sites; changes in natural cooling scenarios
Transitional: carbon taxes

SUBSEA FIBRE

Ecological impacts of processes & physical assets
(biodiversity impact of cable laying, cables in situ, any required removal; monitoring of biodiversity)

Employee Health & Safety
(vessel operator policies and approaches; incidents and near misses tracking and mitigation)

Stakeholder relations
(ensuring best practice beyond regulatory requirement to minimise impact on cables e.g. engaging with fishermen on cable location)

Systemic Risk Management
(service disruption and management; exposure to political risks through disputes over access; changes to regulations)

Data Security
(protection of landing sites through obscuring; approach to service suspension requests from licensing authority)

Climate Risk Management
Physical: Flood risk to landing sites; use of new arctic routes
Transitional: Tighter regulation on raw material mining, requiring increased cable recovery

TERRESTRIAL FIBRE

Ecological impacts of processes & physical assets
(biodiversity impact of cable laying, cables in situ, any required removal; monitoring of biodiversity)

Employee Health & Safety
(operator policies and approaches; incidents and near misses tracking and mitigation);

Stakeholder relations
(ensuring best practice beyond regulatory requirement to minimise impact on local communities and environment and protect future operations)

Systemic Risk Management
(service disruption and management; exposure to political risks through disputes over access; changes to regulations)

Data Security
(protection of landing sites through obscuring; approach to service suspension requests from licensing authority)

Climate Risk Management
Physical: Flood risk to lines and exit sites
Transitional: Tighter regulation on raw material mining, requiring increased cable recovery

WIRELESS

Ecological impacts of processes & physical assets
(biodiversity impacts from tower construction; monitoring of biodiversity)

Energy efficiency
(implementation of physical and technological solutions to improve use of energy)

Employee Health & Safety
(evidence of understanding prolonged wireless exposure on worker health; mitigation steps);

Stakeholder relations
(engaging with local communities in construction; seeking to create local employment; addressing perceived health risks of 5G)

Systemic Risk Management
(management of service disruption; tracking of numbers affected and downtime; disputes over technology; changes to regulation)

Data Security
(approach to identifying and addressing risk; use of 3rd party standards; number of breaches; number of users affected; personal identifiable data involved)

Climate Risk Management
Physical: Flood risk to existing and planned tower sites
Transitional: Carbon taxes

Sustainability graphic 5: D9 ESG analysis sub sector materiality

The outcomes of this assessment not only help inform an understanding of the quality of the business and future ESG metric monitoring but also allow for the identification of future areas of improvement or innovation.

2.iii "How can this asset improve over time"

D9 is committed to managing Investee Companies for improved sustainability behaviours over time. During 2022 the following actions by Investee Companies improved their Sustainability credentials.

	Environmental	Social	Governance
Arqiva	• Solar panels installed at 4 sites in the UK. • EV charging points at two corporate sites.	• Second place in the large company category for Britain's Healthiest Workplace competition 2022.	• n/a
Aqua Comms	• Completed the transition to renewable energy on targeted sites of key suppliers. • Commenced a programme to power down any unused locations and to remove any unused equipment in operational locations from the energy network. This has had an estimated saving of 200 kW per card (based on Ciena specification). • All products purchased by the marketing team have been analysed for their sustainability credentials (e.g., move to electronic business cards). The review will now be rolled out to other parts of the organisation. • Voluntary surrender by certain team members of their company car parking spaces in favour of public transport. • For any new sites, analysis of power supply by provider is a critical due diligence element in the procurement approach. • Provided funding to Clew Bay Oyster Co-op Limited in Co Mayo to support the biodiversity with focus on their Oyster morbidity and seagrass regeneration studies.	• Participation in the University of Limerick Cooperative Education Programme (one student for nine months) and have launched a new graduate programme with three new graduates hired. • Replaced all corporate gifting at conferences this year with community contributions (i) pledging a tree through DC for Bees Program (300 in total) for each participant at CCT 2022 in Dublin; (ii) making donations to RNLI at Capacity Europe; and (iii) making a donation to Ocean Conservancy at PTC. • Held the first Comms Team CSR activity held on 28 September 2022 – Beach Clean-up at Bull Island Beach (landing point for CC-1 cable). • Provided funding to Flossie and the Beach Cleaners to support their education of schoolchildren on the importance of protecting our marine life.	• Inclusion of sustainability on to Board agenda.

	Environmental	Social	Governance
Verne Global Finland (previously Ficolo Oy)	• Use of South Pole to offset emissions from non-renewable energy sources.	• Monetary support for employees embarking on additional studies (fixed term contract of employment) and as well as data for projects. • Donations to Save the Children/Pelastakaa Lapset in 2022 of €900. • Donation through Kesko Oy, Refugees coming from Ukraine of €131,620.	• n/a
Giggle	• Procurement and process in place to use hybrid and EV vehicles. • Initiated a programme to assess environmental credentials of supply chain and select those with strongest (e.g., sub duct supplier using recycled plastics).	• Developing a programme of local community support to promote digital inclusion. • Begun donations to the Wheatly Foundation in Glasgow, for every home passed. A potential for a £1 million total donation. • Promote local. employment and encourage local applicants (e.g. of the existing 27 FTE, 17 are Glasgow-based).	• n/a
Verne Global Iceland	• Initiated programme of Scope 3 data collection. • Supporters of the Wetland Fund a carbon offsite and habitat protection project in Iceland. • Implementation of EV charging on site.		• Inclusion of sustainability on to board agenda.
Verne Global London (previously Volta)	• Initiated programme of Scope 3 data collection.		• n/a

D9 is working with each Investee Company to identify further areas of improvement for the year ahead. The table below outlines company specific activities which will be supported to drive improved sustainability outcomes.

Portfolio company	Project	Planned activities	Target outcomes	Benefits to Investee Company	KPI	Current	Target
Aqua Comms	Scope 3 emissions	Tracking business sScope 3; engaging counterparties to gather and report	A Scope 3 carbon footprint	Proactive implementation of data collection which will be a requirement as the business grows; positioning as a leader	% of data in scope assets	0	>50% (some data may still remain estimated)
	ESG-linked remuneration	Support AC in design of an ESG-linked remuneration scheme for all employees	Improved overall ESG performance	Incentivising behaviours which create strong culture and long-term value	# employees with links	0	>80%
Verne Global Iceland	Health & safety tracking	Review of H&S policy, and procedures, to ensure best practices is in place and effective	Safer and better working conditions for employees	Reduce reputational and legal risk; more appealing workplace	# of health and safety incidents/near misses	1	0
	Wellbeing thought leadership	Looking to collaborate with partners to analyse the effects of heat and noise and lack of natural light on workers, with mitigation measures identified	Production of a thought leadership paper	Continuing to strengthen Verne Global Iceland's position as a thought leader and drive best practice	–	–	–
Verne Global Finland	Renewable energy sourcing	Support VG Finland in improved energy position through clearer context relating to renewable energy claims	Appropriate positioning of energy use	Reduction in reputational risk; increased opportunity for innovation and possible efficiencies	–	–	–
Verne Global London	Scope 3 emissions	Tracking business Scope 3; engaging counterparties to gather and report	A Scope 3 carbon footprint	Proactive implementation of data collection which will be a requirement as the business grows; positioning as a leader	% of data in scope assets	0	>50% (some data may still remain estimated)

Portfolio company	Project	Planned activities	Target outcomes	Benefits to Investee Company	KPI	Current	Target
	Nordic strategy	Metro-edge centres such as VG London have worse PUEs and less renewable energy than Iceland/ Nordic DCs. Look to identify customer use-cases within VG London that could be migrated to alternate DCs on platform and hence avoid emissions	Lower overall platform emissions resulting from transfer of some client data processing from London to location-based renewables in Iceland/Finland	Smart solutions for clients seeking to reduce their own footprint; business development opportunity	% customers by revenue also deployed in Nordic data centres	n/a	>10%
Elio Networks	Scope 3 emissions	Tracking business Scope 3; engaging counterparties to gather and report	A Scope 3 carbon footprint	Proactive implementation of data collection which will be a requirement as the business grows; positioning as a leader	% of data in scope assets	0	>50% (some data may still remain estimated)
	Cyber security	Elio to undertake cyber security accreditation. More comprehensive certification requirements to be reviewed. Penetration testing to be completed	Cyber security certification in place	Reduced cyber and reputational risk as business grows; stronger market offer	# security breaches	0	0

Sustainability Table 6. Detail on the per Investee Company sustainability activity for action throughout 2023. Planning and improvements for the two newest acquisitions (Arqiva and Giggle) are in development.

/ SECTION 3: FRAMEWORK-BASED REPORTING

Respecting latest reporting requirements and to demonstrate clearly how the D9 and the Investment Manager align with relevant frameworks, this section provides reporting according to the following:

- i. **PRI**
- ii. **UN Global Compact**
- iii. **UN SDGs**
- iv. **Impact Management Project**
- v. **SFDR**
- vi. **TCFD**
- vii. **Planned approach to SDR**

i. PRI

Signatory of PRI: Principles for Responsible Investment		PRI Principle	How Triple Point adopts the principles for D9
PRI is recognised as the leading global network for investors who are committed to integrating environmental, social and governance (ESG) considerations into their investment practices and ownership policies. The Principles demonstrate best practice in ESG integration, guide signatories in improvements and promote closer alignment between the objectives of institutional investors and those of society at large. Triple Point became a member of PRI in 2019. The first Assessment Report period of 2020-2021 was a fallow reporting year for PRI to accommodate the launch of a new reporting and scoring system. Triple Point's first Assessment Report will be published in 2023.	1	We will incorporate ESG issues into investment analysis and decision-making processes.	ESG analysis is considered by the investment team alongside financial, and shared in Investment Committee papers to inform the final investment decision.
	2	We will be active owners and incorporate ESG issues into our ownership policies and practices.	Investments made by D9 are frequently majority or fully owned. Triple Point acts as asset manager on behalf of the Company and uses initial ESG analysis to implement operational ESG improvements with Investee Companies. These are reported in our annual report.
	3	We will seek appropriate disclosure on ESG issues by the entities in which we invest.	ESG topics are investigated in all due diligence of acquisitions/investments. ESG topics are monitored through Board meetings and ESG improvements and reported on annually.
	4	We will promote acceptance and implementation of the principles within the investment community.	The value of the principles and importance of the role of ESG factors in good decision making are proactively promoted.
	5	We will work together to enhance the effectiveness in implementing the principles.	D9 raises awareness of the importance of good ESG practice within the Investee Companies and others in our investment network (where possible) to encourage best practice and seek change.
	6	We will each report on our activities towards implementing the principles.	Triple Point completes the PRI signatory assessment and D9 reports annually on ESG activities. PRI signatories are required to report on their responsible investments activities annually. The next and first published Assessment Report for Triple Point will be in 2023.

Sustainability Table 7. Triple Point's adoption of the six Principles for Responsible Investment for D9

ii. UN Global Compact

The Compact is a global initiative to align corporate strategy and operations with universal principles on human rights, labour, environment and anti-corruption, and to take action to advance societal goals. D9 is committed to uphold the ten principles of the Compact.

D9 supports UN Global Compact		Principle	How D9 supports the Principle
The 10 Principles of the UN Global Compact The United Nations Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment, and anti-corruption. These principles are derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention Against Corruption. D9 references these Principles within the ESG analysis process, to ensure all companies meet a strong baseline of sustainable behaviours. Where weaknesses are identified, the Investment Manager's engagement programme is designed to improve behaviours.	1	Businesses should support and respect the protection of internationally proclaimed human rights.	All Investee Companies are asked to explain their approach to human rights and equal opportunities during due diligence.
	2	Businesses should make sure they are not complicit in human rights abuses.	All Investee Companies are monitored for their health and safety outcomes, employee complaints, whistleblowing incidents and gender pay gap, in addition to being required to explain during due diligence their approach to oversight and influence on supply chain.
	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	All Investee Companies are assessed for their respect for an employee's right to join a trade union and representative organisations of their own choosing.
	4	Businesses should uphold the elimination of forced and compulsory labour.	All Investee Companies are requested to explain in due diligence their approach to managing modern slavery risk within their own workforce and those they are exposed to through suppliers and counterparties.
	5	Businesses should uphold the effective abolition of child labour.	All Investee Companies are requested to explain in due diligence their modern slavery risk approach and management.

D9 supports UN Global Compact		Principle	How D9 supports the Principle
	6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	All Investee Companies are requested to explain in due diligence their approach to equal opportunities and worker health and safety.
	7	Businesses should support a precautionary approach to environmental challenges.	All Investee Companies are requested to explain at due diligence their approach to environmental management and climate risk management. Carbon emissions are collected annually at a minimum.
	8	Businesses should undertake initiatives to promote greater environmental responsibility.	On behalf of D9, Triple Point are members of the Sustainable Digital Infrastructure Alliance an independent alliance of stakeholders working across the digital sectors to execute a roadmap for sustainable digital infrastructure. All Investee Companies are actively encouraged to join relevant initiatives.
	9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	D9 has been structured to drive the deployment of sustainable digital infrastructure assets, with a focus on environmental sustainability and decarbonisation.
	10	Businesses should work against corruption in all its forms, including extortion and bribery.	All Investee Companies are assessed for their approach to prevention of corruption, appropriate corporate governance, ability to demonstrate fair treatment of customers and avoidance of anti-competitive behaviours.

Sustainability Table 8: Triple Point's adoption of the UN Global Compact 10 principles for D9

iii. UN SDGs

The UN Sustainable Development Goals provide the framework for the thematic alignment of the strategy: build resilient infrastructure (Goal 9), and also provides a framework through which other environmental and social outcomes associated with activities of the Investee Companies can be considered. Strategic sustainability engagement with each Investee Company will take account of this analysis when determining areas of action. The primary focus being for SDG9 alignment and consideration of areas of potential negative harm. The ESG due diligence analysis carried out for D9 also takes account of potential negative impacts against SDGs. As the Company matures we will look to address an increased number of the potential positive alignments to a wider set of Goals, and how we can maximise our related outcomes. The seventeen goals adopted in 2015 by 193 nations present a roadmap to end poverty, promote prosperity and well-being for all and protect the planet.

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
9	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	9.c.1	Significantly increase access to information and communications technology, and strive to provide universal and affordable access to the Internet in least developed countries	Investing in subsea and terrestrial fibre networks that are managed in a responsible and sustainable way and can provide connectivity growth and a reduction in digital shortfall.	Aquacomms EMIC 1 Elio Networks Arqiva Giggle
		9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Investing in infrastructure which considers environmental impact and efficiency in its construction and processes, and in particular ensuring that data centre investments (the most energy intensive in our sub sectors) are working to or already offer a low carbon service.	Verne Global Iceland SeaEdge Verne Global London Verne Global Finland
				D9's potential wider contribution (Positive contribution represents ongoing areas of opportunity for D9 to create positive outcomes, which will be pursued as the strategy matures; negative contribution is managed through ESG due diligence as detailed in Section 2.ii).	
				Positive	Negative
1	End poverty in all its forms everywhere	1.1	By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.25 a day		Failure to influence counterparties on good employee and community behaviours, particularly in supply chain
		1.4	By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance	Decreasing the digital divide is a route to ensuring access to all to economic resources	

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
		1.5	By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters	Using subsea cable technology to contribute to protection of people from extreme weather events	
2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.4	By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	Using subsea cable technology to contribute to protection of people from extreme weather events	
		2.c	Adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility	Closing the digital divide can contribute to information equality	
3	Ensure healthy lives and promote well-being for all at all ages	3.5	Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol		Increased digital access increasing exposure and appetite for harmful addictive behaviours
		3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination		Digital infrastructure and associated hardware requires mined minerals which can result in negative health impacts

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.3	By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	D9 Investee Companies, as they grow, have the potential to develop internship/trainee and other programmes to support more diverse employment opportunities in to critical and growing infrastructure	
		4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship		
		4.b	By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries		
5	Achieve gender equality and empower all women and girls	5.2	Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation		Digital content has the potential to increase violent action towards women and girls if poorly regulated
		5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	The digital infrastructure industry has room for improvement in employee diversity; D9 companies have an opportunity to act	

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
		5.b	Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women	D9 companies have an opportunity to explore how they could influence empowerment of women through digital technology	
6	Ensure availability and sustainable management of water and sanitation for all	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally		Digital infrastructure and its supply chains require water and may result in polluted wastewater reaching systems if processes are not well managed
		6.4	By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity		Cooling requirements for data centres in particular may be water dependent, and increased efficiencies should be prioritised
		6.6	By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes		Infrastructure location may impact ecosystems and any construction, operations and maintenance must be sensitive to this
7	Ensure access to affordable, reliable, sustainable and modern energy for all				
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	Digital infrastructure can increase access to economic opportunity for a wider set of citizens	

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
		8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead	Sustainable digital infrastructure can promote economic activity with a lower carbon footprint	
		8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Through the adoption of responsible and inclusive working practices D9 Investee Companies can support equal and quality employment opportunity	
		8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms		In addition to the normal potential exposure to modern slavery through economic activity, digital infrastructure has a global supply chain exposed to metals and mineral mining thus requiring careful oversight to avoid exposure to and contribution to modern slavery
		8.b	By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization	All D9 Investee Companies have an opportunity to develop programmes which offer greater opportunity for employment of young people	
10	Reduce inequality within and among countries	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	All D9 Investee Companies have an opportunity to offer inclusive employment	

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
		10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	All D9 investee companies should offer employment in line with best practice for employees	
11	Make cities and human settlements inclusive, safe, resilient and sustainable	11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries	Investing in responsibly managed and sustainable digital infrastructure which can contribute to connectivity across developed and developing jurisdictions promotes capacity for participatory and sustainable human settlement	
12	Ensure sustainable consumption and production patterns	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	Investing in responsibly managed and sustainable digital infrastructure which influences supply chain behaviours and looks to implement low energy solutions, and in particular ensuring that data centre investments (potentially the most energy intensive in our sub sectors) are working to or already offer high energy efficiency.	
		12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment		Digital infrastructure supply chains have exposure to mineral and metals mining which must be responsibly managed
13	Take urgent action to combat climate change and its impacts	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Subsea cables have the potential to contribute to improving predictive capacity of climate-related natural disasters	

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
14	Conserve and sustainably use the oceans, sea and marine resources for sustainable development	14.1	By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	Investing in data centres with sustainable and responsible cooling systems contributes to reduction in marine pollution from land-based activities.	
		14.2	Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans	Ensuring the responsible construction, deployment and management of subsea fibre contributes to reduction in marine and coastal ecosystem pollution and damage.	
15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements		Development of any infrastructure, including digital, must be sensitive to the potential impact on ecosystems through construction and supply chain
		15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species		

UN SDG		UN SDG target		D9's thematic alignment	Investee Companies
				Positive	Negative
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.10	Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	Developing a digital infrastructure network which seeks to decrease the digital divide by offering neutral service provision on subsea cables contributes to increased public access to information	
17	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	17.8	Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology	Digital infrastructure is part of the critical infrastructure necessary to support global partnerships	

iv. Impact Management Project (IMP), ABC Classification

The IMP offers a method to map the impact of an asset, or portfolio of assets, to an investor's specific intentions. It should be noted, we do not use this method to claim Digital 9 Infrastructure plc is an impact investment, but to show it contributes to a solution, in this case the need for sustainable digital infrastructure as described by the UN Sustainable Development Goals. Where an asset is able to answer yes to the following three attributes we have labelled as a C: Contributes to solutions.

1. 1. Is the enterprise acting to avoid harm to its stakeholders?
2. Are some of the enterprise's effects generating positive effects for stakeholders?
3. Are any of the enterprise's effects contributing to solutions to social or environmental challenges?

The rationale for each classification focuses on positive outcome creation. It is important to note that we consider all D9 Investee Companies to act to avoid harm through business behaviours that take into account how the companies' operations may have negative outcomes for people and planet. Please refer to Sustainability table 4; page 74 for the operational ESG metrics tracked to provide an overview of sustainability-related business behaviours across the Investee Companies and to Sustainability Table 6; page 81 for detail on the per Investee Company sustainability activity planned for 2023 to continue to improve the behaviours and outcomes across D9. The table below details a mapping of each D9 Investee Company to the IMP. Independent limited assurance has been provided over data marked with the '**A**' symbol. PwC's assurance statement can be found on pages 189 to 191.

Enterprise	Sub-sector	Classification	Rationale	Metric	Outcome
Verne Global Iceland	Data Centres	C	Data Centres are essential to our digital world but resource intensive. D9 seeks to create a network of digital infrastructure that considers environmental implications, is energy efficient, and working towards lowest possible carbon footprint. Our network approach invests in data centres located in countries with access to low carbon power and best available EE technology. Verne Global Iceland and Verne Global Finland all increase D9's ability to offer high efficiency low carbon data solutions.	CUE (kgCO2e/ kWh)	0.01
Verne Global Finland		C			0.08
Verne Global London		C	Verne Global London is key to the D9 data centre network enabling clients to have inner city data centre exposure (determined by latency needs) while being able to offer the opportunity to link to lower carbon options for areas of a customer's portfolio where a higher latency can be tolerated. To demonstrate this benefit we look to measure the % of customers deployed across the network enabling a reduction in overall carbon emissions from a client's data needs.	% of customers by revenue deployed in Nordic data centres	n/a[19]
AquaComms	Subsea fibre	C	Our fibre and wireless investments specifically create an opportunity to contribute to connectivity and reducing digital shortfall. Over time we expect to see the growth in network capacity increase and demonstrate a positive contribution to a reduction in digital shortfall. For AquaComms, we expect beneficiaries to be large in number and a mixture of underserved (e.g. EMIC1 participation) and served (with served benefiting from improved service), as to reach the underserved the technology inevitably reaches a wider network, and in cable provision it is very difficult to pinpoint the exact circumstances of individual end users. The connectivity created is expected to provide long-term positive outcomes, in line with the expectations of the benefits of increased and reliable digital service access.	% growth in network capacity **A**	13%

[19]. This is a new metric identified for Verne Global London; data will be included in the 2023 annual report.

Enterprise	Sub-sector	Classification	Rationale	Metric	Outcome
Elio Networks	Wireless	C	For Elio Networks, we expect beneficiaries to be a mixture of underserved and served, but in the main they are SMEs. The quality of digital access provided creates a long-term positive change for customers enabling improved business outcomes and economic growth for small businesses that may not otherwise have been able to operate as effectively. This creates an important outcome linked to the specific benefit of digital services.		6%
Arqiva	Wireless	B/C	Terrestrial TV supports social inclusion and prevention of isolation and is currently more energy efficient and reliable for the consumption of content compared to satellite or internet-based information. Arqiva provides comprehensive UK coverage which is free at the point of access connecting 17 million households. Such an expansive network means both served and underserved are reached, often in remote areas where wireless content is not yet available. Arqiva is also a smart meter network provider. This technology is an important enabler for more transparent supply and demand of electricity (which allows for greater renewables penetration) and less wastage of water. Increasing access to this technology is considered to provide a useful social contribution; as this part of the business grows we see the growth in contribution.	% Growth in smart meter business	n/a[20]
Giggle	Terrestrial fibre	C	Introducing fibre to the home in areas where it has previously been considered non-commercial by developing novel and flexible pricing structures (inc. pay as you go and no minimum contract) has the potential to directly contribute to reducing the digital divide in underserved communities.	Number of customers Average speed increase compared to previous quickest provider	n/a[20]

20. As a new asset to the D9 portfolio, data on this metric will be compared from acquisition to December, 2023 and reported in the 2023 annual report

IMP Classification options

A	B	C
Acts to avoid Harm	Benefits Stakeholders	Contributes to solutions
The enterprise prevents or reduces significant effects on important negative outcomes for people and planet.	The enterprise not only acts to avoid harm, but also generates various effects on positive outcomes for people and the planet.	The enterprise not only acts to avoid harm, but also generates one or more significant effect(s) on positive outcomes for otherwise underserved people and the planet.

v. SFDR

The EU Taxonomy and Sustainable Disclosure Regulation seek to provide consistency and comparability in sustainability related reporting. D9 discloses as an Article 8 fund "a Fund which promotes, among other characteristics, environmental and social characteristics, alongside following good governance practices". The following table aligns with the reporting requirements of an Article 8 Fund. Giggle and Arqiva will be reported in 2023, but are excluded from 2022 reporting given their recent acquisition. There is no restatement of 2021 data. It should be noted that in accordance with the SFDR disclosure guidance we report SeaEdge according to the SFDR Real Estate reporting requirements and all data is reported for the calendar year to 31 December 2022. For further details on D9's Article 6 and Article 8 alignment, the disclosure is publicly available on the Company's website. Independent limited assurance has been provided over data marked with the '**A**' symbol. PwC's assurance statement can be found on pages 189 to 191.

Table 1

Indicators applicable to investments in Investee Companies					
Adverse sustainability indicator			**Metric**	**Impact 2021**	**Impact 2022**
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1.	GHG emissions **A**	Scope 1 GHG emissions **A**	33	92
			Scope 2 GHG emissions (location-based) **A**	2,087	5,502
			Scope 2 GHG emissions (market-based) **A**	962	1,397
			Total GHG emissions (Scope 1 & 2) **A**	995	1,489
	2.	Carbon footprint	Carbon footprint	2.14	1.25
	3.	GHG intensity of Investee Companies	GHG intensity of Investee Companies[21]	19	23
	4.	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%

21. Weighted Average Carbon Intensity (tCO_2e/£M).

Adverse sustainability indicator			Metric	Impact 2021	Impact 2022
	5.	Share of non-renewable energy consumption and production **A**	Share of non-renewable energy consumption and non-renewable energy production of Investee Companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage **A**	1.34%	1.34%
	6.	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million GBP[22] of revenue of Investee Companies, per high impact climate sector	N/A	N/A
Biodiversity	7.	Activities negatively affecting biodiversity-sensitive areas	Share of investments in Investee Companies with sites/operations location in or near to biodiversity-sensitive areas where activities of those Investee Companies negatively affect those areas	0%	0%
Water	8.	Emissions to water	Tonnes of emissions to water generated by Investee Companies per million GBP invested, expressed as a weighted average	0	0
Waste	9.	Hazardous waste ratio	Tonnes of hazardous waste generated by Investee Companies per million GBP invested, expressed as a weighted average	–	–

22. GBP used throughout.

Social And Employee, Respect For Human Rights, Anti-Corruption And Anti-Bribery Matters					
Adverse sustainability indicator			**Metric**	**Impact 2021**	**Impact 2022**
Social and employee matters	10.	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in Investee Companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%
	11.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in Investee Companies without policies to monitor compliance with the UNGC principles or OECD guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%
	12.	Unadjusted gender pay gap[23]	Median unadjusted gender pay gap of Investee Companies	14%	20%
			Mean unadjusted gender pay gap of investee companies	8%	28%
	13.	Board gender diversity	Average ratio of female to male board members in Investee Companies **A**	0%	0%
	14.	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in Investee Companies involved in the manufacture or selling of controversial weapons	0%	0%

23. For further details on assumptions associated with these calculations please refer to Reporting Principles and Methodologies detail in Annex 1.

Indicators applicable to investments in real estate assets					
Adverse sustainability indicator			**Metric**	**Impact 2021**	**Impact 2021**
Fossil fuels	17.	Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%
Energy efficiency	18.	Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	100%	100%

Table 2

Additional climate and other environment-related indicators

Indicators applicable to investments in real estate assets					
Adverse sustainability indicator			**Metric**	**Impact 2021**	**Impact 2022**
Greenhouse gas emissions	18.	GHG emissions	Scope 1 GHG emissions generated by real estate assets	14	2
			Scope 2 GHG emission generated by real estate assets	0	0
			Total GHG emissions generated by real estate assets	14	2
Energy consumption	19.	Energy consumption intensity	Energy consumption in kWh[24] of owned real estate assets per square metre	457	611

[24] kWh used over GWh.

Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

Adverse sustainability indicator			Metric	Impact 2021	Impact 2022
Social and employee matters	1.	Investments in companies without workplace accident prevention policies	Share of investments in Investee Companies without a workplace accident prevention policy	0%	0%
Human rights	14.	Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to Investee Companies on a weighted average basis	0	0
Anti-corruption and anti-bribery	15.	Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	0	0

vi. TCFD

The Task Force on Climate Related Financial Disclosure (TCFD) is the global standard for reporting on climate risk management. D9 has committed to disclosing annually on its climate risk and opportunity management, using this framework.

Introduction

This is D9's second Disclosure according to the framework of the Task Force on Climate Related Financial Disclosure (TCFD). The report outlines the Investment Manager's assessment of climate related risks and opportunities with respect to D9's operations, against the four key areas of governance, strategy, risk management as well as metrics and targets. It highlights how the Investment Manager is managing these risks and opportunities and their short, medium or long-term impact on the Company, and reflects both the Investment Managers and the Company's perspective that climate risks and financial risks need to be assessed on the same scale.

The report has been prepared with reference to TCFD All Sector Guidance and Supplemental Guidance for the Financial sector. In addition to UK government requirements, the FCA has made it a requirement for many regulated firms to publish TCFD-aligned climate disclosures on their website, with effect from 1 January 2023 and with the first reports due by 30 June 2024, under ESG 2.1 in the FCA Rules. While not in scope of this requirement, the Company has decided to produce its second TCFD report to demonstrate its support for the disclosures.

Except where noted, the Company considers its disclosure to be consistent with all of the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures as detailed in "Recommendations of the Task Force on Climate-related Financial Disclosures", 2017, with use of additional guidance from "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures", 2021, with scenario analysis. The Company has identified two current areas of non-compliance with the TCFD recommendations, Scope 3 emissions reporting and target disclosure, and is in the process of gathering data and formalising targets to address both of these areas, which will be disclosed in subsequent reporting. This report covers all companies over which D9 has operational control.

Recommendation	Recommended Disclosures	Pages
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	107
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	107
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	106 - 107
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	106 - 107
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	113 - 115
Risk Management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	107
	b. Describe the organization's processes for managing climate-related risks.	107
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	107 - 108
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	114 - 115
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	115
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	115

Governance

- Describe the board's oversight of climate-related risks and opportunities.
- Describe management's role in assessing and managing climate-related risks and opportunities.

The Board has ultimate responsibility for managing the climate risks faced by the Company and are kept informed of material climate risks (this process utilises the structure of Triple Point's risk appetite framework to provide a consistent approach to the ranking of risks) facing Investee Companies through updates provided by Triple Point's risk team and sustainability team. Climate risks are formally captured in D9's Risk Register which is reviewed by the Risk Committee on a quarterly basis and reported to the Board. A Risk Report is provided to the Board on a quarterly basis which includes climate risks and those of individual Investee Companies. Investee Company boards also maintain key risk registers, which include climate-related matters to the extent they appear.

The Investment Manager's assessment and management of climate-related risks and opportunities is shared with D9 and the wider Triple Point business through the Company's Risk Committee and dedicated investment team meetings. Triple Point's Sustainability Team and Risk Team, co-ordinate these processes.

During pre-acquisition due diligence, Triple Point's central Sustainability Team works with the D9 investment team to identify any material climate risks when screening potential investments. Key climate-related risks are presented in the materials provided to Triple Point's Investment Committee as part of the standard process for assessing deals. These risks are discussed in the committee meetings to assess the extent to which they affect the quality of the deal. The time horizon over which the risks are material is assessed, their potential mitigations, and opportunities that an individual risk may present for other parts of the portfolio, are also assessed.

Triple Point has a central Sustainable Investment Subgroup, meeting every second month, which provides an additional forum for the discussion of any potentially material ESG issues within potential investments, including climate risks and opportunities. Senior investment team members and partners from all Triple Point investment strategies sit on this Group, bringing their diverse experience and perspectives to a constructive discussion. Ben Beaton currently represents D9 in this group.

Each Investee Company has an assigned point of contact within the D9 team, who is supported by Triple Point's Sustainability Team in climate risk analysis for each Investee Company. Any material climate risks identified through pre-investment due diligence, or later engagements which we believe are not already considered or accounted for, are highlighted to the board of directors of the Investee Company, on which at least one member of the D9 investment team sits. The relevant board oversees any necessary mitigation actions.

Board members have received training on sustainability, with an explanation of the net zero strategy applied. In March 2022, the Board were consulted on the net zero approach and timeline and provided sign off to the approach. Updates papers on the net zero roadmap activity were subsequently provided to the Board for their review on a quarterly basis.

Risk Management

- Describe the organisation's processes for identifying and assessing climate-related risks.
- Describe the organisation's processes for managing climate-related risks.
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Outside of the due diligence and ongoing risk identification processes, climate-related risks to the portfolio are formally identified in an annual workshop between the investment team and the sustainability team within the Investment Manager. During this workshop, risks across physical and transitional categories are considered for the four subsectors that the Company has exposure to, to determine the likelihood and impact of each identified risk. The subject-matter expertise of the investment team is utilised to map out the wider value chain of the asset-types that the Company has exposure to and identify risks outside the direct control of the Investee Companies.

The process for assessing the significance of each climate risk facing the Company is aligned to the Company's overall risk management framework, on a matrix with a 5-point scale for both likelihood and impact:

- **Likelihood:** unlikely, low, possible, high, imminent
- **Impact:** minor, moderate, serious, severe, catastrophic. Indicative financial impacts resulting from the risk occurring are shown in the matrix below

This alignment allows for integration of the risks into wider risk management and mitigation processes. Climate-related risks are reported into the strategy's risk register which is reviewed during a quarterly Portfolio Risk Review meeting. This meeting involves members of the D9, sustainability and risk teams and the resulting risk register is reviewed by the Risk Committee twice a year.

The period over which each risk first becomes material is defined as:

- **Short-term:** 0-2 years
- **Medium-term:** 2-5 years
- **Long-term:** over 5 years

These time-scales are aligned to the Company's overall risk management framework, considering the nature of the Group's assets and liabilities.

The Investment Manager also works with an external data provider, Climate X, to model the physical climate risk to its core infrastructure assets under different climate scenarios. This modelling exercise utilises a "Digital Twin" approach to simulate the potential future damage to a physical asset caused by modelled risks such as sea level rise, flooding, storms, and subsidence. Potential damage is expressed as a value-at-risk metric, a percentage of building replacement cost per annum.

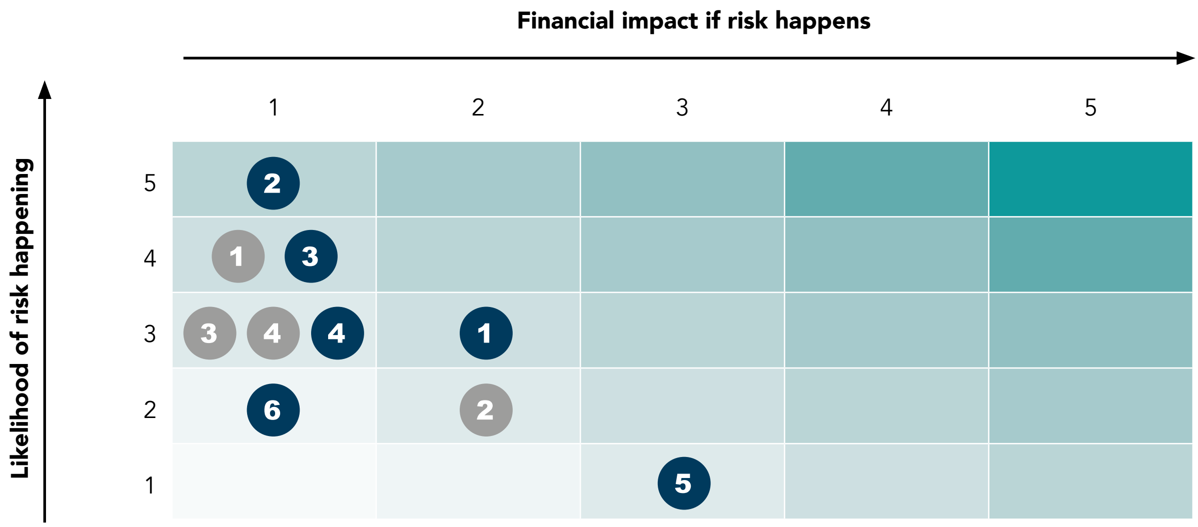
Financial impact if risk happens

Likelihood of risk happening		Minor	Moderate	Serious	Severe	Catastrophic
Indicative financial ranges		<£100K	>£100K	>£250K	>£1m	>£5m
		1	2	3	4	5
Imminent	5					
High	4					
Possible	3					
Low	2					
Unlikely	1					

Strategy

- Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.
- Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.
- Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The Company recognises the potential impacts of climate change throughout its business, presenting physical risks from more extreme weather patterns, and transitional risks as governments and businesses work limit carbon emissions. Whilst the Company's core focus on the decarbonisation of digital infrastructure ultimately bolsters its resiliency, significant risks do exist within its assets and their wider value chains, which are considered below.



Physical

1. Delays/interruptions to subsea fibre laying and repairs from extreme weather
2. Increase in cooling costs
3. Difficulty accessing wireless sites in extreme weather
4. Delays to fibre laying operations due to surface flooding
5. Damage to cable landing stations from rising sea levels
6. Storm damage to wireless towers

Transition

1. Carbon pricing in the supply chain
2. Grid capacity constraints
3. Increased renewable penetration and grid volatility
4. Data centre efficiency regulations

Physical Risks

Risk	1. Increase in cooling costs due to higher temperatures and more frequent heatwaves	2. Damage to cable landing stations from rising sea levels	3. Delays to fibre laying operations due to surface flooding	4. Delays and interruptions to subsea fibre cable laying and repairs from extreme weather	5. Difficulty accessing wireless sites in extreme weather	6. Storm damage to wireless towers
Subsector	**Data centres**	**Subsea Fibre**	**Terrestrial fibre**	**Subsea fibre**	**Wireless**	**Wireless**
Description	When outside temperatures increase, more energy is required to cool data halls. Under extended periods of extreme temperatures, current cooling equipment may not be able to maintain an operable temperature, leading to equipment failure and downtime.	Cable landing stations are necessarily located close to sea level. As sea levels rise, cable landing stations could become flooded, or access could become restricted.	Open trench cable laying is particularly weather-dependent and vulnerable to surface flooding in heavy rain. Increased frequency of rain storms, or increased flash-flood events could reduce the number of days on which cable laying can take place.	Subsea cable laying operations require extended "weather windows" in which it is unlikely for wave heights to exceed a narrow threshold. Under more extreme weather conditions, these windows may narrow and cable laying could be significantly delayed.	Wireless infrastructure is concentrated in high-elevation, exposed locations. During extreme weather events, when outages or disruptions are most likely to occur, these locations are difficult to access.	Wireless infrastructure is concentrated in high-elevation, exposed locations.
Financial Impact	• Increased energy costs • Financial losses as a result of breach of SLA conditions	• For owned and operated sites: capital cost of relocating cable landing station sites • For leased sites: costs associated with relocating equipment or diverting routes	• Delayed revenues	• Delayed revenues	• Financial losses as a result of breach of SLA conditions • Financial losses due to customer compensation	• Cost to increase resiliency of infrastructure • Financial losses as a result of SLA breach of SLA in the event of failure
Likelihood	**Imminent**	**Unlikely**	**Possible**	**Possible**	**High**	**Low**
Impact	**Minor**	**Serious**	**Minor**	**Moderate**	**Minor**	**Minor**
Time Horizon	**Short**	**Long**	**Medium**	**Long**	**Short**	**Medium**
Mitigation and resiliency	• This risk has been modelled in detail in the scenario analysis section. Overall impacts are demonstrated to be minimal, with the Nordic strategy providing resilience.	• Core cable landing stations are considered in the Climate X climate modelling.	• Much of the fibre laying activities occur within Openreach infrastructure. The risks to this infrastructure are mostly owned by Openreach and would likely affect all fibre operators equally.	• Cable laying is funded and operated by large consortia of companies and risk is spread between them. Given the concentration of cable laying operators, risks are assumed to affect all competitors equally.	• More robust vehicles and equipment to allow for access under more weather conditions. • Developing capacity to perform remote fixes to common issues, reducing the need to be physically present. • Renegotiation of SLAs with customers is an option in the long-term.	• Across at-risk assets, engineering resiliency assessments are accounting for more extreme future weather.

Transition Risks

Risk	1. Grid capacity constraints	2. Increased renewable penetration and grid volatility	3. Carbon pricing in the supply chain	4. Data centre efficiency regulations
Subsector	**Data centres**	**Data centres**	**All**	**Data centres**
Type	Market	Technology	Policy and Legal	Policy and Legal
Description	Continued electrification of traditionally fossil-fuelled sectors, such as transportation, may mean that demand for electricity outstrips supply. As data centres are large energy consumers, constraining construction or expansion due to limitations in grid capacity, especially in more urban areas.	As the proportion of renewable and non-dispatchable generation in the grid grows, the frequency may become more unstable. In the worst case, blackouts could occur.	Imposition of carbon pricing in the supply chain of carbon-intensive materials such as cement and steel could be passed through.	A focus of future government climate regulation may be to reduce energy use in buildings. As data centres are large energy consumers, minimum efficiency standards may be introduced.
Financial Impact	• Lack of construction or expansion opportunities limits future revenues	• Financial losses as a result of breach of SLA conditions • Financial losses as a result of breach of SLA conditions • Costs to upgrade UPS and generator systems to improve resiliency	• Higher construction costs	• Costs associated with upgrading existing data centres to meet new efficiency standards
Likelihood	Low	**Unlikely**	**High**	**Possible**
Impact	**Moderate**	**Serious**	**Minor**	**Minor**
Time Horizon	**Short**	**Medium**	**Short**	**Medium**
Mitigation and resiliency	• The Company typically targets data centre assets in locations with abundant, cheap renewable energy. In the near term, the Company will assess the risk of grid constraints for all data centre acquisitions with planned or potential expansion.	• The majority of the Company's data centre capacity is located in markets with a highly renewable, but dispatchable generation mix. Iceland and Finland produce a large amount of power through large-scale hydropower and/or geothermal, which are not as volatile as other forms of renewable generation.	• Typically, costs are passed on to the customer. An expansion project will be planned and costed, but if costs inflate then the customer ultimately pays for these increased costs.	• Overall, the Company maintains a high efficient portfolio of data centres, with an aggregate PUE of 1.33 and is unlikely to be significantly affected. • Data collection is being refined to allow for real-time monitoring of PUE, allowing trends and improvement actions to be identified, which will be implemented over the medium term.

Opportunities

Opportunity	1. Increased demand for Nordic data centres	2. Increased demand for subsea fibre links to areas with abundant renewable energy	3. Ability to sell waste heat to heat networks	4. On-site renewable energy	5. Increased demand for smart metering	6. Increased efficiency of wireless assets
Subsector	**Data centres**	**Subsea Fibre**	**Data centres**	**Subsea fibre**	**Wireless**	**Wireless**
Type	Markets	Markets	Products and Services	Energy Source	Products and Services	Resource Efficiency
Description	Corporate net zero targets and pressures on the grid in urban areas due to electrification may combine to increase demand for Nordic data centres, on grids with abundant, renewable energy. This opportunity is particularly pronounced given the growth of latency-insensitive intensive computing requirements, such as for artificial intelligence. The Company is well placed to capitalise on this demand, expanding its Nordic data centre platform.	Offshoring of computing power away from metro areas to regions with abundant renewable power requires subsea fibre infrastructure, increasing demands and making new routes economically viable.	Building emissions are a significant contributor to national emissions budgets, and governments are under pressure to decarbonise the building sector. Green heat networks may expand in response to this, presenting further opportunities for the Company's data centre assets to sell waste heat to heat networks.	Renewable power generation could be installed at the Company's owned and operated assets for onsite renewable generation, decreasing energy expenditure and presenting an additional revenue stream.	As the length and severity of droughts increase, water utility companies will be under increasing pressure to monitor usage and identify leaks. As requirements for grid flexibility increase, smart energy metering will become more important.	Re-engineering of AM radio services, or a phase-out of services would result in a significant reduction in energy consumption. Broadcast TV remains the most energy efficient media distribution channel, per device hour.
Likelihood	**High**	**Possible**	**High**	**Imminent**	**Possible**	**High**
Magnitude	**High**	**Medium**	**Low**	**Low**	**Medium**	**Medium**
Time Horizon	**Short**	**Medium**	**Short**	**Short**	**Medium**	**Medium**

Scenario Analysis

Quantitative scenario analysis was utilised to understand the impact of each of the most significant risks and opportunities identified under different potential climate outcomes, where relevant data was available. Climate scenarios represent possible futures with varying level of responses to, and impacts from, climate change. As part of the annual climate risk workshop, a range of possible scenarios was discussed and two were ultimately selected:

- **Net Zero:** in which warming is limited to 1.5°C by 2050, limiting physical risks but creating high transitional risk due to the introduction of strict climate policies and rapid technology change.
- **Hot House World:** in which warming reaches 4°C, as no new climate policies are introduced and technological progress is slow, limiting transitional risks but presenting significant physical risks.

A trade-off between the comparability of scenarios and the availability of quantitative, sector- or geography-specific data for modelling financial impacts was noted during the selection process. For this reason, the scenarios used draw on a number of different sources:

- **Net Zero:** NGFS Net Zero 2050, IPCC RCP 2.6, UK Met Office 1.5°C.
- **Hot House World:** NGFS Current Policies, IPCC RCP 8.5, UK Met Office 4°C.

The table below shows the change in the climate metrics utilised under both scenarios by 2050, as well as the potential financial impacts of each risk. These impacts are then aggregated together to give an indicative impact on Net Asset Value under each scenario. These risks are explored in turn below.

Risk	Relevant climate metrics		Net Zero 2050	Hot House World 2050	Relevant financial metric	Net Zero 2050	Hot House World 2050
1. Increase in cooling costs due to higher temperatures and more frequent heatwaves	Annual average temperature increase (°C) relative to 2020	Iceland	**Slightly Warmer**	**Slightly Warmer**	Increased operational expenditure in data centres	**Negligible**	**Negligible**
		Finland	**Slightly Warmer**	**Significantly Warmer**			
		UK	**Slightly Warmer**	**Slightly Warmer**			
	Days exceeding 25°C, relative to 2020	England	**Low**	**High**			
2. Carbon pricing in the supply chain	Carbon price ($/tonne)	Europe	**High**	**Negligible**	Increased capital expenditure for data centre expansion projects	**Notable Increase**	**Negligible**
3. Smart Metering business growth	Increase in 12-month drought severity	UK	**Negligible**	**High**	Growth in revenues from smart metering business	**Strong**	**Stronger**
4. Physical damage to infrastructure	14 modelled climate hazards	Global	Range of variables		Annual losses due to climate change	**Negligible**	**Negligible**
					Total impact on NAV	**Negligible**	**Negligible**

1. Increase in data centre cooling costs due to higher temperatures and more frequent heatwaves

Data centres generate significant amounts of heat and require cooling to remain functional. Increasing external temperatures reduces overall cooling efficiency, meaning that more energy is required to maintain an operable temperature within the data centre. At extreme temperatures, current cooling equipment may not be able to maintain temperatures, resulting in downtime and equipment failures.

To assess the impact of increased temperatures on cooling costs for the Company's data centres, the relationship between average temperature and power usage effectiveness (PUE) was assessed in the historical data for each data centre. This relationship was used to model the increase in PUE under each future temperature scenario, and the resultant increase in energy consumption required. Overall, there was a negligible increase in future PUE and energy consumption.

The Company's data centres are concentrated in Nordic regions and are mostly free-air cooled. Historical data demonstrated that increasing temperatures have little effect on data centre efficiency in these locations. The Nordic strategy provides resiliency to future climate change, as data centres in cooler climates are less vulnerable to rising temperatures.

2. Carbon pricing in the supply chain

The Company invests in infrastructure businesses with clear growth trajectories and multiple planned expansion projects. Whilst direct emissions are limited, the embodied emissions of its assets are significant. The imposition of a carbon price in the supply chain of key components and construction materials, particularly steel or concrete, could be passed through to D9's Investee Companies.

To assess the potential financial impact of supply chain carbon pricing, the total capital expenditure of data centre expansion was assessed under both scenarios. The carbon intensity of data centre capital expenditure (tCO_2e/$) was calculated from previous expansion projects and assumed to remain constant.[25] This was used to calculate the total emissions expected from each future expansion, which were priced at the relevant carbon price under each scenario.

Overall, carbon pricing had a noticeable effect on capital expenditure under the Net Zero scenario, but limited impact under the Hot House World scenario.

The Company considers the increase in capital expenditure to be manageable. Construction costs for expansion projects are usually passed through to the end customer. Demand for data centre space outpaces supply, and carbon costs will similarly affect competitors. To further mitigate the risk, the Company is progressing with a project to assess the Scope 3 emissions of its assets on an ongoing basis, to identify potential risk areas under carbon pricing regimes.

3. Smart metering business growth

Water utilities are a major customer for Arqiva's smart metering solutions, which provide the ability to more accurately monitor water usage and detect leaks and inefficiencies. Take up of smart-metering solutions has been driven in part by ambitious leakage reduction targets from the water regulator, Ofwat. Under the Hot House World scenario considered, droughts are expected to become more frequent and severe, putting severe strain on water supply and increasing demand. Under this scenario, it is expected that solutions for monitoring usage and reducing system leaks will increase. Growth assumptions were flexed up in the Hot House World scenario and kept at their conservative current basis in the Net Zero scenario.

Overall, the smart metering business shows strong growth in both scenarios, with a boost in the upside under the Hot House World scenario. The Company values the smart metering business under conservative growth assumptions, and considers the overall strategy resilient under both scenarios.

25. The embodied emissions of previous expansion at the Verne Global Iceland site were assessed by a third party consultant.

4. Physical damage to infrastructure

During the risk identification process, a subset of critical assets within the portfolio was identified. These sites include large data centres and subsea cable landing stations, which serve as highly connected nodes in the "backbone of the internet". Damage to these sites could cause widespread downtime and significant financial losses. The Company partnered with an external provider, Climate X, to assessing the physical climate risks to these assets in detail.

The distribution of assets considered is as follows:

UK & Ireland	9
Nordics	6
North America	2

Climate X utilises a "Digital Twin" approach, utilising remote sensing data to create a geophysical model of the earth, considering features such as geology, vegetation, and the built environment. The impact of climate change on future weather patterns is modelled, and the interaction between these future weather patterns and the earth determines the risk to assets in each location. The risk to an asset is expressed as expected climate-related losses per annum – physical damage to the assets caused directly by climate change.

Under both scenarios, the climate losses to every asset assessed were shown to be negligible and the core assets are not considered to be significantly at-risk from the physical impact of climate change. Additionally, many of the core cable landing station sites are leased, further minimising potential downside risk.

Summary

Overall, the total impact to NAV resulting from the risks modelled through partial scenario analysis is negligible. Whilst analysis has been limited to a subset of the most prominent risks and opportunities that it was possible to quantify, the Investment Manager considers the resiliency of the Company's strategy that it demonstrates more broadly applicable. In the long-term, the Company is well placed to take advantage of the opportunities presented by climate change and continues to monitor and mitigate the potential risks.

Metrics and Targets

- Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
- Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As risks are identified through pre- and post-investment analysis, data requirements that will allow them to be monitored and assessed are determined and included in our requests to the Investee Company. This process is completed on an asset-by-asset basis, depending on the nature of the particular risk. Emissions and energy data is collected from all of our Investee Companies.

The energy and emission data collected from Investee Companies is used to monitor exposure to the key risks identified within the Strategy section. PUE monitoring, for example, determines exposure to data centre efficiency regulations, and the potential effects of increasing temperatures on cooling costs. Renewable energy consumption metrics are indicator of exposure to future grid volatility.

The Company targets year-on-year reduction in the GHG emissions intensity per Investee Company, for fully owned companies. The Investment Manager is in the process of setting Net Zero targets across its entire portfolio, which will cover the Company's assets. This target will follow the most up to date guidance from the Science Based Targets Initiative (SBTi), which at the time of publication will result in a short-term emissions reduction target, up to 2030. Additional longer-term targets will be set following the release of the relevant guidance, or prior if perceived possible. As the direct emissions of the Company's assets are low, the biggest emissions risk is present in the value chain of the assets. For this reason, the Company has begun to track Scope 3 emissions in 2022 and will report on these for a subset of subsidiaries in the following reporting year, with an indication of the operations covered, by revenue. Scope 3 emissions tracking will allow the potential exposure to value chain carbon pricing to be more comprehensively assessed. The Company continues to develop its data collection processes to enhance visibility of future risks. In support of this, Company-level targets identified by the Investment Manager have also been accompanied by a commitment that the fully-owned assets of the Company will be required to implement their own net zero roadmaps with targets within the next 24 months (as detailed on page 69 of the sustainability report).

	2021	2022	Wireless	Subsea Fibre	Data Centres		
					Verne Global		
			Elio Networks	Aqua Comms	Iceland	London	Finland
Scope 1 (tCO2e)	12	92	2	10	46	19	15
Scope 2 (tCO2e) location-based	1,004	5,502	142	783	1,289	2,696	591
Scope 2 (tCO2e) market-based	545	1,397	234	552	449	–	162
Data Centre Power Usage Effectiveness (PUE)	1.22	1.33			1.30	1.54	1.38
Renewable energy consumption and production (MWh)	41,205	151,252	98	1,683	128,002	13,939	7,530
Non-renewable energy consumption (MWh)	1,271	2,056	319	957	196	79	505

The energy and emission data collected from Investee Companies is used to monitor exposure to the key risks identified within the Strategy section. PUE monitoring, for example, determines exposure to data centre efficiency regulations, and the potential effects of increasing temperatures on cooling costs. Renewable energy consumption metrics are indicator of exposure to future grid volatility.

The Company targets year-on-year reduction in the GHG emissions intensity per Investee Company, for fully owned companies. The Investment Manager is in the process of setting Net Zero targets across its entire portfolio, which will cover the Company's assets. This target will follow the most up to date guidance from the Science Based Targets Initiative (SBTi), which at the time of publication will result in a short-term emissions reduction target, up to 2030. Additional longer-term targets will be set following the release of the relevant guidance, or prior if perceived possible. As the direct emissions of the Company's assets are low, the biggest emissions risk is present in the value chain of the assets. For this reason, the Company has begun to track Scope 3 emissions in 2022 and will report on these for a subset of subsidiaries in the following reporting year, with an indication of the operations covered, by revenue. Scope 3 emissions tracking will allow the potential exposure to value chain carbon pricing to be more comprehensively assessed. The Company continues to develop its data collection processes to enhance visibility of future risks. In support of this, Company-level targets identified by the Investment Manager have also been accompanied by a commitment that the fully-owned assets of the Company will be required to implement their own net zero roadmaps with targets within the next 24 months (as detailed on page 69 of the sustainability report).

Section 172(1) Statement

The Board is committed to promoting the long-term success of the Company whilst conducting business in a fair, ethical, and transparent manner.

The Board makes every effort to understand the views of the Company's key stakeholders and to take into consideration these views as part of its decision-making process.

As an investment company, the Company does not have any employees and conducts its core activities through third-party service providers. The Board seeks to ensure each service provider has an established track record, has in place suitable policies and procedures to ensure they maintain high standards of business conduct, treat shareholders fairly, and employ corporate governance best practice.

As a Jersey incorporated entity, the Company voluntarily discloses how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and fulfils the reporting requirements under section 414CZA of the Companies Act 2002 (the "Act").

The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duty under s172 and forms the directors' statement required under section 414CZA of the Act.

/ STAKEHOLDER ENGAGEMENT

Stakeholder	Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
Shareholders	Shareholders and their continued support is critical to the continuing existence of the business and delivery of our long-term strategy.	The Investment Manager and Board have been continuously engaged with shareholders throughout the period. Directors and representatives of the Investment Manager met with shareholders following the release of the Interim and Annual Results, as well as engaging directly following announcements to the London Stock Exchange, including the Trading Update on 11 January 2023. The Board remain cognisant of shareholder views and during decision making. The Board's shareholder engagement programme is kept under review and evolved to ensure appropriate engagement.	An important topic of engagement with shareholders has been on the acquisitions undertaken during the year, the short-term strategy and capital allocation for the Company following committing substantially all of the equity and debt capital raised since IPO, and the changes to the departure of Investment Manager personnel. Engagement also took place during the equity fundraising earlier in 2022.	The Board considered that the feedback from shareholders has been invaluable this year, through enhanced understanding of shareholder expectations, and has assisted in enhancing the level of disclosure, highlighted by the Trading Update released in January 2023.

Stakeholder	Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
Investment Manager	The Investment Manager is responsible for executing the Investment Objective within the Investment Policy of the Company.	The Board maintains regular and open dialogue with the Investment Manager at Board meetings and has regular contact on operational and investment matters outside of meetings.	The Board has provided constructive feedback to the Investment Manager throughout the acquisition process of the assets acquired during the year; equity fundraising; transition to the premium segment of the main market of the London Stock Exchange; during the period of change of personnel of the Investment Manager in November 2022; and reporting process.	As a result of the engagement between the Board and the Investment Manager, the Group has been able to substantially commit all of the available capital into a portfolio of assets with strong underlying performance. More recently, engagement between the Board and Investment Manager has been enhanced, in particular in exploring the options to address the higher capital requirements of the Investee Companies.
Investee Companies	The performance and long-term success of the Company is linked to the performance of the companies in which the Company invests.	The Investment Manager has held regular meetings with the Board and management of each of the Investee Companies and received regular reporting including financial. The Board has directly engaged with the Investee Company CEOs and operating partners during the year, including inviting key members of management to present at Board Meetings with the opportunity to ask questions directly.	On an ongoing basis the Investment Manager engages with the Investee Companies on matters including finance, capex requirements, sustainability and strategy. During the year, the Board has engaged with the Investee Companies on their strategy, and other key matters relevant to the Investee Companies.	Through this engagement, particularly between the Investment Manager and the Investee Companies, the Investment Manager has enhanced the sustainability practices and reporting of the Investee Companies, explored opportunities for synergies and optimisation between the Investee Companies.

Stakeholder	Why is it important to engage?	How have the Investment Manager/Directors engaged?	What were the key topics of engagement?	What was the feedback obtained and the outcome of the engagement?
Suppliers	The Company's suppliers include third-party service providers, each of which is essential in ensuring the ongoing operational performance of the Company. The Company relies on the performance of third-party service providers to undertake all its main activities.	The Board maintains close working relationships with all its key advisers. The Management Engagement Committee has responsibility for overseeing and monitoring the performance of each supplier. A detailed annual assessment is undertaken of each supplier to ensure they continue to fulfil their duties to a high standard.	The Management Engagement Committee met in the year and undertook a thorough review of the performance of the service providers and agreed feedback to provide to the service providers to enhance performance moving forward, or assist in the process of changing service providers where this was considered appropriate.	The Board has continued to be open in providing feedback to its service providers to make clear their expectations, following the Management Engagement Committee process and, where appropriate, on an ad hoc basis.
Regulators	Engagement with the regulator is imperative to the Company's ability to operate.	During the period the Company has had to engage with various regulators (including the Financial Conduct Authority and Jersey Financial Services Commission) on a number of different matters.	The key topics of engagement with regulators during the year have been in relation to the change of Directors, change of Investment Policy, and transition to the premium segment of the Main Market of the London Stock Exchange.	Without engagement with the regulator the Company would not have been able to complete additional equity raises, acquisitions, transition to the premium segment of the Main Market of the London Stock Exchange or its change of investment policy.

/ PRINCIPAL DECISIONS

Principal decisions have been defined as those that have a material impact to the Group and its key stakeholders. In taking these decisions, the Directors considered their duties under section 172 of the Act.

Deployment of capital

During the year, deployment of the IPO proceeds and subsequent fundraises has been a focus for the Company which has now committed substantially all available capital. The Board considered each investment in the context of the Company's Investment Policy, potential returns to investors and from a sustainability perspective.

Equity Raises

Two equity raises were completed in January and July 2022 raising total gross proceeds of £155.2 million. The additional equity enabled the Company to complete acquisitions of attractive assets and capital expenditure, ultimately aiding in the achievement of the Company's investment objective.

Transition to the premium segment of the Main Market of the London Stock Exchange

During the year, the Company transitioned from the specialist fund segment to the premium segment of the Main Market of the London Stock Exchange. The Board considered that there were a number of benefits to being a constituent of the premium segment, including increasing the profile of the Company, unlocking further attractive investment opportunities and also may result in a more diversified shareholder register with improved liquidity, all of which would be to the benefit of shareholders.

Revolving Credit Facility of £375 million

In March 2022, the Group signed its first debt facility of a £300 million RCF with an international syndicate of four banks, with an initial term of three years expiring on 14 March 2025, which can be extended for a further 12 months. The RCF was obtained to assist the Company in acting quickly on potential investment opportunities, helping to finance the acquisition of further investments in its near-term pipeline. The RCF was increased to £375 million in August 2022 under the accordion provision, to assist in funding existing commitments across the portfolio and supporting the near-term pipeline. The RCF has supported Investee Companies with their capex requirements, alongside allowing the Investment Manager to deliver on executing the Investment Objective of the Company.


WAITINGS

Risk Management

/ FRAMEWORK

The Board and the Investment Manager recognise that risk is inherent in the operation of the Company and are committed to effective risk management to ensure that shareholder value is protected and maximised.

As an externally managed investment company, the Company outsources key services to the Investment Manager and other service providers and rely on their systems and controls. The Board has ultimate responsibility for risk management and internal controls within the Company and has convened a Risk Committee to assist it in these responsibilities. The Risk Committee undertakes a formal risk review twice a year to assess and challenge the effectiveness of our risk management and to help define risk appetite and controls to manage risks within that appetite, particularly those which would threaten its business model, future performance, solvency, valuation, liquidity or reputation. Further details of the Risk Committee's activities can be found in the Risk Committee Report on pages 162 to 163.

The Investment Manager has responsibility for identifying potential risks at an early stage, escalating risks or changes to risk and relevant considerations and implementing appropriate mitigations which are recorded in the Group's risk register. Where relevant the financial model is stress tested to assess the potential impact of recorded risks against the likelihood of occurrence and graded suitably. In assessing risks, both internal controls and external factors that could mitigate the risk are considered. A post mitigation risk score is then determined for each principal risk. The Board regularly reviews the risk register to ensure gradings and mitigating actions remain appropriate.

/ RISK APPETITE STATEMENT

Managing risk is fundamental to the delivery of the Company's strategy, and this is achieved by defining risk appetite and managing risks within that appetite. Risk appetite is the level of risk the Company is willing to take to achieve its strategic objectives. The Board is responsible for setting the Company's risk appetite and ensuring that the Company operates within these parameters. The Board has defined its risk appetite using a category of risks inherent to the environment in which the Company operates. Risk appetite is set for each category of risk enabling the actual risks which are identified by Management to be compared to the defined appetite, to identify where any additional mitigation activity is required. The Company manages its risks within the tolerance set, particularly those which would threaten its business model, future performance, solvency, valuation, liquidity, or reputation. Any risks outside of tolerance are subject to additional oversight and action planning.

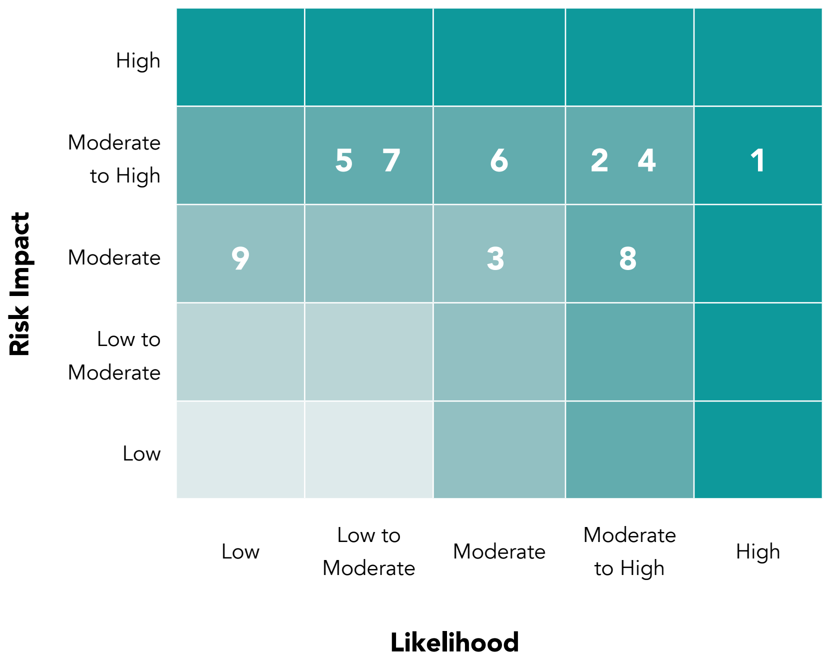
The Board has reviewed the Company's appetite for each of the principal risks set out below. The Company seeks to take risk in executing its strategy and in line with its Investment Policy. The Company's risk management framework is designed to manage rather than eliminate the risk of failure to achieve objectives and breaches of risk appetite.

The Board will review and monitor the Company's risk appetite on an annual basis to ensure that it remains appropriate and consistent with the Investment Policy.

/ PRINCIPAL RISKS AND UNCERTAINTIES

The table below sets out what we believe to be the principal risks and uncertainties facing the Group. The table does not cover all of the risks that the Group may face. The Board defines the Group's risk appetite, enabling the Group, in both quantitative and qualitative terms, to judge the level of risk it is prepared to take in achieving its overall objectives. Additional risks and uncertainties not presently known to management or deemed to be less material at the date of this report may also have an adverse effect on the Group.

Risk	
1	Lack of capital may limit our ability to grow and pay a progressive dividend.
2	Persistent, negative market sentiment in relation to our Arqiva acquisition (specifically high inflation compounding liquidity challenges).
3	Competitive markets, including where a well funded competitor enters the market or aggressively acquires market share across the respective markets and segments of D9's Investee Companies.
4	Dependence on key Investment Manager personnel.
5	Interruptions or poor-quality services to our customers as a result of failure of infrastructure, equipment and/or third-party networks.
6	Risk of supply-chain vulnerabilities and disruptions.
7	D9 acquires Digital Infrastructure Investments which operate in a highly regulated sector and which will be subject to the different regulatory regimes of all the countries in which they operate.
8	Reliance on the Investment Manager.
9	An Investee Company counterparty may become insolvent, be unable to make contractual payments or terminate a contract early.



1. LACK OF CAPITAL MAY LIMIT OUR ABILITY TO GROW AND PAY A PROGRESSIVE DIVIDEND

Risk Impact	Risk Mitigation	Impact
Without sufficient capital at sustainable rates, we will be unable to pursue suitable investments in line with our Investment Policy. This would significantly impair our ability to pay dividends to shareholders at the targeted rate.	Management continues to review the sources of funding available for its working capital requirements and dividends. Capital expenditure allocations are carefully reviewed and optimised. The Board and Investment Manager have evaluated options and commenced processes seeking complementary sources of growth capital to support our Investee Companies alongside the capital expenditure already committed by the Company. These processes include a syndication of a minority stake in existing Investee Companies to a strategic capital partner in conjunction with a leading investment bank and the arrangement of appropriate debt financing at Investee Company level. The syndication would provide proceeds which could be used to pay down the RCF and/or fund growth capital expenditure and provide valuable follow-on capital to Investee Companies. In relation to Investee Company level debt, a term sheet has been agreed for a $100 million facility to be provided to one of the high growth Investee Companies, the proceeds of which will be used to finance accretive growth opportunities, and to repay a Company shareholder loan, which will be used to reduce the drawings of the Group RCF. Such complementary sources of growth capital will only be considered where the Board and the Investment Manager believe that this would be the most appropriate way to create shareholder value. The Company has a RCF in place to support portfolio investments and growth capital expenditure requirements.	Moderate-to-High **Likelihood** High **Change in Year** Increase This risk has increased due to the current macroeconomic environment and the ability of the Company to raise further capital in the equity markets given the Company's share price trading at a discount to its NAV.

2. PERSISTENT, NEGATIVE MARKET SENTIMENT IN RELATION TO OUR ARQIVA ACQUISITION (SPECIFICALLY PERSISTENT, HIGH INFLATION COMPOUNDING LIQUIDITY CHALLENGES)

Risk Impact	Risk Mitigation	Impact
The impact of Arqiva's interest rate swaps are currently attracting negative market sentiment. We view this to be likely to change as inflation reduces. Sentiment impacts the share price.	A detailed Arqiva case study can be found on pages 26 to 29. The timing of the cashflows is likely to be impacted by higher inflation in the short term but greater long-term benefit. We will continue to provide transparent analysis of the swap instruments at investor days and also reinforce our view of the long-term value of Arqiva within the portfolio.	Moderate-to-High **Likelihood** Moderate-to-High **Change in Year** New Risk

3. COMPETITIVE MARKETS, INCLUDING WHERE A WELL-FUNDED COMPETITOR ENTERS THE MARKET OR AGGRESSIVELY ACQUIRES MARKET SHARE ACROSS THE RESPECTIVE MARKETS AND SEGMENTS OF D9'S INVESTEE COMPANIES, WHICH MAY ADVERSELY AFFECT THE REVENUE AND MARGINS OF D9'S INVESTMENTS

Risk Impact	Risk Mitigation	Impact
D9 invests in an increasingly competitive environment, as new investors seek to invest into the sector from traditional infrastructure or other sectors. Global content companies, such as the FAANGs, may choose to invest in the infrastructure directly, rather than as a customer. This increased competition could make it harder to find new assets, access to good pricing and gain market share. Such competition creates pricing risk when bidding on target acquisitions, potentially driving higher pricing. This could result in the Company being outbid on a particular asset or paying a premium. This competition can also, in certain markets, lead to a decline in prices the operators of such assets are able to charge for the services provided once acquired. As a result, this could impair D9's ability to deploy funds therefore affecting the NAV, the Company's earnings and returns to Shareholders.	Before acquiring assets, the Investment Manager carries out thorough due diligence and applies realistic assumptions to ensure the total return target can be met. Where possible, the Investment Manager seeks to secure off-market assets with strategic benefits through an alignment with D9's other investee companies, thus avoiding competitive bidding situations. Frequent communication between D9 and its investee companies will lead to innovative and proactive thinking regarding its services to remain competitive and adapt to emerging technologies and customer preferences.	Moderate **Likelihood** Moderate **Change in Year** Decrease This risk has decreased given the Company has now moved from an acquisitive period to a period of consolidation and focus on the operational performance and optimisation of each of the assets acquired to date.

4. DEPENDENCE ON KEY INVESTMENT MANAGER PERSONNEL

Risk Impact	Risk Mitigation	Impact
The loss of key personnel in the Investment Team could impact the performance of the Investee Company therefore adversely impacting the NAV of the Company.	The Company is seeking to appoint an Investment Director imminently. Within the broader team it ensures that there are retention and succession plans in place for all key individuals, with incentive schemes and market compensation packages for key personnel.	Moderate-to-High **Likelihood** Moderate-to-High **Change in Year** Increase This risk has increased due to the departure of investment team personnel during the year.

5. INTERRUPTIONS OR POOR-QUALITY SERVICES TO OUR CUSTOMERS AS A RESULT OF FAILURE OF INFRASTRUCTURE, EQUIPMENT AND/OR THIRD-PARTY NETWORKS

Risk Impact	Risk Mitigation	Impact
D9's Investee Companies rely on infrastructure and technology to provide their customers with a highly reliable service. There may be a failure to deliver this level of service as a result of numerous factors. Failure to deliver may breach performance conditions in contracts with customers and therefore affect revenue streams, which in turn could impact the performance of D9 and therefore adversely impact the NAV.	The Digital Infrastructure Investments in which the Group invests use proven technologies, typically backed by manufacturer warranties, when installing applicable machinery and equipment. D9's Investee Companies hire experts with the technical knowledge, and seek third party advice where required. Where appropriate, there are insurances in place to cover issues such as accidental damage and power issues.	Moderate-to-High **Likelihood** Low to Moderate **Change in Year** Stable

6. RISK OF SUPPLY-CHAIN VULNERABILITIES AND DISRUPTIONS

Risk Impact	Risk Mitigation	Impact
D9's Investee Companies need to maintain and develop their assets to deliver to customers. Significant supply chain pressure could lead to an inability to meet customer contracts and/or delay in business development projects.	As part of the procurement process, due diligence is conducted on third parties and SLAs are put in place to ensure the delivery of service. All Investee Companies are now considering longer lead times in their planning and their boards continue to scrutinise planning. Inventory and accelerated capital growth investments have increased. In addition, they are managing supply chains more closely for a better understanding of vulnerabilities.	Moderate-to-High **Likelihood** Moderate **Change in Year** Stable

7. D9 ACQUIRES DIGITAL INFRASTRUCTURE INVESTMENTS WHICH OPERATE IN A HIGHLY REGULATED SECTOR, AND WHICH WILL BE SUBJECT TO THE DIFFERENT REGULATORY REGIMES OF ALL THE COUNTRIES IN WHICH THEY OPERATE

Risk Impact	Risk Mitigation	Impact
Failure of D9's Investee Companies to comply with their regulatory obligations and/or maintain a relevant permit or licence may result in sanctions from the applicable regulator including fines and/or the revocation of its authorisation to provide services. This could result in the relevant infrastructure ceasing to be operable and possibly subject to decommissioning requirements which may in turn, have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.	Experts are engaged to ensure compliance with all relevant regulations. Thorough due diligence is carried out prior to completing on investments to assess the regulatory environment and how compliance is maintained. After completion, the Investment Manager and Investee Companies maintain a frequent and ongoing dialogue on the subject to ensure compliance and preparedness for any change. This includes a number of compliance KPIs which form part of regular portfolio monitoring meetings.	Moderate-to-High **Likelihood** Low-to-Moderate **Change in Year** Stable

8. RELIANCE ON THE INVESTMENT MANAGER

Risk Impact	Risk Mitigation	Impact
We rely on the Investment Manager's services and its reputation in the Digital Infrastructure market. As a result, our performance will, to a large extent, depend on the Investment Manager's abilities in the market. Termination of the Investment Management Agreement would severely affect our ability to effectively manage our operations and may have a negative impact on the share price of the Company.	Unless there is a default, either party may terminate the Investment Management Agreement by giving not less than 12 months' written notice, with such notice not to expire before the fourth anniversary of the date of admission. The Board will regularly review and monitor the Investment Manager's performance. In addition, the Board meets regularly with the Investment Manager to ensure that we maintain a positive working relationship.	Moderate **Likelihood** Moderate-to-High **Change in Year** Increase This risk has increased as the Investment Manager is engaged in several processes on behalf of the Company seeking complementary sources of capital to help fulfil the growth capital expenditure pipeline of the Investee Companies.

9. AN INVESTEE COMPANY COUNTERPARTY MAY BECOME INSOLVENT, BE UNABLE TO MAKE CONTRACTUAL PAYMENTS OR TERMINATE A CONTRACT EARLY

Risk Impact	Risk Mitigation	Impact
Issues may arise with counterparties that could affect their ability to make contractual payments or result in the early termination of such projects due to counterparty insolvency. This could result in a material effect on the Group's revenue stream, resulting in a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.	Prior to investing in a Digital Infrastructure Investment, the Investment Manager will undertake due diligence to assess the material contracts in place, including termination provisions and whether any such contracts are close to termination. Where possible, the Investment Manager will seek to build in suitable mechanisms to protect the Group's income stream, including the diversification of its investments. Further, the number of Counterparties in respect of a particular Digital Infrastructure Investment may be significantly diversified so as to reduce the impact of a Counterparty terminating an agreement at will or deciding not to renew such contract on expiry.	Moderate **Likelihood** Low **Change in Year** Stable

Emerging Risks

Emerging risks are characterised by a degree of uncertainty, having been highlighted at the periodic risk review meetings. The Board receive a quarterly risk report highlighting such risks, with the best insights available. These may later be added to the main risk register and assessed in the usual way or be deemed no longer relevant.

Introduction of, or amendment to laws, regulations, or technology (especially in relation to climate change)

The global ambition for a more sustainable future has never been greater. There is increasing pressure for governments and authorities to enforce green-related legislation. This could materially affect organisations which are not set up to deal with such changes in the form of financial penalties, operational and capital expenditure to restructure operations and infrastructure, or even ceasing of certain activities.

As part of our purpose-driven investment strategy and thorough ESG due diligence process, we will continue to actively seek acquisitions that deliver on sustainability targets and are aligned with our ambition to decarbonise Digital Infrastructure.

Development of disruptive technology

The digital infrastructure sector is constantly evolving. As a result, there is a risk that disruptive technology emerges which results in current digital infrastructure assets becoming obsolete. We constantly monitor the emerging technology trends with digital infrastructure to ensure Investee Companies evolve their business models where required and new investment opportunities are accurately assessed.

Going Concern and Viability

/ GOING CONCERN

The Company's business activities, together with the factors likely to affect its investments its future development, performance and position are set out in the Strategic report and in the financial statements and related Notes to our Annual Report and Accounts to 31 December 2022. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the financial statements and related Notes to the accounts. In addition, Note 19 to the accounts includes the Company's 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 Board have made an assessment of going concern, taking into account a wide range of information relating to present and future conditions, including the Company's cash and liquidity position, current performance and outlook, which has considered the ongoing geopolitical uncertainties arising from the war in Ukraine, the volatile macro landscape and existing inflationary pressures and current and expected financial commitments using information available to the date of issue of these Financial statements.

The Group has targeted high-quality digital infrastructure investments and will continue to analyse investment opportunities to ensure that they are the right fit for the Group. The Company has liquid resources and a strong investment portfolio with an expectation of medium-term capital growth.

During the year the Company has invested £605 million of cash (£768 million including the VLN) including transaction costs. At 31 December 2022, liquidity remained positive at £55 million, the cash balance of the Company at year end was £30 million, the remaining uninvested cash of £25 million is held by its wholly owned subsidiary Digital 9 Holdco Limited for investment purposes. Including the undrawn element of the RCF, restricted and unrestricted cash throughout the Group (not including Investee Companies), the Company had £117 million at 31 December 2022.

The Company, through its subsidiary undertakings, had an expected investment commitment of £46 million, relating to growth capital expenditure requirements at Aqua Comms, Verne Global London and EMIC-1. The Company had ongoing charges of £10 million and

an OCR of 1.10% in the year to 31 December 2022, detailed in Note 7 to the financial statements, which are indicative of the ongoing charges run rate for the short-term.

Although not a commitment, the Company has announced a continued dividend target for the financial year ending 31 December 2023 of 6.0 pence per share. Income and non-income cash is expected to be received from the portfolio investments during the coming year, some of which will be required to support the payment of this dividend target and the Company's other financial commitments. As mentioned on page 16 the Company continues to explore complementary sources of capital to help fulfil the growth capital expenditure pipeline of the Investee Companies. Any proceeds raised, may also be used to underpin the Company's dividend and expenses in the financial year ending 31 December 2023.

The Board believes that there are currently no material uncertainties in relation to the Company's ability to continue for a period of at least 12 months from the date of the approval of the Company's financial statements and, therefore, has adopted the going concern basis in the preparation of the financial statements, please see Note 2 of the financial statements for more information.

/ VIABILITY STATEMENT

In accordance with Principle 21 of the AIC Code, the Board has assessed the prospects of the Group over a period longer than 12 months required by the relevant "Going Concern" provisions. The Board has considered the nature of the Group's assets and liabilities, and associated cash flows, and has determined that five years, up to 31 December 2027, is the maximum timescale over which the performance of the Group can be forecast with a material degree of accuracy and therefore is the appropriate period over which to consider the viability.

In determining this timescale, the Board has considered the following:

- That the business model of the Group assumes the future growth in its investment portfolio through the acquisition of a diversified portfolio of digital infrastructure investments which are intended to be held for the duration of the viability period.
- On 9 March 2022 the Company secured a floating rate RCF with an initial term of three years which may be extended by a further year to March 2026.
- Market Comparisons have been considered to similar funds in the infrastructure space who apply a five-year forecast in their viability statements. It would seem appropriate to benchmark to similar funds.
- In assessing the Company's viability, we carried out a robust assessment of the emerging risks and principal risks facing the Group, including those that would threaten its business model, future performance, solvency, liquidity and dividend cover for a five-year period.

In assessing the Company's viability, the Board has carried out a robust assessment of the emerging risks and principal risks facing the Group, including those that would threaten its business model, future performance, solvency, liquidity and dividend cover for a five-year period. The Board considered the potential impact on the Company of a number of scenarios in addition to the Company's business plan and recent Investee Company forecasts, which quantify the financial impact of the principal risks occurring. The Directors' assessment has been made with reference to the principal risks and uncertainties and emerging risks summarised on pages 124 to 129 and how they could impact the prospects of the Company both individually and in aggregate.

The business model was subject to a sensitivity analysis, which involved flexing a number of key assumptions underlying the forecasts. The sensitivities performed were designed to provide the Directors with an understanding of the Company's performance in the event of a severe but plausible downturn scenario, taking full account of mitigating actions that could be taken to avoid or reduce the impact or occurrence of the underlying risks outlined below:

- Inflation: 8% for 2023, 4% for 2024, 2025 and return to long-term target of 2% thereafter.
- Interest rates: increase the margin by 1.00% in response to the current economic climate.
- Distributions from investments: apply a discount of 16% to all portfolio investments. This figure is arrived at by removing each investment's largest revenue contributor indefinitely from the revenue stream. We have then weighted the Net Operating Profit After Tax ("NOPAT") margin to the revenues generated from those customers to arrive at a D9 weighted NOPAT margin from its revenue-generating investments.
- Portfolio valuations: apply a discount of 16% to the portfolio valuations, in line with the loss in dividends paid up to D9.

The outcome in the downturn scenario on the Company's covenant testing is that there are no breaches, and the Company can maintain a covenant headroom on the existing facility.

In the downturn scenario mitigating actions would be to reduce variable costs to enable the Group to meet its future liabilities.

The remaining principal risks and uncertainties, whilst having an impact on the Company's business, are not considered by the Directors to have a reasonable likelihood of impacting the Company's viability over the five-year period.

The long-term resilience of the Company, beyond the Viability statement period, comes from the effective implementation of our business model, continuing to support our Investee Companies growth ambitions and the consistent delivery of our strategic objectives. As the Investee Companies move into their stabilisation phase, we expect them to generate long-term sustainable revenues which will underpin the Company's dividends.

Board Approval of the Strategic Report

The Strategic Report has been approved by the Board of Directors and signed on its behalf by the Chair.

Phil Jordan
Chair

8 March 2023


WAITINGS

Governance

Chair's Introduction

I am pleased to present the Company's Corporate Governance Report which covers the year ended 31 December 2022. The Board acknowledges that strong corporate governance is integral to the achievement of the Company's objectives and provides the foundation for open, informed and transparent communication with our shareholders. The Board continue to work together effectively to deliver long-term success for the Company.

During the year I was appointed as Chair of the Board and Aaron Le Cornu joined the Board as a Non-Executive Director and Chair of the Management Engagement Committee. A detailed induction process was undertaken by us both to ensure a streamlined transition and succession.

This section of the Annual Report sets out the corporate governance principles the Board has adopted, how these have been applied and highlights the key governance events which have taken place during the period.

/ STATEMENT OF COMPLIANCE

The Board of Digital 9 Infrastructure plc 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 Digital 9 Infrastructure plc.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been supported by the Jersey Financial Services Commission provides more relevant information to shareholders.

The Company has complied with the Principles and Provisions of the AIC Code or otherwise explained non-compliance below.

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.

Provision	Explanation
37, 38, 41, 42. Establishment and reporting of a remuneration committee	The Group does not have any executive Directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element; the Board does not consider it necessary to establish a separate remuneration committee and those functions are undertaken by the Board as a whole.

On behalf of the Board:

P. V. Jordan

Phil Jordan
Chair

8 March 2023

Board of Directors

\ PHIL JORDAN

Independent Chair

Appointed: 23 May 2022

Skills and experience: Phil Jordan has a successful track record in the digital infrastructure and technology sectors, both in an executive and non-executive capacity. Phil's executive career includes country, regional and group Chief Information Officer roles, including spending over 10 years at Vodafone, over seven years with Telefonica, where in addition to the Group CIO role, he was CEO and then Chair of Telefonica Global Technology. He retired as Group CIO of Sainsbury's on 3 March 2023, a role he has held for over four years.

He has also acted as a Non-Executive industry adviser to HSBC and was a Non-Executive director of Talk Talk Telecom Group PLC until it was taken private in 2021.

Committee memberships:
Nomination Committee
Risk Committee
Management Engagement Committee.

Principal external appointments:
J Sainsbury plc (Group Chief Information Officer) (retired 3 March 2023)

\ LISA HARRINGTON

**Independent Non-Executive Director,
Senior Independent Director (effective 13 February 2023)**

Appointed: 5 March 2021

Skills and experience: Lisa Harrington is a tech executive and has spent 25 years growing and transforming business across a range of sectors including telecommunications, technology and utilities. Joining British Telecom ("BT") in 2007, Lisa spent 10 years in a range of leadership positions with her final role being Chief Customer Officer BT Group, reporting to the CEO. In 2021, Lisa held the interim Managing Director role at Hyperoptic Ltd, a private equity backed fibre alternative network. Lisa is currently a Non-Executive Director of Post Office Limited, a Non-Executive Director of SEG Ltd, and a Non-Executive Director of Truespeed Communications Ltd. Lisa is also a Trustee of the Children's Book Project and an Advisory to the Cabinet Office. Lisa has previously held Non-Executive posts on the boards of Southern Water, West London NHS Mental Health Trust and Calisen plc (FTSE 250). She started her career at Accenture in Ireland and the UK and, more recently, was managing director Tech Learning Division of QA Limited, one of the biggest tech and cyber skills providers in the UK.

Committee memberships:
Audit Committee
Management Engagement Committee
Nomination Committee (Chair)

Principal external appointments:
Post Office Ltd (Director)
Truespeed Communications Ltd (Director)
Supporting Education Group Ltd (Director)

\ KEITH MANSFIELD

Non-Executive Director,
Senior Independent Director (up to 13 February 2023)

Appointed: 5 March 2021

Skills and experience: Keith Mansfield is a Chartered Accountant by background and brings extensive accountancy experience, having worked at PricewaterhouseCoopers LLP ("PwC") for over 30 years, during which time he served as Chair of PwC in London responsible for assurance, tax and advisory services. As a partner for 22 years, he advised many public and private companies across a range of industry sectors. Keith is a Non-Executive Director (and Chair of the Audit Committee) of Tritax EuroBox plc and Motorpoint Group plc. He is also Chair of the board of Albermarle Fairoaks Airport Limited

Committee memberships:
Audit Committee (Chair)
Management Engagement Committee

Principal external appointments:
Tritax EuroBox plc (Director)
Motorpoint Group Plc (Director)

\ CHARLOTTE VALEUR

Independent Non-Executive Director

Appointed: 5 March 2021

Skills and experience: Charlotte Valeur has over 40 years' experience in finance, primarily in Denmark and UK. Charlotte's previous non-executive roles include Chairing Kennedy Wilson Europe Real Estate Plc (FTSE 250) and DW Catalyst Fund Ltd, and Non-Executive Director on the boards of 3i Infrastructure Plc (FTSE 250), NTR Plc, Renewable Energy Generation Limited and JPMorgan Convertibles Income Fund Ltd. She was also the former Chair of the UK Institute of Directors. She is currently Non-Executive Director of The Bankers Investment Trust plc, Chair of Blackstone/GSO Loan Financing Ltd, a Non-Executive Director of Laing O'Rourke Ltd, and a member of the Primary Markets Group of the London Stock Exchange.

Committee memberships:
Nomination Committee
Risk Committee (Chair)

Principal external appointments:
The Bankers Investment Trust plc
Blackstone GSO Loan Financing Ltd (Chair)
Laing O'Rourke Corporation Ltd (Director)
Global Governance Group (Director)

\ AARON LE CORNU

Independent Non-Executive Director

Appointed: 1 April 2022

Skills and experience: Aaron Le Cornu comes from a financial background, having qualified as a Chartered Accountant with Arthur Andersen and worked for HSBC for over 10 years. During his time with HSBC, he held several board positions for HSBC subsidiaries, including as Deputy CEO for HSBC International and was also involved in acquisitions such as the purchase of Marks & Spencer Money. He has since held a number of senior executive roles including at Ogier (offshore legal and fiduciary services provider), Elian (a fiduciary firm headquartered in Jersey) and, latterly, at GLI Finance, an alternative finance provider and strategic investor in numerous fintech platforms. Aaron is currently the Chair of the abrdn Capital Offshore Strategy Fund Ltd. He also served as a Non-Executive Director for Jersey Electricity plc, having stepped down in 2021 after 10 years on the board.

Committee memberships:
Audit Committee
Risk Committee
Management Engagement Committee (Chair)

Principal external appointments:
abrdn Capital Offshore Strategy Fund Ltd (Chair)

Corporate Governance

\ RESPONSIBILITIES

The Board is responsible for leading and controlling the Company and has oversight over the management and conduct of the Company's business, strategy and development. The Board determines the Investment Objectives and Investment Policy and risk appetite. Any matters that have had a material impact upon the Company or any of its subsidiaries will be referred to the Board of Directors of the Company.

The Board is responsible for the control and supervision of the Investment Manager (also the Company's AIFM) and for compliance with the principles and recommendations of the AIC Code. The Board ensures the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls), and reviews the overall effectiveness of systems in place. The Board is responsible for the approval of any changes to the capital, corporate and/or management structure of the Company.

The Board's main focus is to promote the long-term sustainable success of the Company, to deliver value for shareholders and contribute to wider society. The Board does not routinely involve itself in day-to-day business decisions but there is a formal schedule of matters that requires the Board's specific approval, as well as decisions that can be delegated to the Board Committees or the Investment Manager.

The key matters reserved to the Board, include but are not limited to:

- Board membership and powers including the appointment and removal of Board members;
- Review of the structure, size and composition of the Board, taking account of the recommendations of the Nomination Committee;
- Ensuring an adequate Board succession planning, taking into account the recommendations of the Nomination Committee;
- The appointment or removal of the Company's alternative investment fund manager, reporting accountants, financial advisers, auditor (following appropriate recommendation by the Audit Committee), brokers, company secretary, registrar, receiving agent, depositary and legal counsel;
- Undertaking of a formal and rigorous annual review of its own performance and that of Board Committees and individual Directors;
- Managing conflict of interests of Directors;
- Overall leadership of the Company and setting of its purpose, culture, values and standards;
- Setting the Company's investment/business strategy, including the ongoing review of the Company's investment objective and investment policy and recommending to Shareholders the approval of alterations thereto (if any);
- Annual assessment of significant risks and effectiveness of internal controls following recommendations from the Risk Committee;
- Approval of contracts not in the ordinary course of business including entry into/variation/termination of agreements with the Company's alternative investment fund manager, company secretary/administrator, registrar, depositary and any other material advisers or service providers;
- Approval and issue of the half yearly results, half yearly report, annual results and annual report;
- Ensuring the maintenance of a system of internal controls and risk management;
- Review of the Company's corporate governance arrangements and annual review of continuing compliance with the AIC Code of Corporate Governance published by the AIC from time to time;
- Periodic review and continued approval of the agreements of, or changes to, the Investment Manager and other service providers; and
- Material changes relating to the strategic capital structure of the Group.

\ BOARD MEMBERSHIP AND ATTENDANCE

During the period to 31 December 2022, the number of meetings attended by each Director was as follows:

Director	Board*	Audit Committee*	Risk Committee*	Nomination Committee*	Management Engagement Committee*
Jack Waters**	5/5	n/a	1/1	n/a	n/a
Keith Mansfield	13/13	3/3	n/a	n/a	2/2
Lisa Harrington	13/13	3/3	n/a	2/2	2/2
Charlotte Valeur	13/13	n/a	2/2	2/2	2/2
Monique O'Keefe**	4/5	1/1	1/1	n/a	n/a
Phil Jordan***	8/8	n/a	1/1	2/2	1/1
Aaron Le Cornu***	8/8	2/2	1/1	n/a	1/1

*Number of scheduled meetings attended/maximum number of meetings that the Director could have attended.
**Jack Waters resigned as Chair and Non-Executive Director and Monique O'Keefe resigned as Non-Executive Director on 23 May 2022.
***Aaron Le Cornu was appointed as Non-Executive Director with effect from 1 April 2022 and Phil Jordan was appointed as Chair and Non-Executive Director with effect from 23 May 2022, immediately following the 2022 AGM.

Of the 13 Board meetings held in the period, four were scheduled quarterly Board Meetings, there was one strategy day and the additional Board meetings were convened to discuss various matters including, but not limited to, potential acquisitions, debt and equity raising, and the transition to the premium segment of the Main Market of the London Stock Exchange.

\ COMPOSITION

The Company has a Non-Executive Chair and four other Non-Executive Directors, including a Senior Independent Director, all of whom were considered independent on and since their appointment. All the Directors are independent of the Investment Manager.

Phil Jordan is the Chair of the Board and is responsible for the Board's overall effectiveness in directing the Company. The Chair, in conjunction with the Company Secretary, ensures that accurate, timely and clear information is circulated to the Directors, and that sufficient time is given in meetings to consider and discuss all agenda items thoroughly. He promotes a culture of openness and constructive debate to ensure the effective contribution of all Directors, facilitating a co-operative environment between the Investment Manager and the Directors, and encourages Directors to critically examine information and reports to constructively challenge the Investment Manager and hold third party service providers to account where appropriate.

The Chair has put mechanisms in place to ensure effective communication between shareholders and the Board, to ensure that their views, issues and concerns are considered as part of the decision-making process. Keith Mansfield was the Senior Independent Director during the period, and was succeeded by Lisa Harrington with effect from 13 February 2023. If required, the Senior Independent Director will act as a sounding board and intermediary for the other Directors and shareholders.

The Directors hold or have held senior positions in industry and commerce and contribute a wide range of skills, experience and objective perspective to the Board. The Board committees allow the Directors to focus in greater detail and depth on key matters such as strategy, governance, internal controls and risk management.

The Directors' other principal commitments are listed on pages 138 to 141. During the year, the Board satisfied itself that all Directors were and remain able to commit sufficient time to discharge their responsibilities effectively having given due consideration to their other significant commitments. Changes in any Director's commitments outside the Group are required to be, and have been, disclosed and approved prior to the acceptance of any such appointment. No external appointments accepted during the year were considered to be significant for the relevant directors, taking into account the expected time commitment and nature of these roles.

\ BOARD COMMITTEES

The Board has established a Management Engagement Committee, an Audit Committee, a Nomination Committee and a Risk Committee. Given that the Company has no executive Directors or other employees, the Board does not consider it necessary to establish a separate remuneration committee and those functions are undertaken by the whole Board. The functions and activities of each of the committees are described in their respective reports.

\ BOARD MEETINGS

The Board meets formally on, at least, a quarterly basis with additional meetings as required from time to time. The Chair, in conjunction with the Company Secretary, sets the agenda for meetings and ensures that Directors receive accurate, clear and timely information to help them to discharge their duties. The Board receives periodic reports from the Investment Manager detailing the performance of the Group. The Meetings focus on discussing reports from the Investment Manager, review of portfolio performance, pipeline and regulatory matters.

\ DISCUSSIONS OF THE BOARD

During the period, the following were the key matters considered by the Board:

- Approval of various Company policies;
- Appointments of Phil Jordan and Aaron Le Cornu;
- Review of the Investment Management Agreement and other service provider agreements;
- Consideration of five acquisitions during the year, including the acquisition of Arqiva;
- Oversight of Investee Company performance and asset management initiatives;
- Consideration of the path to dividend coverage;
- Liquidity and growth capital expenditure pipeline.
- Pipeline review and monitoring;
- Input into investment opportunities being reviewed by the Investment Manager in its role as the AIFM;
- Review and approval for processes to seek complementary sources of growth capital;
- Review and approval of the annual expense budget;
- Review of the Company's risk appetite;
- Declaration of the Company's interim dividends;
- Review and consideration of the proposed amendments to the Company's Investment Policy, that following the consultation with shareholders, were approved at the General Meeting on 14 February 2022;
- Review and approval of the revolving credit facility entered into by the Group;
- Departure of Investment Manager personnel;
- The Investment Manager's process to replace the personnel who left during the year and discussions of criteria for new Head of Digital Infrastructure;
- Approval of various matters in connection with an additional fundraise carried out by the Company during the period; and
- Various matters in connection with the Company's admission to the Premium Segment of the London Stock Exchange and FTSE 250.

\ PERFORMANCE EVALUATION

The Directors recognise that an evaluation process is a significant opportunity to review the practices and performance of the Board, its Committees and its individual directors to implement action to improve the Board's effectiveness and contribute to the Company's success. The Board conducts a formal annual evaluation process and, recognising the importance of this process, intends to conduct an externally facilitated evaluation once every three years. The first externally facilitated evaluation will be undertaken in respect of the year ending 31 December 2023.

The Directors were asked to complete a questionnaire, that considered amongst other areas, the Board and Committees, Board composition and diversity, leadership, efficiency of Board processes and stakeholder engagement.

Having conducted its performance evaluation, the Board believes that it has been effective in carrying out its objectives and that each individual Director has been effective and demonstrated commitment to the role. The Board discussed the challenges and opportunities identified through the evaluation and agreed appropriate development points on which progress will be assessed in the next financial year.

The Board discussed the key challenges and opportunities that were identified through the performance evaluation and agreed appropriate development points on which progress will be assessed in the next financial period.

Challenges and Opportunities	2023 Development Points
Key Performance Indicators	The Board could spend more time further analysing performance against an enhanced set of KPIs that reflect the genuine metrics by which the Company assesses progress. KPIs should include robust targets and should be appropriately monitored, tracked and used for forward-planning.
Communication and quality of information	More frequent reporting on an informal basis should be implemented to ensure the Board is provided with up-to-date information and is aware and able to oversee emerging risks.
ESG development	The Company can continue to develop its sustainability approach and targets to ensure they are clearly defined and sufficiently embedded into the Company's investment process.
Board diversity	Whilst the Board has the right mix of skills, experience and expertise, diversity could be increased to further enhance the composition and balance of the Board.
Consistency of service provider performance	The performance of service providers should be monitored periodically with greater scrutiny to address underperformance.

The progress the Board has made against its 2022 development points is set out below.

2022 Development Points	Progress made
To put in place a shareholder engagement programme for the financial year ending 31 December 2022 and coordinate further opportunities for the Board to engage with its shareholders directly and proactively.	A shareholder engagement programme was developed during the year and comprehensive shareholder engagement was undertaken.
To dedicate more time to considering and refreshing the Company's strategy, in particular taking into account developments in the external environment.	Dedicated strategy days were held on 7 and 8 February 2023, with a focus on Company and Group Strategy.
To dedicate more time to enhance the professional development of the Directors to continuously improve knowledge and skills.	The Directors undertook training during the year including on Takeover Defence and ESG.
To re-examine information flow and timing to allow for greater scrutiny.	Where possible, earlier drafts of documentation and information have been provided, and monthly meetings have been scheduled to allow for a more orderly flow of information. Regularly consider how to improve communications further.
To regularly review Director remuneration to ensure that it is set at a level to retain high calibre Directors with the skills and experience necessary for their role.	During the year, Directors' remuneration was considered with reference to a remuneraton benchmarking analysis.

\ CONFLICTS OF INTEREST

The Company operates a conflict of interest policy that has been approved by the Board and sets out the approach to be adopted and procedures to be followed where an individual who is, or is to be appointed as, a Director of the Company and such other persons to whom the Board has from time to time determined that this policy shall apply, or a person connected with any such a person, has an interest which conflicts, or potentially may conflict, with the interests of the Company or his or her duties in respect of the Company. It is the responsibility of each individual Director to avoid an unauthorised conflict of interest situation arising. All Directors must inform the Board as soon as they become aware of the possibility of an interest that conflicts with, or might possibly conflict, with the interests of the Company. A register of conflicts is maintained by the Company Secretary and is reviewed at Board meetings to ensure that any authorised conflicts remain appropriate. The Directors are required to confirm at these meetings whether there has been any change to their position.

The Company reserves the right to withhold information relating, or relevant, to a conflict matter from the Director concerned and/or to exclude the Director from any Board information, discussions or decisions which may or will relate to that conflict matter where the Chair or the Board considers that it would be inappropriate or prejudicial to the interests of the Company for him or her to take part in such discussion or decision or receive such information. Procedures have been established to monitor actual and potential conflicts of interest on a regular basis and the Board is satisfied that these procedures are working effectively.

The Investment Manager maintains conflict of interest policies to avoid and manage any conflicts of interest that may arise between themselves and the Group. The Investment Manager has established a clear and robust framework to ensure that any conflicts of interest are appropriately managed.

\ PROFESSIONAL DEVELOPMENT

The Directors received a comprehensive induction programme on joining the Board that covered the Group's investment activities, the role and responsibilities of a Director and guidance on corporate governance and the applicable regulatory and legislative landscape. An induction process was undertaken for Phil Jordan and Aaron Le Cornu during the year.

The Directors' training and development will ordinarily be considered as part of the annual Board performance evaluation and, in any event, the Chair regularly reviews and discusses any development needs with each Director. Each Director is aware that they should take responsibility for their own individual development needs and take the necessary steps to ensure they are fully informed of regulatory and business developments.

During the period, the Directors received periodic guidance on regulatory and compliance changes at quarterly Board meetings.

\ SHAREHOLDER ENGAGEMENT

The Board seeks to attract long-term investors in the Company and acknowledges the importance of building and maintaining strong relationships to achieve this. The Board and the Investment Manager regularly discuss, amongst other things, the views of the Company's shareholders. The Company's Corporate Broker also speaks to shareholders regularly and ensures shareholder views are clearly communicated to the Board. The Board take responsibility for, and have a direct involvement in, the content of communications regarding major corporate matters.

Since the departure of Investment Manager personnel in November 2022, and following the Trading Update in January 2023, the Chair, with other Directors and/or the Investment Manager as appropriate, have met with a number of shareholders to understand their views; which have been fed back to the Board.

The Company will be hosting a Capital Markets Day on Monday 20 March. Further details of the event can be found in the announcement released on 13 February 2023.

The Company's next Annual General Meeting will be held on 18 May 2023, at which shareholders are encouraged to attend and vote, along with any other shareholder meetings, so they can discuss governance and strategy and the Board can enhance its understanding of shareholder views. The Board will attend the Company's shareholder meetings to answer any shareholder questions and the Chair will make himself available, as necessary, outside of these meetings to speak to shareholders.

The Board is committed to providing investors with regular announcements of significant events affecting the Group.

In addition, the Board will also seek to communicate with shareholders regularly through the following: annual and interim accounts; quarterly factsheets, investor presentations and capital markets day.

The Board welcomes feedback from all shareholders because understanding the views of its shareholders is a fundamental principle of good corporate governance. Strong engagement with shareholders and stakeholders is vital to achieving this.

All investor documentation is available to download from the Company's website https://www.d9infrastructure.com/

\ WHISTLEBLOWING

The Board has considered the AIC Code recommendations in respect of arrangements by which staff of the Investment Manager or Administrator may, in confidence, raise concerns within their organisations about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for the proportionate and independent investigation of such matters and, where necessary, for appropriate follow-up action to be taken within their organisations.

Audit Committee Report

The following pages set out the Audit Committee's report on how it has discharged its duties in accordance with the AIC Code and its activities in respect of the period ended 31 December 2022.

The Audit Committee has been in operation throughout the period and operates within clearly defined terms of reference.

\ RESPONSIBILITIES

The Audit Committee has the primary responsibility for reviewing the financial statements and the accounting principles and practices underlying them, liaising with the external auditors and reviewing the effectiveness of internal controls.

The main role of the Audit Committee is to:

- monitor the integrity of the financial statements of the Company and any formal announcements relating to the financial performance and reviewing significant financial reporting judgements contained in them;
- provide formal and transparent arrangements for considering how to apply the financial reporting and internal control principles set out in the AIC Code and to maintain an appropriate relationship with the external auditors;
- review the investment valuations and underlying assumptions and provide advice to the Board;
- provide advice to the Board on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- monitor the integrity of the financial statements of the Company and any formal announcements relating to the financial performance and reviewing significant financial reporting judgements contained in them;
- review the internal financial controls and the internal control and risk management systems of the Company;
- review the adequacy of the Company's arrangements as they relate to compliance, whistleblowing and fraud;
- make recommendations to the Board to put to the shareholders for their approval in general meeting in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- report to the Board on significant issues relating to the financial statements and how they were addressed; its assessment of the effectiveness of the audit process; any key matters raised by the external auditor and any other issues on which the Board has requested the Committee's opinion;
- consider the need for the Company to establish an internal audit function at Company level; and
- report to the Board on how it has discharged its responsibilities.

\ COMMITTEE MEMBERSHIP

The Audit Committee comprises the Chair of the Committee Keith Mansfield, Lisa Harrington and Aaron Le Cornu.

The Board is satisfied that at least one member of the Audit Committee has recent and relevant financial experience. Keith Mansfield is a Chartered Accountant by background and brings extensive accountancy experience, having worked at PricewaterhouseCoopers LLP ("PwC") for over 30 years, during which time he served as Chair of PwC in London responsible for assurance, tax and advisory services. Furthermore, Aaron Le Cornu has a financial background, having qualified as a Chartered Accountant with Arthur Andersen, worked for HSBC for over ten years and previously held Chief Financial Officers positions. The Board is also satisfied that the Committee as a whole has competence relevant to the sector in which the Group operates.

\ MEETING ATTENDANCE

The Committee met three times in the financial year, and the meetings were attended by each member as follows:

Director	Attendance
Keith Mansfield	3/3
Lisa Harrington	3/3
Monique O'Keefe*	1/1
Aaron Le Cornu**	2/2

* Monique O'Keefe resigned as Non-Executive Director on 23 May 2022

** Aaron Le Cornu was appointed as Non-Executive Director and member of the Audit Committee with effect from 1 April 2022

\ ACTIVITIES

The Audit Committee meets at least three times a year to consider the annual report, interim report, any other formal financial performance announcements, and any other matters as specified under the Committee's terms of reference and reports to the Board on how it discharged its responsibilities.

During the period, amongst other matters, the Committee reviewed and recommended to the Board for approval, the interim report for the period ended 30 June 2022, reviewed the non-audit services policy, reviewed internal control reports from key service providers, and met with PricewaterhouseCoopers LLP (PwC), the external auditors, to discuss and agree audit plans.

\ PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on pages 146 to 147 detailing how the review of the audit committee's performance was conducted, and the results of such an evaluation.

\ INTERNAL CONTROL AND RISK MANAGEMENT

The Company has put in place a process for identifying, evaluating and managing the principal and emerging risks faced by the Company. The Board has satisfied itself that the procedures for identifying the information needed to monitor the business and manage risks are robust. The adequacy and effectiveness of the Company's internal control and risk management systems, and the implementation of such controls are monitored by the Audit Committee and the Risk Committee. The Company has the following internal controls.

- Internal control reports of the Investment Manager, Administrator and Depository are reviewed by the Audit Committee;
- There is an agreed and defined Investment Policy, with specified exposure limits; and
- Compliance reporting is reviewed at each Board meeting.

\ INTERNAL AUDIT

Company

The Audit Committee has considered the appropriateness of establishing an internal audit function at the Company level and, having regard to the size and nature of the Company and have continued to conclude that the function is not necessary at a Company level at this time. The Audit Committee will continue to review on an annual basis the need for this function and make appropriate recommendations to the Board.

Investee Companies

The Audit Committee have undertaken a review of the Company's Investee Companies to establish if an internal audit function at Investee Company level would be appropriate to provide assurance that risk management, governance and internal control processes are operating effectively at an operating investment level. Following consideration, the Audit Committee have concluded that an internal audit of the Investee Companies should be undertaken, and a plan has been agreed to initiate this process.

\ SIGNIFICANT AREAS OF FOCUS

The following details the key areas of focus by the Audit Committee in relation to the financial statements for the period, which were discussed and debated with the Investment Manager and PwC.

SIGNIFICANT ISSUES CONSIDERED BY THE AUDIT COMMITTEE

Application of Investment Entity Accounting Standard

Under IFRS 10, investment entities are required to hold subsidiaries at Fair Value through the Statement of Comprehensive Income rather than consolidate them on a line-by-line basis. There are three key conditions to be met by the Company for it to meet the definition of an investment entity. Further detail on this can be found in Note 2(b) to the Financial Statements.

The Directors have reviewed the criteria and satisfied that the Company meets the criteria of an Investment Entity under IFRS 10. As explained in Note 2(b) to the financial statements, the Directors are of the opinion that the Company meets the requirements of an "Investment Entity". Assessing whether the Company and certain subsidiaries met the criteria of Investment Entities, in accordance with the definition set out in IFRS 10 was seen as a key judgement.

The Audit Committee debated the appropriateness of the current application of the standard with the Investment Manager and independent auditor. The Audit Committee concluded that applying the investment entity exemption to IFRS 10 will improve stakeholders' understanding of the financial performance and position of the Company.

Valuation of Investments

The Fair Value for an investment is derived from the present value of the investments' expected future cash flows, using reasonable assumptions and forecasts, and an appropriate discount rate.

During the period, after consultation with its advisers, the Company decided to make a slight change to its valuation methodology. Its investments are still being valued using a discounted cash flow approach, but they are now being valued on a Free Cash Flow to Equity ("FCFE") basis rather than Free Cash Flow to the Firm ("FCFF"). A cost of equity has been used as the discount rate, replacing a cost of capital. Going forward, the Company will continue to value its investments on a FCFE basis, incorporating the Investee Companies' debt structuring ambitions when confirmed by the respective Boards of those companies.

The main Level 3 inputs used by the Group are derived and evaluated as follows:

- The Investment Manager uses its judgment in arriving at the appropriate cost of equity to use a discount rate that reflects the current market assessment. This considers specific risks associated with the Company, which may be differentiated by the phase of the investment's life (e.g. in construction or in operation) and evolve over time. The applied cost of equity range from 9.1% to 15.2%.
- Expected cash inflows are estimated based on terms of the contracts and the Company's knowledge of the business and how the current economic environment is likely to impact it, taking growth rate and inflation assumptions into consideration.
- Risk free rate of 3.9%, reflecting the long-term rate for the US economy, with the US dollar being the base currency for Aqua Comms and Verne Global Iceland.
- Pre-tax cost of debt between 8.2% and 8.5%.

The Audit Committee and the Independent Valuation Adviser have considered the value of investments and discount rates applied and consider that the valuations derived are appropriate.

Going concern and viability statement

The Board is required to consider and report on the longer-term viability of the business as well as assess the appropriateness of applying the going concern assumption. More detail can be found on pages 130 to 132.

The Audit Committee has considered and had in-depth discussion regarding the solvency and liquidity position of the Company from the financial statements and the information provided by the Investment Manager on the forecasted cashflow for the Company and expected pipeline. As a result, the Audit Committee consider that it is appropriate to adopt the going concern basis of preparation of the financial statements.

\ EXTERNAL AUDITORS, AUDIT FEES AND NON-AUDIT SERVICES

PwC were appointed as the external auditors of the Company on 5 March 2021 with Kevin Rollo as the audit partner. It is the Audit Committee's responsibility to monitor the performance, objectivity, and independence of the external auditors and this is assessed by the Audit Committee each year. In evaluating PwC's performance, the Committee examines the robustness of the audit process, independence, objectivity and the quality of delivery.

On an annual basis the Audit Committee will review the external auditors' performance, objectivity, and independence.

The Audit Committee has approved a non-audit services policy that determines the services that PwC can provide and the maximum fee that may be raised for non-audit services in comparison to the statutory audit fee. The Audit Committee reviewed the policy during the financial year and will continue to monitor the policy on a regular basis to ensure that the external auditor remains objective and independent. The policy will also be reviewed annually to ensure it continues to be in line with best practice. Any proposed changes to the policy are recommended to the Board for approval.

Any arrangement with the auditor that includes contingent fee arrangements is not permitted. In addition, the total fees for non-audit services provided by the auditor to the Group shall be limited to no more than 70% of the average of the statutory audit fee for the Company, of its controlled undertakings and of the financial statements paid to the auditor in the last three consecutive financial years. Total average fees paid to PwC during the last two periods totalled £389,910 of which £111,270 was received for non-audit services, being 29% of the audit services fee. The nature of the non-audit services included the half year review and ESG assurance service. PwC were selected to undertake these services due to the efficiencies attained from their in-depth knowledge of the Company's financial information and business models.

Keith Mansfield
Audit Committee Chair

8 March 2023

Management Engagement Committee Report

\ RESPONSIBILITIES

The main function of the Management Engagement Committee is to keep under review the performance of the Investment Manager (which is the Company's AIFM) and to make recommendations on any proposed amendment to the Investment Management Agreement.

The Committee also regularly reviews the composition of the key executives performing the services on behalf of the Investment Manager.

The Committee also monitors and evaluates the performance of other key service providers to the Company.

The Management Engagement Committee has been in operation throughout the period and operates within clearly defined terms of reference.

\ COMMITTEE MEMBERSHIP

The Management Engagement Committee comprises Aaron Le Cornu who Chairs the Committee, Keith Mansfield and Lisa Harrington.

\ MEETING ATTENDANCE

The Committee met twice during the financial year, and the meetings were attended by each member as follows:

Director	Attendance
Aaron Le Cornu*	1/1
Keith Mansfield	2/2
Lisa Harrington	2/2

* Aaron Le Cornu was appointed as Non-Executive Director with effect from 1 April 2022

\ ACTIVITIES

During the year, the Committee monitored and reviewed the performance of the Investment Manager against the Company's strategy and general market conditions, and considered the Investment Manager's performance against the Investment Management Agreement. The Committee also reviewed the performance of the key service providers to the Company to ensure that the services provided are in accordance with each supplier's terms of engagement, are high quality and represent fair value for money.

The Management Engagement Committee recommend the appointment of new service providers to the Board. These appointments follow a tender process in which the experience and capabilities of relevant providers were assessed against the requirements of the Company, taking into account the results of the annual service provider evaluation. Since 31 December 2021, following recommendation by the Management Engagement Committee, the Board has appointed:

- FTI Consulting as Communications Adviser to the Company;
- Deloitte UK LLP as Tax Adviser to the Company; and
- INDOS Financial Limited as Depositary to the Company.

Where appropriate, feedback was provided to the Investment Manager and key service providers to enhance the level of service provided by the Company.

\ PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on pages 146 to 147 detailing how the review of the Management Engagement Committee's performance was conducted, and the results of such an evaluation.

\ MANAGEMENT ARRANGEMENTS

The Company operates an externally managed alternative investment fund for the purposes of the AIFMD. In its role as AIFM, the Investment Manager is responsible for the portfolio management and risk management of the Company pursuant to the AIFMD subject to the overall control and supervision of the Board.

Under the Investment Management Agreement, the Investment Manager is entitled to receive an annual management fee on the following basis:

Adjusted Net asset value	Annual Management Fee (percentage of Net Asset Value)
On such part of the Adjusted Net Asset Value that is up to and including GBP 500 million	1.0%
On such part of the Adjusted Net Asset Value that is above GBP 500million and up to and including GBP 1 billion	0.9%
On such part of the Adjusted Net Asset Value that exceeds GBP 1 billion	0.8%

The annual fee paid to the Investment Manager under the Investment Management Agreement for the period ended 31 December 2022 was £7.7 million. There is no performance fee payable to the Investment Manager.

The Investment Management Agreement may be terminated by the Investment Manager or the Company by not less than 12 months' written notice, with such notice not being served before the fourth anniversary of the date of Initial Admission, being 31 March 2025.

On 16 March 2022, the Board approved a side letter to the Investment Management Agreement that clarified certain provisions in connection with the calculation of the Annual Management Fee, principally to remove the potential for double counting of deployed capital. The amendments do not result in any benefit to the Investment Manager and were considered appropriate to remove ambiguity from the Investment Management Agreement.

\ CONTINUING APPOINTMENT OF THE INVESTMENT MANAGER

Following the Committee's review of the performance of the Investment Manager during the year, the Committee recommended to the Board, and the Board agreed, to the continuing appointment of the Investment Manager.

The Committee will continue to review the performance of the Investment Manager and the other key service providers, to ensure that their appointment remains in the best interests of shareholders as a whole.

Aaron Le Cornu
Management Engagement Committee Chair

Nomination Committee Report

\ RESPONSIBILITIES

The Nomination Committee's main function is to evaluate the performance of the Board, ensure the Board composition, skills and experience are optimal, lead the process for appointments, ensure plans are in place for orderly succession to the Board, oversee the development of a diverse pipeline for succession and any other matters as specified under the Committee's terms of reference. This includes ensuring that any appointments and succession plans are based on merit and objective criteria, and, within this context, promotes diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Nomination Committee has been in operation throughout the year and operates within clearly defined terms of reference.

\ COMMITTEE MEMBERSHIP

The Nomination Committee comprises Lisa Harrington Chair of the Committee, Phil Jordan and Charlotte Valeur.

The Nomination Committee met twice during the year, both meetings were attended by all members.

Director	Attendance
Lisa Harrington	2/2
Charlotte Valeur	2/2
Phil Jordan	2/2

\ ACTIVITIES

The Nomination Committee met twice in the year during which it discussed matters including but not limited to: tenure policy, diversity policy, board composition, board skills, board experience, succession planning, time commitments, and the Listing Rule requirements on Board diversity.

\ APPOINTMENT AND REPLACEMENT OF DIRECTORS

As a result of having been offered the Chief Executive Officer role at a new US based digital infrastructure operating company, Jack Waters stepped down from the Board at the Company's AGM on 23 May 2022. Similarly, Monique O'Keefe also did not stand for re-election at the Company's AGM on 23 May 2022, to pursue a senior executive role limiting her ability to hold non-executive positions.

On 1 April 2022, Aaron Le Cornu was appointed as Non-Executive Director and on 23 May 2022 Phil Jordan replaced Jack Waters as Chair of the Company.

Details of the succession planning and recruitment process was set out on pages 97-98 of the Annual Report for the year ended 31 December 2021.

\ PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on pages 146 to 147 detailing how the review of the Nomination Committee's performance was conducted, and the results of such an evaluation.

\ RE-ELECTION OF DIRECTORS

The Board considers that the performance of each Director continues to be effective and demonstrates the commitment required to continue in their present roles, and that each Director's contribution continues to be important to the Company's long-term sustainable success. This consideration is based on, amongst other things, the business skills and industry experience of each of the Directors (refer to the biographical details of each Director as set out below), as well as their knowledge and understanding of the Company's business model.

The Board has also considered the other contributions which individual Directors may make to the work of the Board, with a view to ensuring that:

i. the Board maintains a diverse balance of skills, knowledge, backgrounds and capabilities leading to effective decision-making;

ii. each Director is able to commit the appropriate time necessary to fulfilling their roles; and

iii. each Director provides constructive challenge, strategic guidance, offers specialist advice and holds third party service providers to account.

All Directors will submit themselves for re-election on an annual basis.

\ TENURE POLICY AND SUCCESSION POLICY

In accordance with best practice, the Board considers that the length of time each Director, including the Chair, serves on the Board should be between six and nine years. To facilitate effective succession planning, this period can be extended for a limited time if necessary.

Continuity, self-examination and ability to do the job are the relevant criteria on which the Board assesses a Director's independence. Length of service of current Directors, succession planning and independence will be reviewed each year as part of the Board evaluation process.

\ DIVERSITY

Diversity and Inclusion Policy

The Board has established and maintains a formal written diversity policy.

The Board recognises the benefits of all types of diversity and supports the recommendations of the Hampton-Alexander Review and the Parker Review. All Board appointments will be made on merit, and promote diversity of all kinds, including: gender, social and ethnic backgrounds, cognitive and personal strengths. This will ensure that any such appointment will develop and enhance the operation of the Board to best serve the Company's strategy.

The importance of diversity in the boardroom, which introduces different perspectives to the Board debate, is a key focus of the Nomination Committee and diversity criteria is taken into active considered when appointing a new individual to the Board. When undertaking the appointment of a new Director, the Nomination Committee will generally instruct an external search consultancy to undertake an open and transparent process that includes potential candidates from a variety of backgrounds.

Members of the Board should collectively possess a diverse range of skills, expertise, industry and business knowledge. The Board will continue to monitor diversity, taking such steps as it considers appropriate to maintain its position as a meritocratic and diverse business.

FCA Listing Rule diversity targets

The Board is committed to maintaining that the Board, as a whole, will have at least 40% representation of either gender. At the period end, the Board comprised of the Chair and four Non-Executive Directors; three male and two female. As required by the Listing Rules, a senior Board position should be held by a woman, and with effect from 13 February 2023 Lisa Harrington was appointed the Senior Independent Director therefore fulfilling this requirement.

Each of the Board's Committees, with the exception of the Management Engagement Committee, has three members and the Board is committed to maintaining that there is at least one female member on each of its Committees.

FCA Listing Rule requirements

The Company is not required to report against the FCA's Listing Rule requirements until the year ending 31 December 2023, however due to the Company's commitment to transparency and increasing diversity, the Company has decided to voluntarily report. The following table sets out the gender and ethnic diversity of the Board as at 31 December 2022 in accordance with the FCA's Listing Rules, the disclosure of which in this report having been approved by each of the Directors:

Gender Diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board[26]
Men	3	60	1
Women	2	40	1
Not specified / prefer not to say	-	-	-
Ethnic Diversity			
White British or other White (including minority white groups)	5	100	2
Mixed/Multiple Ethnic Groups	-	-	-
Asian/Asian British	-	-	-
Black/African/Caribbean/Black British	-	-	-
Other ethnic group, including Arab	-	-	-
Not specified/prefer not to say	-	-	-

26. Senior positions include Chair and Senior Independent Director

The Company has reported against the Listing Rules on diversity and has complied with the targets or otherwise explained non-compliance below.

Requirement	Explanation
A minimum of one board member is from a minority ethnic background	Given the Company's recent admission to the FTSE 250, the Company is committed to progressing towards meeting the recommended targets as soon as possible. A recruitment process, with the assistance of an external search consultancy, is in progress for the recruitment of a sixth Board member; the search is actively encouraging a diverse pool of candidates. For further information on this process, please see below.

During the period, the Board engaged with Board Apprentice, a not-for-profit organisation, which aims to increase diversity on boards globally. Effective 9 November 2022 the Board appointed a board apprentice, Maana Ruia, with the aim for her to gain first-hand experience, through observation, of the working and dynamics of boards. The objective in taking a board apprentice is to grow and widen the pool of board-ready individuals.

As an investment company with solely independent, Non-Executive Directors, the Group does not have a Chief Executive or a Chief Financial Officer and has no employees. Accordingly, no disclosures regarding executive management positions have been included.

\ EXTERNAL SEARCH CONSULTANCY

In identifying suitable candidates for an appointment to the Board, the Nomination Committee will use open advertising or the services of external advisers to facilitate the search.

Alma Mater Resourcing Ltd was engaged for the recruitment of the Chair role, due to their extensive experience in the Digital Infrastructure industry, with Phil Jordan appointed during the year. Maven Partners were appointed for the appointment of a Jersey-based Non-Executive Director due to their extensive network of Jersey candidates with Aaron Le Cornu appointed during the year.*

An external search consultancy, Green Park*, is being used for the recruitment of a sixth Board Director the search is actively encouraging a diverse pool of candidates.

* The Board confirms that there is no connection between the Company or any individual Directors and the external search consultancies used for Director appointments during the period, or to facilitate the candidate search for the role of Non-Executive Director.

\ COMPANY'S SUCCESSION PLANS

The Nomination Committee will give full consideration to the succession planning of the Board as part of the Board's formal annual evaluation to ensure progressive refreshing of the Board, taking into account the challenges and opportunities facing the Board and the balance of skills and expertise that are required in the future.

Lisa Harrington
Nomination Committee Chair

Risk Committee Report

\ KEY OBJECTIVES

The Risk Committee has been established to assist the Board in its oversight of risk through ensuring the Company maintains a high standard of risk identification, monitoring and management to minimise investment risks and any other risks not covered by the Audit Committee.

\ RESPONSIBILITIES

The Risk Committee's key responsibilities are:

- ensuring the Company's compliance with its investment objectives, policies, restrictions and borrowing limits;
- oversee and advise the Board on the current risk exposures of the Company and future risk strategy, including identifying and monitoring the key risks that the Company faces;
- establish the Company's risk appetite, review performance against risk appetite and monitor key trends and concentrations;
- review the Company's procedures for managing and mitigating principal risks; and
- reviewing the Company's systems and controls for the prevention and detection of fraud, bribery, tax evasion and anti-money laundering and any other matters as specified under the Committee's terms of reference.

The Risk Committee has been in operation throughout the period and operates within clearly defined terms of reference.

\ COMMITTEE MEMBERSHIP

The Risk Committee comprises Chair of the Committee Charlotte Valeur, Aaron Le Cornu and Phil Jordan.

\ MEETING ATTENDANCE

The Committee met twice in the financial year, and the meetings were attended by each member as follows:

Director	Attendance
Charlotte Valeur	2/2
Jack Waters*	1/1
Monique O'Keefe*	1/1
Phil Jordan**	1/1
Aaron Le Cornu**	1/1

* Jack Waters resigned as Chair and Non-Executive Director and Monique O'Keefe resigned as Non-Executive Director on 23 May 2022.

** Phil Jordan was appointed as Chair and Non-Executive Director with effect from 23 May 2022, immediately following the AGM, and Aaron Le Cornu was appointed as Non-Executive Director with effect from 1 April 2022.

\ PERFORMANCE EVALUATION

Refer to the above Corporate Governance section on pages 146 to 147 detailing how the review of the Risk Committee's performance was conducted, and the results of such an evaluation.

\ INTERNAL CONTROL AND RISK MANAGEMENT

The Company has put in place an ongoing process for identifying, evaluating and managing the principal and emerging risks faced by the Company. The adequacy and effectiveness of the Company's internal control and risk management systems, and the implementation of such controls are monitored by the Audit Committee and the Risk Committee. The Company has the following internal controls, which are monitored by the Risk Committee.

- The risk appetite was agreed by the Risk Committee, which is designed to supplement the Investment Objectives, Policy and restrictions;
- A risk register identifying risks and controls to mitigate their potential impact/likelihood was maintained by the Investment Manager and reviewed by the Risk Committee; and
- On a bi-annual basis the Risk Committee is provided with an internal control report of its key service providers, including the Investment Manager to review their effectiveness.

\ ACTIVITIES

During the period the Risk Committee carried out the following activities:

- Received reports from the Investment Manager on how the risk management process was being undertaken;
- Reviewed the Company's risk appetite for risks including regulatory risk, concentration risk, reputational risk and key personnel risk;
- Reviewed the Company's risk register; and
- Assessed the Company's principal risks, which are outlined on pages 124 to 128.

Charlotte Valeur
Risk Committee Chair

Directors' Remuneration Report

\ ANNUAL STATEMENT

Dear shareholder,

I am pleased to present the Directors' Remuneration Report on behalf of the Board for the year ended 31 December 2022. It is set out in two sections in line with legislative reporting regulations:

1. Directors' Remuneration Policy – This sets out our Remuneration Policy for directors of the Company, which was approved by shareholders at the Company's 2022 AGM.
2. Annual Report on Directors' Remuneration – This sets out how our directors were paid for the period ended 31 December 2022 and how we intend to apply our Policy for the year ending 31 December 2023. There will be an advisory shareholder vote on the Directors' Remuneration Report at our 2023 AGM.

Prior to our IPO in March 2021, the Company introduced a remuneration framework to ensure that remuneration was aligned with best market practice whilst attracting and securing the right non-executive directors to deliver our investment objectives. The scale and structure of the Directors' remuneration was determined by the Company in consultation with the sponsor and other advisers having been benchmarked against companies of a similar size in the sector and having regard to the time commitment and expected contribution to the role.

The Group does not have any executive directors or employees, and, as a result, operates a simple and transparent remuneration policy with no variable element, that reflects the Non-Executive Directors' duties, responsibilities and time spent.

There have been no major decisions or changes related to the Directors' remuneration during the period.

\ DISCRETION EXERCISED UNDER THE DIRECTORS' REMUNERATION POLICY

At the date of this report, no discretion is intended to be exercised under the Directors' Remuneration Policy.

We value engagement with our shareholders and for the constructive feedback we receive and look forward to your support at the forthcoming AGM.

P. V. Jordan

Phil Jordan
Chair

8 March 2023

Directors' Remuneration Policy

\ APPROVAL OF REMUNERATION POLICY

Our Directors' Remuneration Policy was last approved by shareholders at the Annual General Meeting of the Group held on 23 May 2022 and became effective from the conclusion of that meeting. As consistent with section 439A of the Companies Act 2006, with which the Company voluntarily complies, the provisions of the policy, will apply until they are next put to shareholders for renewal of that approval, which must be at intervals of not more than three years, or if the Remuneration Policy is varied, in which event shareholder approval for the new Remuneration Policy will be sought. The approved Remuneration Policy can be found in the 2021 Annual Report on the Company's website, and is also set out below.

The Remuneration Policy has been prepared in accordance with the Schedule 8 of The Large and Medium-sized Companies and Group's (Accounts and Reports) Regulations 2008. The policy applies to the Non-Executive directors; the Company has no executive directors or employees. There are no planned changes to the policy in the upcoming financial year.

\ REMUNERATION POLICY OVERVIEW

The Company's objective is to have a simple and transparent remuneration structure, aligned with the strategy. The Company aims to provide remuneration packages with no variable element which will retain non-executive directors with the skills and experience necessary to maximise shareholder value on a long-term basis. The remuneration packages for Non-Executive Directors will be set with reference to the remuneration packages of comparable businesses.

The Board will assess the appropriateness of the Remuneration Policy on an annual basis and shareholder approval will be sought in the event of any changes being proposed.

Policy Table

The Directors are entitled only to the fees as set out in the table below from the date of their appointment. No element of Directors' remuneration is subject to performance factors.

Component	How it Operates	Maximum Fee	Link to Strategy
Annual fee	Each Director received a basic fee which is paid on a quarterly basis. The Audit Committee Chair and Risk Committee Chair is entitled to an additional fee over and above their normal Director fee, reflecting their additional duties and responsibilities in those roles.	The total aggregate fees that can be paid to the Directors is as set out in the Company's articles of association.	The level of the annual fee has been set to attract and retain high calibre Directors with the skills and experience necessary for the role. The fee has been benchmarked against companies of a similar size.
Additional fees	Where a Director performs services, which in the opinion of the Board, are outside the ordinary duties of a Director, they will be entitled to an additional fee.	A daily rate of £1,500 for attending additional meetings or time spent on the performance of other duties which result in a Director spending more than five days a month on work for the Company. Any such additional fees will be subject to discussion and approval by the Board.	The additional fee for services outside the scope of ordinary duties offers flexibility for a Director to be awarded additional remuneration to adequately compensate a Director where this is considered appropriate for the effective functioning of, or in furtherance of, the Company's aims.
Other benefits	The Directors shall be entitled to be repaid expenses.	All reasonable travelling, hotel and other expenses properly incurred in the performance of their duties as Director.	In line with market practice, the Company will reimburse the Directors for expenses to ensure that they are able to carry out their duties effectively.

\ SERVICE CONTRACTS

The Directors are engaged under letters of appointment and do not have service contracts with the Company.

\ DIRECTORS' TERM OF OFFICE

Under the terms of the Directors' letters of appointment, each directorship is terminable on three months' written notice by either the Director or the Company. Each Director will be subject to annual re-election by shareholders at the Company's Annual General Meeting in each financial year.

\ POLICY ON PAYMENT FOR LOSS OF OFFICE

Upon termination, a Director shall only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred to that date.

\ CONSIDERATION OF SHAREHOLDER VIEWS

The Company is committed to establishing ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report.

\ ANNUAL REPORT ON DIRECTORS' REMUNERATION

Consideration of Remuneration Matters

The Board does not consider it necessary to establish a separate remuneration committee as it has no executive Directors. The Board as a whole considers the remuneration of the Directors.

Directors' Fees

The Directors are each paid an annual fee of £40,000 other than the Chair of the Audit Committee and Chair of the Risk Committee who is entitled to an additional £5,000 and the Chair of the Company who is entitled to receive an annual fee of £75,000. The annual fee for Jack Waters, the previous Chair of the Company, was £50,000.

Directors are entitled to recover all reasonable expenses properly incurred in connection with performing their duties as a Director.

Per the terms of the Director appointment letter, Directors are entitled to receive a daily rate of £1,500 for attending additional meetings or time spent on the performance of other duties which result in them spending more than five days a month on work for the Company. During the period, no additional fees were incurred.

Single Total Figure (audited information)

The fees paid to Directors in respect of the period ended 31 December 2022 are shown below.

	2022			2021			
Director	**Total fixed remuneration (£)**	**Total expenses (£)**	**Total (£)**	**Total fixed remuneration (£)**	**Total expenses (£)**	**Total (£)**	**Annual change in Directors' Fees (excluding expenses) (%)***
Phil Jordan (appointed 23 May 2022)	45,769	1,467	47,236	0	0	0	n/a
Keith Mansfield	45,000	1,481	59,981	37,039	75	37,114	25.24%
Lisa Harrington	40,000**	54	46,054**	32,923	–	32,923	39.88%
Charlotte Valeur	43,051	1,432	44,483	32,923	–	32,923	35.11%
Aaron Le Cornu (appointed 1 April 2022)	30,000	1,549	31,549	0	–	0	n/a
Jack Waters (Chair) (resigned 23 May 2022)	34,957	0	34,957	45,269	3,481	48,750	n/a
Monique O'Keefe (resigned 23 May 2022)	15,795	0	15,795	32,923	–	32,923	n/a
Total	**260,572**	**5,983**	**266,555**	**181,077**	**3,556**	**184,633**	

* The percentage change from prior year takes into account that the Directors did not receive a full year's remuneration. Their annual fee year-on-year for the individual Directors has not changed.

** An additional fee of £6,000 was paid to Lisa Harrington in recognition of the significant time spent in the year in relation to succession planning for the replacement of Jack Waters and Monique O'Keefe. The extraordinary additional work in managing two current recruitment processes were outside of the ordinary duties of a Director and therefore Lisa Harrington was entitled to an additional fee in line with the Company's Remuneration Policy. The Company does not provide bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as Non-Executive Directors of the Company.

Information required on executive Directors and employees has been omitted because the Company has neither and therefore it is not relevant.

Statement of Directors' Shareholding and Share Interests (Audited table)

Detailed in the table below are details of the Directors' shareholdings as at 31 December 2022.

The Directors are not required to hold any shares of the Company by way of qualification. A Director who is not a shareholder of the Company shall nevertheless be entitled to attend and speak at shareholders' meetings.

	At 31 December 2022	At 31 December 2022	At 31 December 2021	At 31 December 2021
	Number of Shares***	% of share capital	Number of Shares	% of share capital
Phil Jordan**	73,909	0.009	n/a	n/a
Keith Mansfield	86,429	0.010	58,604	0.0081
Lisa Harrington	38,604	0.004	38,604	0.0053
Aaron Le Cornu**	72,500	0.008	n/a	n/a
Charlotte Valeur	10,000	0.001	10,000	0.0014
Jack Waters*	n/a	n/a	70,000	0.0097
Monique O'Keefe*	n/a	n/a	10,000	0.0014

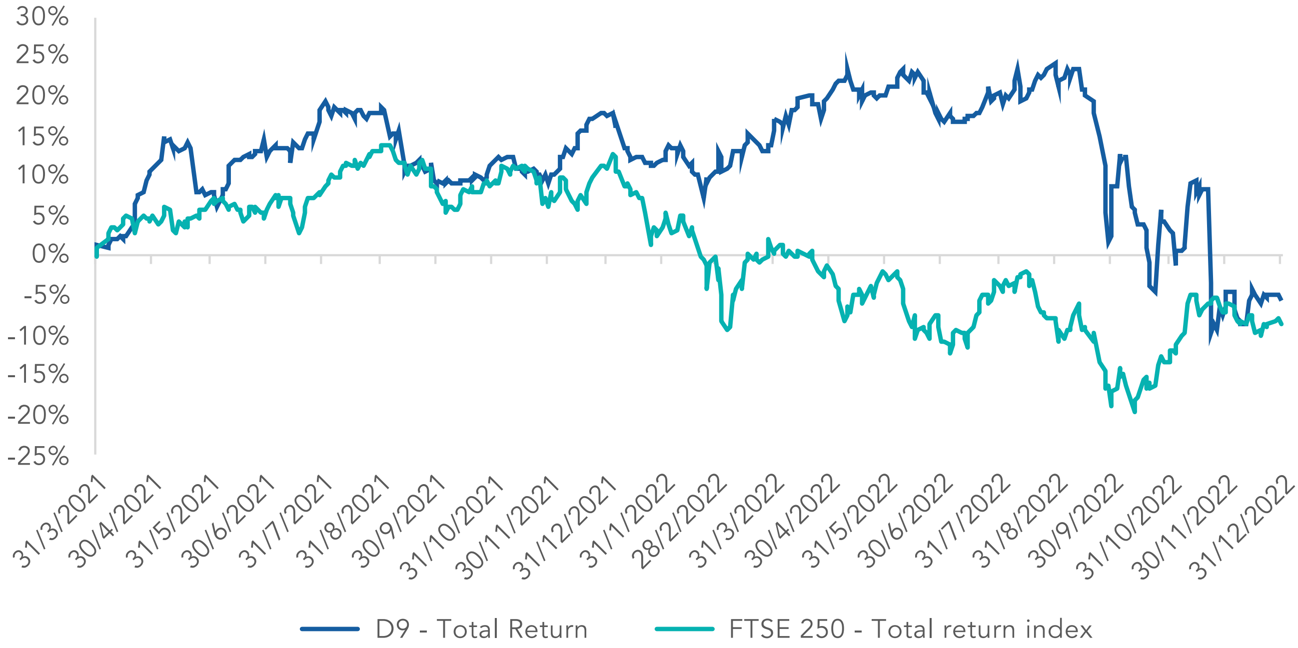
* Jack Waters and Monique O'Keefe resigned as Directors on 23 May 2022.

** Phil Jordan was appointed as Chair and Non-Executive Director with effect from 23 May 2022, immediately following the AGM, and Aaron Le Cornu was appointed as Non-Executive Director with effect from 1 April 2022.

*** The shareholdings of the current Directors of the Company have not changed since 31 December 2022.

Total Shareholder Return

As required under regulation, the graph below illustrates the total shareholder return of the Company from Admission to the end of the financial period. This is mapped against the total shareholder return on a hypothetical holding over the same period in the FTSE 250 index. This index has been chosen as it is considered to be the most appropriate benchmark against which to assess the relative performance of the Company as the Company is a constituent of the FTSE 250, effective 16 December 2022.



Relative Importance of Spend on Pay

The table below shows the total spend on remuneration compared to the distributions to shareholders by way of dividends, share buybacks and the management fees incurred by the Company. As the Group has no employees the total spend on remuneration comprises only the Directors' fees.

	31 December 2022 £'000	31 December 2021 £'000
Dividends paid	50,274	17,837
Share buybacks	–	–
Management fee	7,736	2,952
Directors' emoluments	261	181

Consideration of Shareholder Views

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to directors' remuneration, the Company will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report.

During the period the Group did not receive any communications from shareholders specifically regarding Directors' pay.

The resolutions to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) and the Directors' Remuneration Policy were passed on a poll at the Annual General Meeting on 23 May 2022.

	Votes for	Votes against	Votes withheld
Remuneration Report	97.58%	2.42%	31,206
Remuneration Policy	97.58%	2.42%	28,349

On behalf of the Board:

P. V. Jordan

Phil Jordan
Chair

Directors' Report

The Directors are pleased to present the Annual Report, including the Company's audited financial statements as at, and for the year ended, 31 December 2022. The information that fulfils the requirements of the Corporate Governance statement in accordance with rule 7.2 of the DTR can be found in this Directors' Report and in the Governance section on pages 136 to 192 all of which is incorporated into this Directors' Report by reference.

Details of significant events since the balance sheet date are contained in Note 17 to the financial statements.

An indication of likely future developments of the Company and details of the outlook and pipeline are included in the Strategic Report. Information about the use of financial instruments by the Company and its subsidiaries is given in Note 14 to the financial statements.

\ PRINCIPAL ACTIVITY

The Company is a close-ended UK investment trust that invests in Digital Infrastructure assets. The Company is domiciled in Jersey and is UK tax resident. The Directors do not anticipate any change in the principal activity of the Company in the foreseeable future.

During the year, the Company transitioned from the specialist fund segment to the premium segment of the Main Market of the London Stock Exchange.

\ DIRECTORS

The names of the Company's current Directors are set out in the Board of Directors section on pages 138 to 141 together with their biographical details and principal external appointments.

The names of of Directors who served from 1 January 2022 to 31 December 2022 are set out on page 144.

\ INVESTMENT MANAGER AND AIFM

A summary of the principal contents of the Investment Management Agreement are set out in the Management Engagement Committee report on pages page 157.

\ INVESTMENT TRUST STATUS

The Company has been approved as an Investment Trust Company ("ITC") under sections 1158 and 1159 of the Corporation Taxes Act 2010. The Company had to meet relevant eligibility conditions to obtain approval as an ITC and must adhere to ongoing requirements to maintain its ITC status, including, but not limited to, retaining no more than 15% of its annual revenue profits. The Company derives the majority of its returns via capital profits, through the revaluation of its Investee Companies. As a result, the Company has paid dividends from its stated capital, which it is entitled to do under Jersey Companies Law.

During the period, the Company has continued to conduct its affairs to ensure it complies with these requirements. The Board continues to monitor compliance with the ITC conditions.

\ FINANCIAL RESULTS AND DIVIDENDS

The financial results for the year can be found in the Company Statement of Comprehensive Income on page 194. The Company declared the following interim dividends in respect of the year to 31 December 2022 totalling 6 pence per share, in line with the Company's annualised dividend target of 6 pence per share per annum.

Relevant period	Dividend per share (p)	Ex-dividend date	Record date	Payment date
1 January 2022 to 31 March 2022	1.5	1 June 2022	2 June 2022	30 June 2022
1 April 2022 to 30 June 2022	1.5	15 September 2022	16 September 2022	30 September 2022
1 July 2022 to 30 September 2022	1.5	9 December 2022	10 December 2022	23 December 2022
1 October 2022 to 31 December 2022	1.5	16 March 2023	17 March 2023	31 March 2023

\ POWERS OF THE DIRECTORS

The powers given to the Directors are contained within the current articles of association of the Company (the "Articles"), are subject to relevant legislation and, in certain circumstances (including in relation to the issuing or buying back by the Company of its shares), are subject to the authority being given to the Directors by shareholders in general meetings.

The Articles govern the appointment and replacements of Directors.

\ DIRECTORS' INDEMNITY

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

This policy remained in force during the financial period and also at the date of approval of the financial statements.

The Company maintains appropriate Directors' and Officers' liability insurance in respect of legal action against its Directors on an ongoing basis.

\ FINANCIAL RISK MANAGEMENT

The information relating to the Company's financial risk management and policies can be found in Note 19 of the financial statements.

\ POST-BALANCE SHEET EVENTS

Important events that have occurred since the end of the financial year can be found in Note 17 of the notes to the financial statements.

\ AMENDMENT TO THE ARTICLES

The Articles may only be amended with shareholders' approval in accordance with the relevant legislation.

\ SHARE CAPITAL

On 28 January 2022, the Company issued 88,148,880 Ordinary Shares at a price of £1.08 per Share. On 12 July 2022, the Company issued a further 54,545,454 Ordinary Shares at a price of £1.10 per Share.

As at 31 December 2022 the Company had 865,174,954 Ordinary Shares in issue. All of the Ordinary Shares are fully paid and carry one vote per share.

There are no restrictions on the transfer of securities in the Company other than certain restrictions which may be impaired by law, for example, Market Abuse Regulations, and the Company's Share Dealing Code. The Company is not aware of any agreements between shareholders that restrict the transfer of Ordinary Shares.

The Directors are generally and unconditionally authorised, in accordance with the Articles and the Companies (Jersey) Law 1991 (as amended), to exercise all powers of the Company to allot Ordinary Shares up to a maximum number of 5,000,000,000 in respect of any further share issuances with the authority expiring on 7 March 2026.

\ PURCHASE OF OWN ORDINARY SHARES

A special resolution was passed at the Company's 2022 Annual General Meeting, granting the Directors authority to repurchase up to a maximum of 81,062,950 Ordinary Shares (representing 10% of the Company's ordinary share capital as at 16 March 2022), which will expire immediately following the conclusion of the Company's 2023 general meeting or on 23 August 2023, whichever is earlier. A resolution to renew the Company's authority to purchase shares in accordance with the Notice of AGM will be put to shareholders at the Annual General Meeting on 18 May 2023.

The Company did not purchase any of its own shares during the period.

\ MAJOR SHAREHOLDINGS

In accordance with DTR 5, the Company was advised of the following significant direct and indirect interests in the issued ordinary share capital of the Company as at 31 December 2022:

	Number of Ordinary shares held	% of voting rights at time of notification
Schroders plc	106,999,579	12.37%
Rathbone Investment Management Ltd	100,102,090	11.57%
Brewin Dolphin Limited	43,356,694	5.01%
Cannacord Genuity Group INC	41,313,204	4.78%
Jupiter Fund Management plc	14,350,000	4.78%
Insight Investment Management (Global) Ltd	29,315,482	4.06%
South Yorkshire Pensions Authority	10,000,000	3.74%
J M Finn & Co	26,471,050	3.66%

The Company has been informed of the following changes to notifiable interests between 31 December 2022 and the date of this report:

	Number of Ordinary shares held	% of voting rights at time of notification
Rathbone Investment Management Ltd	95,012,122	10.98%

\ DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the auditor is unaware.

The Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

\ RELATED PARTY TRANSACTIONS

Related Party transactions for the period to 31 December 2022 can be found in Note 16 of the financial statements.

\ RESEARCH AND DEVELOPMENT

No expenditure on research and development was made during the period.

\ DONATIONS AND CONTRIBUTIONS

No political or charitable donations were made during the period.

\ BRANCHES OUTSIDE THE UK

There are no branches of the business located outside the United Kingdom.

\ ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 18 May 2023 at 9:30am at the offices of Taylor Wessing LLP, 5 New Street Square, London EC4A 3TW.

\ BUSINESS RELATIONSHIPS

The Company has a set of corporate providers that ensure the smooth running of the Group's activities. The Group's key service providers are listed on page 227 and the Management Engagement Committee annually reviews the effectiveness and performance of these service providers, taking into account any feedback received. Each of these relationships is critical to the long-term success of the business. Therefore, the Company and the Investment Manager maintain high standards of business conduct by acting in a collaborative and responsible manner with all its business partners that protects the reputation of the Group as a whole.

\ SIGNIFICANT AGREEMENTS

There are no significant agreements that take effect, alter or terminate on change of control of the Company following a takeover. Additionally, there are no agreements with the Company or a subsidiary in which a Director is or was materially interested or to which a controlling shareholder was a party.

\ EMPLOYEES

The Company has no employees and accordingly there is no requirement to separately report on this area.

The Investment Manager is an equal opportunities employer who respects and seeks to empower each individual and the diverse cultures, perspectives, skills and experiences within its workforce. The Investment Manager places great importance on company culture and the wellbeing of its employees and considers various initiatives and events to ensure a positive working environment.

\ ANTI-BRIBERY POLICY

The Company has a zero-tolerance policy towards bribery and is committed to carrying out its business fairly, honestly and openly. The anti-bribery policies and procedures apply to all its officers and to those who represent the Company.

\ HUMAN RIGHTS ISSUES

The Company is not within the scope of the Modern Slavery Act 2015 because it has not exceeded the turnover threshold and is therefore not obliged to make a slavery and human trafficking statement.

The majority of services supplied to or on behalf of D9 are from the financial services industries and other services associated with those industries.

Given what D9 understands to be a low risk profile of anyone supplying it with services being involved in slavery and/or human trafficking, the Board believes the Company's current procedures and ability to rely on regulatory oversight in relation to professional services are sufficient in this regard.

\ INFORMATION INCLUDED IN THE STRATEGIC REPORT

The information that fulfils the reporting requirements relating to the following matters can be found on the pages identified.

Subject Matter	Page Reference
Likely future developments	14 - 18
Greenhouse gas emissions	66 - 115
Employee engagement	161
Employment of disabled persons	161

On behalf of the Board:

Phil Jordan
Chair

8 March 2023

Directors' Responsibility Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with IAS in conformity with the requirements of any relevant legislation and in accordance with International Financing Reporting Standards (IFRSs) as adopted, issued by the European Union. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that year. In preparing these Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 and the Remuneration Report comply with any relevant legislation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations. The Directors consider the Annual Report and the Financial Statements, taken as a whole, provide the information necessary to assess the Company's position, performance, business model and strategy and are fair, balanced and understandable.

The Company's Financial Statements are published on the Company's website, https://www.d9infrastructure.com.

To the best of our knowledge:

- The Financial Statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Approval

This Directors' responsibilities statement was approved by the Board of Directors and signed on its behalf by:

P. V. Jordan

Phil Jordan
Chair

Independent Auditor's Report

to the members of Digital 9 Infrastructure plc

\ REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Digital 9 Infrastructure plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted in the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

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

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in the Audit Committee Report, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Context

Digital 9 Infrastructure plc is incorporated in Jersey and listed company on the Main Market of the London Stock Exchange. During the year, the Company transitioned from the specialist fund segment to the premium segment of the Main Market of the London Stock Exchange. The Company invests in a range of digital infrastructure assets.

Overview

Audit scope

- The Company invests in digital infrastructure investments through its investment in its wholly-owned subsidiary, Digital 9 Holdco Limited.
- The Company is a closed-ended investment company and has appointed Triple Point Investment Management LLP (the "Investment Adviser") to manage its assets.
- We conducted our audit of the financial statements using information from Triple Point Investment Management LLP, and Ocorian Fund Services (Jersey) Limited (the "Administrator") to whom the directors delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

- Valuation of investments held at fair value through profit or loss
- Assessment of going concern
- Materiality
- Overall materiality: £9,450,000 (2021: £7,560,000) based on 1% of Net Assets.
- Performance materiality: £7,000,000 (2021: £5,670,000).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Assessment of going concern is a new key audit matter this year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of investments held at fair value through profit or loss Refer to Report of the Audit and Risk Committee, Note 3: Significant accounting policies, Note 4: Significant accounting judgements, estimates and assumptions and Note 9: Financial assets at fair value through profit and loss. The Company has £920m of investments held at fair through profit or loss. The fair value of the Company's investments in Digital 9 Holdco Limited ("the HoldCo") is determined based on the fair value of the net assets of the HoldCo and, accordingly, the fair value of the underlying investments within the Holdco, for which there is no liquid market. The fair value of the underlying investments has principally been valued on a discounted cash flow basis, which necessitates significant estimates in respect of the forecasted cash flows and discount rates applied. Determining the valuation methodology and determining the inputs and assumptions within the valuation is subjective and complex. This, combined with the significance of the investments balance in the statement of financial position, meant that this was a key audit matter for our current year audit.	We obtained and reviewed management's key accounting papers and assessed for compliance with IFRS, including the assumptions therein. • We obtained an understanding of the Company's processes for determining the fair value of level 3 investments. We documented and assessed the design and implementation of the investment valuation processes and controls. • We planned our audit to critically assess management's assumptions and the investment valuation models in which they are applied. • We have assessed whether the valuation methodology adopted for the underlying investments within the HoldCo was appropriate and in line with accounting standards and industry guidelines. • We tested the mathematical accuracy of the valuation models • We tested a sample of inputs into the fair value models to supporting documentation and assessed the reasonableness of the assumptions used in determining the fair value of investments. • We used our internal valuation experts to provide audit support in reviewing and concluding on the fair valuation of the underlying investment portfolio. Our experts (a) reviewed the appropriateness of the valuation methodology and approach and (b) reviewed the computation of the discounted cash flow valuation models, including comparing the discount rate against those used by comparable market participants and other macroeconomic data, where appropriate. • We challenged the extent to which the impact of climate change risks identified by management are consistent with the assumptions used in the fair valuation of the investments held at fair value. • Where underlying investments were purchased during the year we have tested the acquisition amounts to supporting documentation and we compared the investment valuations to the acquisition costs. • We also assessed the adequacy of the disclosures related to investments held at fair value through profit and loss in the financial statements. No material issues were identified in our testing.

Key audit matter	How our audit addressed the key audit matter
Assessment of going concern Refer to the Going Concern and Viability, Note 2: Basis of Preparation. The going concern assessment of the Company is dependent on a number of key factors relating to present and future conditions. Including, but not limited to; • The level of commitment to capital expenditure in the investee companies and the Company's ability and liability to fund this. • The finalisation of the $100m debt facility in one Investee Company • Success in syndicating a minority stake in existing Investee Companies • The Company's ability to take mitigating action if the debt facility and/or the equity syndication do not complete. Additionally, it is dependent on the Company successfully funding its own direct liabilities while maintaining an adequate level of capital. The Directors' going concern assessment was considered a matter of significance to our current year audit as a result of the fact that the Investee Company debt facility and proposed syndication of the Investee Company equity have not yet completed. As these are significant cashflows underpinning the Company's base case going concern assessment we focused on the ability of the Company to take mitigating actions should these not complete.	Audit procedures and our findings in respect of going concern are set out in the "Conclusions relating to Going Concern" section below

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

The Company's accounting is delegated to the Administrator who maintains the Company's accounting records and who has implemented controls over those accounting records.

We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Investment Manager and the Administrator to the extent relevant to our audit.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.As part of this work we planned for the appropriate use of our internal valuation experts.

The impact of climate risk on our audit

As part of our audit, we inquired of management to understand and evaluate D9 Group's risk assessment process in relation to climate change. We used our own knowledge and understanding of the Group to evaluate the impact of climate risk on the performance of the Company's digital infrastructure investments. The Investment Manager has set out its commitments to require all fully-owned portfolio companies to implement its own net zero roadmap within the next 24 months and to reach Net Zero emissions by 2050. Further information and the risks identified is provided in the Sustainability Report which has been incorporated into the 2022 Annual Report.

We specifically considered how climate change risk would impact the assumptions made in the forecast prepared by management used in their fair valuation of the investments held at fair value. Our procedures in relation to the audit of the fair value of the investments held at fair value are described in the key audit matters section above. We read disclosures in relation to climate change made in other financial information within the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the reporting on other information section of our report.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Overall company materiality	£9,450,000 (2021: £7,560,000).
How we determined it	1% of Net Assets
Rationale for benchmark applied	We believe that Net Assets is the primary measure used by the shareholders in assessing the performance of the entity, and is a generally accepted auditing benchmark.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2021: 75%) of overall materiality, amounting to £7,000,000 (2021: £5,670,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £470,000 (2021: £377,500) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

- We obtained management's latest forecasts that support the Board's assessment and conclusions with respect to the going concern basis of preparation of the financial statements;
- We checked the mathematical accuracy of management's forecasts;
- We corroborated management's base case to appropriate supporting documentation;
- We evaluated the directors' assessment of potential operational impacts, considering their consistency with other available information including assumptions made in the valuation models for the subsidiary investments and our broader understanding of the business and assessed the potential impact on the financial statements;
- We evaluated management's base case forecast and downside scenarios, challenging the underlying data and adequacy and appropriateness of the underlying assumptions used to make the assessment, particularly in relation to the inclusion or otherwise of the Investee Company debt facility and proceeds from any equity syndication. We then critically evaluated the directors' plans for future actions in relation to their going concern assessment, should these be required; and
- We assessed any impact on covenant compliance in the Revolving Credit Facility in the downside scenarios presented by management.
- We reviewed the directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses.

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 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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

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, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether 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 period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, 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 that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies (Jersey) Law. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals, and management bias in accounting estimates and judgements applied by management in valuation of investments held at fair value through profit or loss, as described in our key audit matter. Audit procedures performed by the engagement team included:

- Discussions with management, risk and compliance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud impacting the Company;
- Reviewing relevant meeting minutes, including those of the Board of Directors, Risk Committee and the Audit Committee;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Procedures relating to judgemental areas of accounting and significant estimation, including as described in the related key audit matter;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations and words; and
- Reviewing of financial statement disclosures to underlying supporting documentation

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

\ OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper returns for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the director on 6 March 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement is 2 years, covering the years ended 31 December 2021 to 31 December 2022.

\ OTHER VOLUNTARY REPORTING

Directors' remuneration

The company voluntarily prepares a Directors' Remuneration Report in accordance with the provisions of the Companies Act 2006. The directors requested that we audit the part of the Directors' Remuneration Report specified by the Companies Act 2006 to be audited as if the company were a quoted company.

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Kevin Rollo
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognised Auditor
London
8 March 2023

Independent Limited Assurance Report

to the Directors of Digital 9 Infrastructure plc ("the Company") on selected key performance indicators (KPIs) included in the Company's Annual Report for the year ended 31 December 2022

The Board of Directors of Digital 9 Infrastructure plc ("the Company") engaged us to obtain limited assurance on the selected KPIs (together the "Subject Matter Information") as defined below and marked with the symbol "**A**" on pages 66 to 115 in Digital 9 Infrastructure plc's Annual Report for the year ended 31 December 2022 (the "Annual Report").

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in, or linked from, the Annual Report.

\ OUR LIMITED ASSURANCE CONCLUSION

Based on the procedures we have performed, as described under the 'Summary of work performed as the basis for our assurance conclusion' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information marked with the symbol "**A**" on pages 66 to 115 in Digital 9 Infrastructure plc's Annual Report for the year ended 31 December 2022, has not been prepared, in all material respects, in accordance with the Reporting Criteria set out in Annex 1 on pages 229 - 230 of the Annual Report and referenced in the 'Subject Matter Information and Reporting Criteria' section below.

\ SUBJECT MATTER INFORMATION AND REPORTING CRITERIA

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which the Company is solely responsible for selecting and applying. The Subject Matter Information and the Reporting Criteria are as set out in the table below:

Subject Matter Information	Reported unit	Reported value	Reporting Criteria
Scope 1 GHG emissions	Tonnes CO2e	92	The Reporting Principles and Methodologies as found in Annex 1 on pages 229 - 230 of the Annual Report.
Scope 2 GHG emissions (location-based)	Tonnes CO2e	5,502	
Scope 2 GHG emissions (market-based)	Tonnes CO2e	1,397	
Total GHG Emissions (Scope 1 & 2)	Tonnes CO2e	1,489	
Renewable energy consumption	%	98.66%	
Share of non-renewable energy consumption and production	%	1.34%	
Board gender diversity	%	0%	
Growth in network capacity	%	13%	
Power Usage Effectiveness (PUE)		1.33	

\ INHERENT LIMITATIONS

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

\ RESPONSIBILITIES OF THE COMPANY'S DIRECTORS

The Directors of the Company are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to the Company and the intended users of the Annual Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Reporting Criteria; and
- producing the Annual Report, including underlying information and a statement of Directors' responsibility, which provides accurate, balanced reflection of the Company's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Annual Report.

\ OUR RESPONSIBILITIES

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of the Company.

\ PROFESSIONAL STANDARDS APPLIED

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', issued by the International Auditing and Assurance Standards Board.

\ OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

We apply the International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

\ SUMMARY OF WORK PERFORMED AS THE BASIS FOR OUR ASSURANCE CONCLUSION

In carrying out our limited assurance engagement we:

- made enquiries of management at TriplePoint Investment Management Limited (the Investment Manager) and of the subsidiary investments of the Company;
- evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting the Subject Matter Information;
- performed limited substantive testing of the Subject Matter Information at the subsidiary investments of the company to check that data had been appropriately measured, recorded, collated and reported;
- tested the aggregation of the subsidiary investment data by the Investment Manager; and
- considered the disclosure and presentation of the Subject Matter Information.

Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities, testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Company's estimates.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

\ OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other information. As explained above, our assurance conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

\ USE AND DISTRIBUTION OF OUR REPORT

This report, including our conclusion, has been prepared solely for the Board of Directors of the Company in accordance with the agreement between us dated 22 December 2022 (the "agreement") Our report must not be made available to any other party save as set out in the agreement. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and the Company for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London

8 March 2023

Financial Statements

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Statement of Comprehensive Income

For the year ended 31 December 2022

	Note	Year ended 31 December 2022 Revenue £'000	Capital £'000	Total £'000	8 January to 31 December 2021 Revenue £'000	Capital £'000	Total £'000
Income							
Income from investments held at fair value	5	**4,129**	**–**	**4,129**	2,923	–	2,923
Gains on investments held at fair value	9	**–**	**97,228**	**97,228**	–	45,502	45,502
Other income		**773**	**–**	**773**	–	–	–
Interest receivable		**–**	**–**	**–**	14	–	14
Total income		**4,902**	**97,228**	**102,130**	2,937	45,502	48,439
Expenses							
Acquisition expenses		**–**	**–**	**–**	–	(5,516)	(5,516)
Investment management fees	6	**(5,802)**	**(1,934)**	**(7,736)**	(2,214)	(738)	(2,952)
Other operating expenses	7	**(2,323)**	**–**	**(2,323)**	(1,012)	(648)	(1,660)
Total operating expenses		**(8,125)**	**(1,934)**	**(10,059)**	(3,226)	(6,902)	(10,128)
Operating (loss)/profit		**(3,223)**	**95,294**	**92,071**	(289)	38,600	38,311
Finance expense		**(2)**	**–**	**(2)**	(2)	–	(2)
(Loss)/profit on ordinary activities before taxation		**(3,225)**	**95,294**	**92,069**	(291)	38,600	38,309
Taxation	8	**–**	**–**	**–**	–	–	–
(Loss)/profit and total comprehensive (expense)/income attributable to shareholders		**(3,225)**	**95,294**	**92,069**	(291)	38,600	38,309
(Loss)/earnings per ordinary share – basic and diluted (pence)	22	**(0.39p)**	**11.48p**	**11.09p**	(0.07p)	9.84p	9.77p

The total column of this statement is the Statement of Comprehensive Income of Digital 9 Infrastructure Plc ("the Company") prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("EU"). The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

All revenue and capital items in the above statement derive from continuing operations. The Company does not have any other income or expenses that are not included in the net profit for the year. The net profit for the year disclosed above represents the Company's total comprehensive income.

This Statement of Comprehensive Income includes all recognised gains and losses.

The accompanying notes on pages 198 to 218 form part of these Financial Statements.

Financial Statements

Statement of Financial Position

as at 31 December 2022

	Note	31 December 2022 £'000	31 December 2021 £'000
Non-current assets			
Investments at fair value through profit or loss	9	**920,971**	746,229
Total non-current assets		**920,971**	746,229
Current assets			
Trade and other receivables	10	**1,417**	228
Cash and cash equivalents	11	**30,001**	11,311
Total current assets		**31,418**	11,539
Total assets		**952,389**	757,768
Current liabilities			
Trade and other payables	12	**(2,769)**	(1,912)
Total current liabilities		**(2,769)**	(1,912)
Total net assets		**949,620**	755,856
Equity attributable to equity holders			
Stated capital	13	**819,242**	717,547
Capital reserve		**133,894**	38,600
Revenue reserve		**(3,516)**	(291)
Total Equity		**949,620**	755,856
Net asset value per ordinary share – basic and diluted	23	**109.76p**	104.62p

The Financial Statements were approved and authorised for issue by the Board on 8 March 2023 and signed on its behalf by:

P. V. Jordan

Philip Jordan
Chair
8 March 2023

The accompanying notes on pages 198 to 218 form part of these Financial Statements.

Financial Statements

Statement of Changes in Shareholders' Equity

For the year ended 31 December 2022

	Note	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
Balance at 8 January 2021		–	–	–	–
Transactions with owners					
Ordinary shares issued	13	750,000	–	–	**750,000**
Share issue costs		(14,616)	–	–	**(14,616)**
Dividends paid	14	(17,837)	–	–	**(17,837)**
Profit/(loss) and total comprehensive income/(expense) for the period		–	38,600	(291)	**38,309**
Balance as at 31 December 2021		**717,547**	**38,600**	**(291)**	**755,856**

	Note	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
Balance as at 31 December 2021		**717,547**	**38,600**	**(291)**	**755,856**
Transactions with owners					
Ordinary shares issued	13	155,201	–	–	**155,201**
Share issue costs		(3,232)	–	–	**(3,232)**
Dividends paid	14	(50,274)	–	–	**(50,274)**
Profit/(loss) and total comprehensive income/(expense) for the period		–	95,294	(3,225)	**92,069**
Balance as at 31 December 2022		**819,242**	**133,894**	**(3,516)**	**949,620**

The accompanying notes on pages 198 to 218 form part of these Financial Statements.

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Statement of Cash Flows

For the year ended 31 December 2022

	Note	Year ended 31 December 2022 £'000	8 January to 31 December 2021 £'000
Cash flows from operating activities			
Profit on ordinary activities before taxation		**92,069**	38,309
Adjustments for:			
Gains on investments held at fair value	9	**(97,228)**	(45,502)
Cash flow used in operations		**(5,159)**	(7,193)
Increase in trade and other receivables	10	**(1,189)**	(228)
Increase in trade and other payables	12	**871**	1,898
Net cash outflow from operating activities		**(5,477)**	(5,523)
Cash flows from investing activities			
Loans to subsidiaries		**(29,105)**	–
Purchase of investments at fair value through profit or loss	9	**(48,409)**	(667,739)
Net cash flow used in investing activities		**(77,514)**	(667,739)
Cash flows from financing activities			
Proceeds from issue of Ordinary Shares	13	**155,201**	717,012
Dividends paid	14	**(50,274)**	(17,837)
Cost of issue of shares	13	**(3,246)**	(14,602)
Net cash flow generated from financing activities		**101,681**	684,573
Net increase in cash and cash equivalents		**18,690**	11,311
Reconciliation of net cash flow to movements in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		**11,311**	–
Net increase in cash and cash equivalents		**18,690**	11,311
Cash and cash equivalents at end of the year	11	**30,001**	11,311

The accompanying notes are an integral part of these Financial Statements.

Financial Statements

Notes to the Financial Statements

For the year ended 31 December 2022

1. CORPORATE INFORMATION

Digital 9 Infrastructure plc (the "Company" or "D9") is a Jersey registered alternative investment fund, and it is regulated by the Jersey Financial Services Commission as a "listed fund" under the Collective Investment Funds (Jersey) Law 1988 (the "Funds Law") and the Jersey Listed Fund Guide published by the Jersey Financial Services Commission. The Company is registered with number 133380 under the Companies (Jersey) Law 1991.

The Company is domiciled in Jersey and the address of its registered office, which is also its principal place of business, is 26 New Street, St Helier, Jersey, JE2 3RA. The Company is tax domiciled in the United Kingdom.

The Company was incorporated on 8 January 2021 and is a Public Company. The Company's Ordinary Shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange under the ticker DGI9 on 31 March 2021. It was admitted to the premium listing segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 30 August 2022.

The Company's principal activity is investing in a diversified portfolio of critical digital infrastructure assets which contribute to improving global digital communications whilst targeting sustainable income and capital growth for investors.

These financial statements comprise only the results of the Company, as its investment in Digital 9 Holdco Limited ("D9 Holdco") is measured at fair value through profit or loss.

2. BASIS OF PREPARATION

These financial statements for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

Where presentational guidance set out in the Association of Investment Companies Statement of Recommended Practice (the "AIC SORP") is consistent with the requirements of International Financial Reporting Standards ("IFRS") the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the AIC SORP. In particular, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the total Statement of Comprehensive Income.

The functional and reporting currency is sterling, reflecting the primary economic environment in which the Company operates. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date.

The financial statements have been prepared on a historical cost basis, except for the following:

- Investments at fair value through profit or loss

The accounting policies adopted are consistent with those of the previous financial year.

A. GOING CONCERN

The Financial statements are prepared on a going concern basis as disclosed on pages 130 to 132 of the Strategic report, as the Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. The Directors have made an assessment of going concern, taking into account a wide range of information relating to present and future conditions, including the Company's cash and liquidity position, current performance and outlook, which has considered the ongoing geopolitical uncertainties arising from the war in Ukraine, the volatile macro landscape and existing inflationary pressures and current and expected financial commitments using information available to the date of issue of these Financial statements.

As part of this assessment the Directors considered an analysis of the adequacy of the Company's liquidity, solvency and capital adequacy. As at 31 December 2022, the Group had a total cash balance of £73.6 million and the Company had a cash balance of £30 million. Of this balance, restricted cash was £18.1 million and unrestricted cash was £55.5 million. The Company also had £43.8 million remaining undrawn on its RCF, plus a further uncommitted accordion of £125 million. Following the period end, the Group drew a further £25 million on its available RCF balance. The Company is well progressed in the arrangement of repayment of one of its existing shareholder loans from its investee companies, this repayment will add to the Company's cash on hand and provide additional unrestricted cash for the Company.

Uncertainty around the valuation of the Company's assets as set out in the Key estimation uncertainties section was considered. The valuation policy and process was consistent with the Company's Interim Results, which saw a change to methodology. The Company takes a Free Cash Flow to Equity approach, applying the cost of equity as the discount rate to the relevant equity cash flows, rather than a blended WACC including the cost of debt.

This year, a key focus of the portfolio valuations at 31 December 2022 was an assessment of the impact of the macroeconomic environment on the operational and financial performance of each portfolio company. In particular this focused on increasing inflationary pressures, volatility in power prices, and ongoing geopolitical uncertainties. We have incorporated into our cash flow forecasts a balanced view of future income receipts and expenses and also considered future syndication opportunities for the portfolio.

In relation to Investee Company level debt, a term sheet has been agreed for a $100 million facility to be provided to one of the high growth Investee Companies, the proceeds of which will be used to finance accretive growth opportunities, and to repay a Company shareholder loan, increasing liquidity at the Company. The Company may use the proceeds to reduce the drawings of the Group's RCF.

The Directors also considered the Company's existing financial commitments. The Company had follow on investment commitments at 31 December 2022 totalling c.£46 million in Aqua Comms, Verne Global London and EMIC-1. The Company had ongoing charges of £10 million in the year to 31 December 2022, these are indicative of the ongoing run rate in the short-term. In addition, while not a commitment at 31 December 2022, the Company has a dividend target for the financial year ending 31 December 2023 of 6.0 pence per share.[27]

The major cash outflows of the Company are the payment of fees and costs relating to the acquisition of new assets, both of which are discretionary. The Directors have reviewed Company forecasts and pipeline projections which cover a period of at least 12 months from the date of approval of this report, considering foreseeable changes in investment and the wider pipeline. In addition to the considerations listed above there are a number of mitigating actions within management control to enhance available liquidity. These include seeking to extend the maturity of available credit facilities, the timing of certain income receipts from the portfolio, in extreme downside scenarios the removal of dividend payments and the level and timing of new investments or realisations.

On the basis of this review, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of this report. Accordingly, the going concern basis continues to be adopted in preparing these financial statements.

The Company has assessed its position on the significant implications of Russia's invasion of Ukraine to its business. The most significant implication for the Group is the increase in power prices which affect the data centre operators given their power consumption.

Verne Global Iceland is isolated from wider European power price movements as it has a long-term contract with an Icelandic power provider with fixed uplifts. Meanwhile, Verne Global Finland's (previously Ficolo Oy) performance is impacted given the market instability and Finland's proximity to Russia which did result in delays to customer decisions and growth during 2022 would have been higher without these factors. Verne Global London (previously Volta) is most affected by power price given it is on UK grid, which although does not get much of its power from Russia unlike other European countries, is not isolated from wider market movements. There are secondary impacts as a result of spiking Nord Pool prices. Verne Global London has re-negotiated some of the contracts to pass on the increased costs to its customers.

B. INVESTMENT ENTITIES

The sole objective of the Company and through its subsidiary D9 Holdco is to acquire Digital Infrastructure Projects, via individual corporate entities. D9 Holdco will issue equity and loans to finance its investments in the Digital Infrastructure Projects.

The Directors have concluded that in accordance with IFRS 10, the Company meets the definition of an investment entity having evaluated against the criteria presented below that needs to be met. Under IFRS 10, investment entities are required to hold financial investments at fair value through profit or loss rather than consolidate them on a line-by-line basis. There are three key conditions to be met by the Company for it to meet the definition of an investment entity.

For each reporting period, the Directors will continue to assess whether the Company continues to meet these conditions:

1. It obtains funds from one or more investors for the purpose of providing these investors with professional investment management services;
2. It commits to its investors that its business purpose is to invest its funds solely for returns (including having an exit strategy for investments) from capital appreciation, investment income or both; and
3. It measures and evaluates the performance of substantially all its investments on a fair value basis.

The Company satisfies the first criteria as it has multiple investors and has obtained funds from a diverse group of shareholders for the purpose of providing them with investment opportunities to invest in a large pool of digital infrastructure assets.

In satisfying the second criteria, the notion of an investment timeframe is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The intention of the Company is to seek equity interests in digital infrastructure projects that have an indefinite life; the underlying assets that it invests in will have a medium to long term expected life. The exit strategy for each asset will depend on the characteristics of the assets, transaction structure, exit price potentially achievable, suitability and availability of alternative investments, balance of the portfolio and lot size of the assets as compared to the value of the portfolio. Whilst the Company intends to hold the investments on a medium to long-term basis, the Company may also dispose of the investments should an appropriate opportunity arise where, in the Investment Manager's opinion, the value that could be realised from such disposal would represent a satisfactory return on the investment and enhance the value of the Company as a whole.

[27] This is a target only and not a forecast. There can be no assurance that this target will be met and it should not be taken as an indication of the Company's expected future results.

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For the year ended 31 December 2022

The Company's Investment Manager, and the Company's Board will regularly review the market and consider whether any disposals should be made.

The Company satisfies the third criteria as it measures and evaluates the performance of all of its investments on a fair value basis which is the most relevant for investors in the Company. Management use fair value information as a primary measurement to evaluate the performance of all of the investments and in decision making.

In assessing whether it meets the definition, the Company shall also consider whether it has the following typical characteristics of an investment entity:

a) it has more than one investment

b) it has more than one investor

c) it has investors that are not related parties of the entity

d) it has ownership interests in the form of equity or similar interests.

As per IFRS 10 a parent investment entity is required to consolidate subsidiaries that are not themselves investment entities and whose main purpose is to provide services relating to the entity's investment activities.

The Directors have assessed whether D9 Holdco satisfies those conditions set above by considering the characteristics of the whole group structure, rather than individual entities. The Directors have concluded that the Company and D9 Holdco are formed in connection with each other for business structure purposes. When considered together, both entities display the typical characteristics of an investment entity.

The acquisitions made during the period and changes in the group structure have not impacted the management's judgement and conclusion over the IFRS 10 investment entity application and the Company has applied the same accounting policies described.

The Directors are therefore of the opinion that the Company meets the criteria and characteristics of an investment entity and therefore, subsidiaries are measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value Measurement", IFRS 10 "Consolidated Financial Statements" and IFRS 9 "Financial Instruments".

C. NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards. Management do not expect the new or amended standards will have a material impact on the Company's financial statements. The most significant of these standards are set out below:

New standards and amendments – applicable 1 January 2022

(a) Amendments to IAS 16 *Property, Plant and Equipment: Proceeds before Intended Use.*

(b) Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract.*

(c) Amendments to IFRS 3 *Business Combination: Reference to the Conceptual Framework.*

(d) Annual Improvements to IFRS Standards 2018-2020.

FORTHCOMING REQUIREMENTS

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on December 2022.

(a) IFRS 17 *Insurance Contracts*

(b) Classification of Liabilities as Current or Non-current – Amendments to IAS 1

(c) Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

(d) Definition of Accounting Estimates – Amendments to IAS 8

(e) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

(f) Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

3. SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are to be derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for de-recognition in accordance with IFRS 9 Financial Instruments.

The Company did not use any derivative financial instruments during the period.

(I) FINANCIAL ASSETS

The Company's investment in D9 Holdco comprises both equity and debt. The Company classifies its financial assets as either investments at fair value through profit or loss or financial assets at amortised cost (e.g. cash and cash equivalents and trade and other receivables). The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

(II) FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

At initial recognition, the Company measures its investments through its investment in D9 Holdco, at fair value through profit or loss and any transaction costs are expensed to the Statement of Comprehensive Income. The Company will subsequently continue to measure all investments at fair value and any changes in the fair value are to be recognised as unrealised gains or losses through profit or loss within the capital column of the Statement of Comprehensive Income.

IFRS 13 defines fair value 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 (an exit price). When measuring fair value, the Company takes into consideration the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date, including assumptions about risk.

(III) FINANCIAL LIABILITIES AND EQUITY

Debt and equity instruments are measured at amortised cost and are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

All financial liabilities are classified as at amortised cost. These liabilities are initially measured at fair value less transaction costs and subsequently using the effective interest method.

(IV) EQUITY INSTRUMENTS

The Company's Ordinary Shares are classified as equity under stated capital and are not redeemable. Costs associated or directly attributable to the issue of new equity shares, including the costs incurred in relation to the Company's IPO on 31 March 2021 and its subsequent equity raises, are recognised as a deduction in equity and are charged against stated capital.

(B) FINANCE INCOME

Finance income is recognised using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of a financial asset unless the assets subsequently became credit impaired. In the latter case, the effective interest rate is applied to the amortised cost of the financial asset. Finance income is recognised on an accrual basis.

(C) FINANCE EXPENSES

Borrowing costs are recognised in the Statement of Comprehensive Income in the period to which they relate on an accruals basis.

(D) FAIR VALUE ESTIMATION FOR INVESTMENTS AT FAIR VALUE

The fair value of financial investments at fair value through profit or loss is based on the valuation models adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines where appropriate to comply with IFRS 13.

The Company records the fair value of D9 Holdco by calculating and aggregating the fair value of each of the individual investments in which the Company holds an indirect investment. The total change in the fair value of the investment in D9 Holdco is recorded through profit and loss within the capital column of the Statement of Comprehensive Income.

(E) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash balances and deposits held on call with banks. Deposits to be held with original maturities of greater than three months are included in other financial assets. Cash and cash equivalents are measured at amortised cost using the effective interest method and assessed for expected credit losses at each reporting date.

There are no material expected credit losses as the bank institution has high credit ratings assigned by international credit rating agencies.

(F) TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except where maturities are greater than 12 months after the reporting date, in which case they are to be classified as non-current assets.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the relevant asset's carrying amount.

Impairment provisions for all receivables are recognised based on a forward-looking expected credit loss model using the simplified approach. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, 12 month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

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Notes to the Financial Statements

For the year ended 31 December 2022

(G) AMORTISED COSTS

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(H) TRADE AND OTHER PAYABLES

Trade and other payables are classified as current liabilities if payment is due within one year or less from the end of the current accounting period. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method until settled.

(I) SEGMENTAL REPORTING

The Chief Operating Decision Maker (the "CODM") being the Board of Directors, is of the opinion that the Company is engaged in a single segment of business, being investment in Digital Infrastructure Projects.

The internal financial information to be used by the CODM on a quarterly basis to allocate resources, assess performance and manage the Company will present the business as a single segment comprising the portfolio of investments in digital infrastructure assets.

(J) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income as a revenue or capital item depending on the income or expense to which they relate.

All exchange differences recognised in income or expenses, except for those arising on financial instruments measured at fair value through profit or loss in accordance with IFRS 9, is on an aggregate net basis. The total amount of exchange differences recognised in income or expenses includes exchange differences recognised on subsequent settlement and re-translation to the closing rate on balances arising from foreign currency transactions.

(K) REVENUE RECOGNITION

Gains and losses on fair value of investments in the Statement of Comprehensive Income will represent gains or losses that arise from the movement in the fair value of the Company's investment in D9 Holdco.

Investment income comprises dividend income received from the Company's subsidiary. Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Other income is recognised to the extent that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of consideration received or receivable, excluding discounts, rebates and value added tax. Other Income comprises fees charged to Investee Companies under a Management Services Agreement. Other Income is recognised 100% through revenue.

Dividend income receivable on equity shares is recognised on the ex-dividend date. Dividend income on equity shares where no ex-dividend date is quoted is brought into account when the Company's right to receive payment is established.

(L) DIVIDENDS

Dividends payable are recognised as distribution in the financial statements in the period in which they are paid or when the Company's obligation to make payment has been established.

(M) FUND EXPENSES

Expenses are accounted for on an accruals basis. Share issue costs of the Company directly attributable to the issue and listing of shares are charged to stated capital. The Company's investment management fee, administration fees and all other expenses are charged through the Statement of Comprehensive Income.

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC SORP, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and a capital nature has been presented alongside the Statement of Comprehensive Income.

Expenses have been charged wholly to the revenue column of the Statement of Comprehensive Income, except as follows:

- expenses which are incidental to the acquisition or disposal of an investment are treated as capital;
- expenses are treated as capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated; and
- the investment management fee has been allocated 75% to revenue and 25% to capital on the Statement of Comprehensive Income in line with the Board's expected long-term split of returns, in the form of income and capital gains respectively, from the investment portfolio.

(N) ACQUISITION COSTS AND DISPOSALS

In line with SORP, acquisition costs and disposals are expensed to the capital column of the Statement of Comprehensive Income as they are incurred for investments which are held at fair value through profit or loss.

(O) TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the balance sheet date.

Where expenses are allocated between the capital and revenue accounts, any tax relief in respect of expenses is allocated between capital and revenue returns on the marginal basis using the Company's effective rate of corporation tax for the accounting period.

Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to pay less taxation in the future have occurred at the financial reporting date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(P) EARNINGS PER SHARE

The Company presents basic and diluted earnings per share ("EPS").

(I) BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

(II) DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It is possible that actual results may differ from these estimates.

(A) SIGNIFICANT ACCOUNTING JUDGEMENTS

(I) INVESTMENT ENTITY

As discussed above in Note 2(b), the Company meets the definition of an investment entity as defined in IFRS 10 and therefore its subsidiary entities have not been consolidated in these financial statements.

(B) KEY SOURCES OF ESTIMATION UNCERTAINTY

The estimates and underlying assumptions underpinning our investments are reviewed on an ongoing basis by both the Board and the Investment Manager. Revisions to any accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(I) FAIR VALUE MEASUREMENT OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The fair value of investments in Digital Infrastructure Projects is calculated by discounting at an appropriate discount rate future cash flows expected to be generated by the trading subsidiary companies and received by D9 Holdco, through dividend income, equity redemptions and Shareholder loan repayments or restructurings and adjusted in accordance with the IPEV (International Private Equity and Venture Capital) valuation guidelines where appropriate to comply with IFRS 13 and IFRS 9.

Estimates such as the forecasted cash flow of the investments, are believed to be reasonable, the results of which form the basis of making judgements about the fair value of assets not readily available from other sources. Discount rates used in the valuation represent the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile.

The discounted cash flow from revenue is forecasted over an eight to 15 year period followed by a terminal value based on a long-term growth rate or exit multiples. The discounted cash flow comprises a bottom-up analysis of the weighted average cost of capital over time, using unobservable inputs; and calculation of the appropriate beta based on comparable listed companies.

A broad range of assumptions are used in the Company's valuation models, which are arrived at by reviewing and challenging the business plans of the Investee Companies with their management. The Investment Manager exercises its judgement and uses its experience in assessing the expected future cash flows from each investment and long-term growth rates. The impact of changes in the key drivers of the valuation are set out below.

The following significant unobservable inputs were used in the model:

INFLATION

A long-term inflation sensitivity of plus and minus 1% is presented above.

INTEREST RATES

The valuations are sensitive to changes in interest rates, a sensitivity of 1% has been applied to interest rates applicable to the floating rate debt across the Company's portfolio.

DISCOUNT RATES

The Investment Manager considers a variance of plus or minus 1% is to be a reasonable range of alternative assumptions for discount rates.

The Company has also carried out sensitivity analysis of these unobservable inputs and the results are disclosed in Note 9.

5. INVESTMENT INCOME

	Year ended 31 December 2022 £'000	8 January to 31 December 2021 £'000
UK dividends	**3,226**	2,923
Loan interest income	**903**	–
	4,129	2,923

6. INVESTMENT MANAGEMENT FEES

	Year ended 31 December 2022		
	Revenue £'000	Capital £'000	Total £'000
Management fees	5,802	1,934	7,736
Total management fees	**5,802**	**1,934**	**7,736**

	8 January to 31 December 2021		
	Revenue £'000	Capital £'000	Total £'000
Management fees	2,214	738	2,952
Total management fees	**2,214**	**738**	**2,952**

The Company and the Investment Manager entered into an Investment Management Agreement on 8 March 2021 and a Side Letter dated 17 March 2021.

The Company and Triple Point Investment Management LLP (the "Investment Manager") have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Company's Portfolio in accordance with the Company's Investment Objective and Policy.

The Investment Manager is appointed to be responsible for risk management and portfolio management and is the Company's AIFM. The Investment Manager has full discretion under the Investment Management Agreement to make investments in accordance with the Company's Investment Policy from time to time.

This discretion is, however, subject to: (i) the Board's ability to give instructions to the Investment Manager from time to time; and (ii) the requirement of the Board to approve certain investments where the Investment Manager has a conflict of interest in accordance with the terms of the Investment Management Agreement.

With effect from 31 March 2021, the date of admission of the Ordinary Shares to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange, the Company shall pay the Investment Manager a management fee (the "Annual Management Fee") calculated, invoiced and payable quarterly in arrears based on the Adjusted Net Asset Value which is based on funds deployed and committed at the relevant quarter date.

The total amount accrued and due to Triple Point at the year-end was £2.2 million (2021: £1.3 million).

The management fee is calculated at the rates set out below:

Adjusted Net asset value	Annual Management Fee (percentage of Adjusted Net Asset Value)
On such part of the Adjusted Net Asset Value that is up to and including GBP 500 million	1.0%
On such part of the Adjusted Net Asset Value that is above GBP 500 million and up to and including GBP 1 billion	0.9%
On such part of the Adjusted Net Asset Value that exceeds GBP 1 billion	0.8%

7. OTHER OPERATING EXPENSES

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Legal and professional fees	**344**	153
Auditors' fees – audit services[1]	**257**	180
Auditors' fees – non-audit services[2]	**120**	111
Directors' fees	**261**	181
Administration and company secretarial fees	**207**	163
Premium segment admission costs	**677**	–
Other administrative expenses	**457**	224
	2,323	1,012
Allocated to Capital		
Aborted deals costs	**–**	648
	2,323	1,660

[1] Fees excludes audit fees on the financial statements of subsidiaries totaling £429,000 (2021 – £271,000).

[2] Fees for non-audit services relate to the review of interim financial statements and limited assurance on environmental, social and corporate governance. Total fees for non-audit services performed by the Company's auditors for the subsidiary companies was £Nil (2021 – £166,000).

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For the year ended 31 December 2022

8. TAXATION

The Company is registered in Jersey, Channel Islands but resident in the United Kingdom for taxation. The standard rate of corporate income tax currently applicable to the Company is 19% (2021 – 19%).

The financial statements do not directly include the tax charges for the Company's intermediate holding company, as D9 Holdco is held at fair value. D9 Holdco is subject to taxation in the United Kingdom.

The tax charge for the period is less than the standard rate of corporation tax in the UK of 19% (2021 – 19%). The differences are explained below.

	Year ended 31 December 2022 Revenue £'000	Capital £'000	Total £'000
Net (loss)/profit before tax	(3,225)	95,294	92,069
Tax at UK corporation tax standard rate of 19%	(613)	18,106	17,493
Effects of			
Gain on financial assets not taxable	–	(18,473)	(18,473)
Exempt UK dividend income	(613)	–	(613)
Acquisition expenses not allowable	–	–	–
Other disallowed expenses	–	–	–
Excess of allowable expenses	1,226	367	1,593
Total tax charge	–	–	–

	8 January 2021 to 31 December 2021 Revenue £'000	Capital £'000	Total £'000
Net (loss)/profit before tax	(291)	38,600	38,309
Tax at UK corporation tax standard rate of 19%	(55)	7,334	7,279
Effects of			
Gain on financial assets not taxable	–	(8,645)	(8,645)
Exempt UK dividend income	(555)	–	(555)
Acquisition expenses not allowable	–	1,048	1,048
Other disallowed expenses	–	123	123
Excess of allowable expenses	610	140	750
Total tax charge	–	–	–

Investment companies which have been approved by HM Revenue & Customs under section 1158 of the Corporation Tax Act 2010 are exempt from tax on capital gains. The Directors are of the opinion that the Company has complied with the requirements for maintaining investment trust status for the purposes of section 1158 of the Corporation Tax Act 2010. The Company has not provided for deferred tax on any capital gains or losses arising on the revaluation of investments.

The Company has unrelieved excess management expenses of £8 million (2021 – £4 million). It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

The unrecognised deferred tax asset calculated using a tax rate of 25% amounts to £2 million (2021 – £1 million). The Finance Act 2021 received Royal Assent on 10 June 2021 and the rate of Corporation Tax of 25% effective from 1 April 2023 has been used to calculate the potential deferred tax asset.

9. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

As set out in Note 2, the Company designates its interest in its wholly owned direct subsidiary as a financial asset at fair value through profit or loss.

Summary of the Company's valuation:

	As at 31 December 2022 £'000
Opening balance 1 January 2022	**746,229**
Equity investments in D9 Holdco[1]	**48,409**
Debt investments in D9 Holdco	**29,105**
Change in fair value of investments	**97,228**
	920,971

	As at 31 December 2021 £'000
Opening balance on incorporation	–
Equity investments in D9 Holdco[1]	700,727
Change in fair value of investments	45,502
	746,229

[1] D9 Holdco was incorporated as a 100% subsidiary undertaking and the amount reflects the Company's investments through D9 Holdco.

As outlined above, the Company made both equity and debt investments during the period. The Company views the equity and debt instruments as one investment and measures the performance of these investments together. Therefore, the Company's equity and debt investments are presented as investment at fair value through profit or loss in the Statement of Financial Position.

Included in debt investments as at the year-end is a loan of £29.1 million (2021 - £Nil) due from D9 Holdco upon which interest is charged at a rate of Sterling Overnight Index Average (SONIA) plus a 3.75% margin. Interest of £0.9 million was charged during the year on the loan. The debt instrument is measured at fair value as at 31 December 2022.

During the period, the Company through its subsidiary companies, made further investments and acquisitions as follows:

Date	D9 Subsidiaries	Investments	Acquisition cost
Apr 2022	D9 DC Opco 1 Limited[28]	Verne Global London – Owns a long leasehold property and data centre operator in Central London	£45.5m
Apr 2022	D9 Wireless Opco 1 Limited	Elio Networks – Operates fixed wireless access network in Dublin	€60.6m
Apr-Dec 2022	Digital 9 Holdco Limited	Provided Capex loans to Verne Global Iceland for the construction of data centres	£38.5m
Jan-Dec 2022	Digital 9 Subsea Limited	EMIC-1 – progress payments for the construction of Subsea cables	$18.9m
Sep-Dec 2022	Digital 9 Holdco Limited	Provided Capex loans to Verne Global London for the construction of data centre	£4.4m
Nov 2022	Digital 9 Holdco Limited	Provided Capex loan to Aqua Comms for undersea cables construction	$5m
Aug-Dec 2022	Digital 9 Holdco Limited	Provided loans to Verne Global London	£3.7m
Jul 2022	D9 DC Opco 3 Limited	Verne Global Finland – Operates data centres in Finland	€135m
Oct 2022	D9 Wireless Opco 2 Limited	Acquired 48.02% voting stake in Arqiva Group Limited – network and communications service provider, the sole operator of digital terrestrial television and radio infrastructure in the United Kingdom.	£300m

[28] Subsidiaries of Digital 9 Holdco Limited are the companies that make acquisitions.

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VALUATION PROCESS

The Investment Manager includes a team that is responsible for carrying out the fair valuation of financial assets for financial reporting purposes, including Level 3 fair valuations. This valuation is presented to the Board for its approval and adoption. The valuation is carried out on a six-monthly basis as at 30 June and 31 December each year and is reported to Shareholders in the Annual Report and Financial Statements.

VALUATION METHODOLOGY

The Company owns 100% of its subsidiary D9 Holdco. The Company meets the definition of an investment entity as described by IFRS 10, as such the Company's investment in D9 Holdco is valued at fair value. D9 Holdco's cash, working capital balances and fair value of investments are included in calculating fair value of D9 Holdco. The Company acquires underlying investments in special purpose vehicles ("SPV") through its investment in D9 Holdco.

The Investment Manager has carried out fair market valuations of the SPV investments as at 31 December 2022 and the Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuations. All SPV investments are at fair value through profit or loss and are valued using the IFRS 13 framework for fair value measurement.

The following economic assumptions were used in the valuation of the SPVs.

The main Level 3 inputs used by the Group are derived and evaluated as follows:

- The Investment Manager uses its judgment in arriving at the appropriate discount rate using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessment. This is based on its knowledge of the market, considering intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market and publicly available information on relevant transactions. The bottom-up analysis of the discount rate and the appropriate beta is based on comparable listed companies. For the Interim Report, after consultation with its advisers, the Company decided to make a slight change to its valuation methodology. Its investments are still being valued using a discounted cash flow approach, but they are now being valued on a Free Cash Flow to Equity ("FCFE") basis rather than Free Cash Flow to the Firm ("FCFF"). Where Investee Companies do not have leverage, for the FCFE model, the Investment Manager has used its knowledge of the market; combined with the ability of the Investee Companies' cash flows to support leverage on their balance sheets to apply an appropriate level of debt over the period. A cost of equity has been used as the discount rate, replacing a cost of capital. In theory, there should be no difference between the FCFE and FCFF approaches, but in practice there are minor variations. Going forward, the Company will continue to value its investments on a FCFE basis, incorporating the investment companies' debt structuring ambitions when confirmed by the respective Boards of those companies. The portfolio weighted average cost of equity for investments valued under the FCFE discounted cash flows approach is 12.64%. The cost of equity could decline further in the future as the portfolio companies benefit from lower operational risk as they execute on their growth plans.
- To calculate portfolio NAV, 98% of total NAV from investment companies is valued using the FCFE discounted cash flows approach with the remaining 2% of investments being valued at cost.
- Expected cash inflows are estimated based on terms of the contracts and the Company's knowledge of the business and how the current economic environment is likely to impact it taking into consideration of growth rate factors.
- Foreign exchange rates of GBP against USD, EUR and ISK

FAIR VALUE MEASUREMENTS

As set out above, the Company accounts for its interest in its wholly owned direct subsidiary as a financial asset at fair value through profit or loss.

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

Level 1 – 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 assets or liabilities, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the Company's financial assets and financial liabilities measured and recognised at fair value at December 2022 and 31 December 2021:

	Date of valuation	Total £'000	Quoted prices in active markets (Level 1) £'000	Significant observable inputs (Level 2) £'000	Significant unobservable inputs (Level 3) £'000
Assets measured at fair value:					
Equity investment in D9 Holdco	31 December 2022	891,866	–	–	891,866
Debt investment in D9 Holdco	31 December 2022	29,105	–	–	29,105
Assets measured at fair value:					
Equity investment in D9 Holdco	31 December 2021	746,229	–	–	746,229

There have been no transfers between Level 1 and Level 2 during the period, nor have there been any transfers between Level 2 and Level 3 during the year.

The Company's investments are reported as Level 3 in accordance with IFRS 13 where external inputs are "unobservable" and value is the Directors' best estimate, based upon advice from relevant knowledgeable experts.

FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

As set out within the significant accounting estimates and judgements in Note 3(b), the valuation of the Company's financial asset is an estimation uncertainty. The sensitivity analysis was performed based on the current capital structure and expected performance of the Company's investment in D9 Holdco. 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 SPVs remains static throughout the modelled life. The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement and the changes to the fair value of the financial asset if these inputs change upwards or downwards by 1%:

Unobservable inputs	Valuation if rate increases £'000	Movement in valuation £'000	Valuation if rate decreases £'000	Movement in valuation £'000
Inflation	954,328	33,357	890,539	(30,432)
Interest rates	869,808	(51,163)	972,411	51,440
Discount rates	763,774	(157,197)	1,111,450	190,479

10. TRADE AND OTHER RECEIVABLES

	31 December 2022 £'000	31 December 2021 £'000
Amounts due from subsidiary undertakings	**601**	209
Subsidiary audit fees	**816**	19
	1,417	228

The Directors consider that the carrying value of trade and other receivables approximate their fair value.

11. CASH AND CASH EQUIVALENT

	31 December 2022 £'000	31 December 2021 £'000
Foreign currencies account	**–**	27
Cash at bank	**30,001**	11,284
	30,001	11,311

Foreign currency accounts refer to funds held in USD and Euro currencies. Foreign currency balances are subject to foreign currency exchange risks, but the risk is considered insignificant.

The Directors consider that the carrying value of cash and cash equivalents approximate their fair value.

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12. TRADE AND OTHER PAYABLES

	31 December 2022 £'000	31 December 2021 £'000
Trade payables	**216**	–
Accruals	**2,553**	1,912
	2,769	1,912

The Directors consider that the carrying value of trade and other payables approximate their fair value. All amounts are unsecured and due for payment within one year from the reporting date. £2.2 million (2021: £1.3 million) of the above accruals figure relates to fees payable to the Investment Manager.

13. STATED CAPITAL

Ordinary shares of no par value

Allotted, issued and fully paid:	No of shares	Price	31 December 2021 £000's
Allotted following admission to London Stock Exchange			
31 March 2021	300,000,000	100.0p	300,000
10 June 2021	166,666,667	105.0p	175,000
1 October 2021	255,813,953	107.5p	275,000
Ordinary Shares at 31 December 2021	**722,480,620**		**750,000**
Dividends paid (Note 14)			(17,837)
Share issue costs			(14,616)
Stated capital at 31 December 2021			**717,547**

Allotted, issued and fully paid:	No of shares	Price	31 December 2022 £000's
As at 1 January 2022	**722,480,620**		**717,547**
Allotted during the period			
28 January 2022	88,148,880	108.0p	95,201
8 July 2022	54,545,454	110.0p	60,000
Ordinary Shares at 31 December 2022	**865,174,954**		**872,748**
Dividends paid (Note 14)			(50,274)
Share issue costs			(3,232)
Stated capital at 31 December 2022			**819,242**

Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all its liabilities, the shareholders are entitled to all of the residual assets of the Company.

On 28 January 2022, the Company raised gross proceeds of £95.2 million via the Placing of new Ordinary Shares at a price of 108.0p. Further 88,148,880 Ordinary Shares were admitted to trading on the London Stock Exchange.

On 8 July 2022, the Company announced it raised £60 million via a placing and offer for subscription of new ordinary shares at a price of 110.0p. Subsequently, 54,545,454 new ordinary shares were issued and admitted to trading on the London Stock Exchange.

14. DIVIDENDS

	Dividend per share	Year ended 31 December 2022 £'000	8 January 2021 to 31 December 2021 £'000
Dividends period 31 March 2021 to 30 June 2021	1.5 pence	**–**	7,000
Dividend period 1 July 2021 to 30 September 2021	1.5 pence	**–**	10,837
Dividends period 1 October 2021 to 31 December 2021	1.5 pence	**12,159**	–
Dividend period 1 January 2022 to 31 March 2022	1.5 pence	**12,159**	–
Dividend period 1 April 2022 to 30 June 2022	1.5 pence	**12,978**	–
Dividend period 1 July 2022 to 30 September 2022	1.5 pence	**12,978**	–
Total dividends paid		**50,274**	**17,837**

In addition to the above dividends, since year end the Directors have recommended the payment of an interim dividend of £12,977,624 equivalent to 1.50 pence per fully paid ordinary share. The aggregate amount of the proposed dividend expected to be paid on or around 31 March 2023 out of reserves at 31 December 2022, but not recognised as a liability at year end.

15. SUBSIDIARIES

At the reporting date, the Company had one wholly owned subsidiary, being its 100% investment in Digital 9 Holdco Limited. The following table shows subsidiaries of the Company. As the Company is regarded as an Investment Entity as referred to in Note 2, these subsidiaries have not been consolidated in the preparation of the financial statements.

Name	Place of business	% Interest	Principal activity	Registered office
Digital 9 Holdco Limited	UK	100%	*Holding company*	*1 King William Street, London EC4N 7AF*
The following companies are held by D9 Holdco Limited and its underlying subsidiaries:				
Digital 9 DC Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Fibre Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Wireless Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Subsea Holdco Limited	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Digital 9 Subsea Limited[1]	UK	100%	Subsea fibre optic network	1 King William Street, London EC4N 7AF
Digital 9 Seaedge Limited[2]	UK	100%	Leaseholding company	1 King William Street, London EC4N 7AF
D9 DC Opco 1 Limited[2]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 DC Opco 2 Limited[2]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 DC Opco CAN 1 Limited[14]	Canada	100%	Dormant	44 Chipman Hill Suite 1000 Saint John NB E2L 2A9 Canada
D9 DC Opco 3 Limited[2]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 1 Limited[3]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Midco 1 Limited[3]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 2 Limited[4]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
D9 Wireless Opco 3 Limited[3]	UK	100%	Dormant	1 King William Street, London EC4N 7AF
D9 Fibre Opco 1 Limited[13]	UK	100%	Dormant	1 King William Street, London EC4N 7AF
D9 Fibre Opco 2 Limited[13]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Giggle Fibre Limited[16]	UK	100%	Intermediate holding company	1 King William Street, London EC4N 7AF
Giggle Broadband Limited[15]	Scotland	100%	Fibre broadband services	Floor 2, Framework Building, 124 St Vincent Street, Glasgow Scotland G2 5HF
Aqua Comms Designated Activity Company[1]	Ireland	100%	Holding company	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Connect Limited[5]	Ireland	100%	Intermediate holding company	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect 2 Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
North Sea Connect Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms Management (UK) Limited[5]	UK	100%	Management company	85 Great Portland Street, London W1W 7LT

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Name	Place of business	% Interest	Principal activity	Registered office
Aqua Comms Denmark ApS[5]	Denmark	100%	Subsea fibre optic network	c/o Bech-Bruun Langeline Alle 35, Copenhagen
Aqua Comms (Ireland) Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Celtix Connect Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms Management Limited[5]	Ireland	100%	Management company	The Exchange Building, 4 Foster Place, Dublin 2
Sea Fibre Networks Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
Aqua Comms (IOM) Limited[5]	Isle of Man	100%	Subsea fibre optic network	c/o PCS Limited, Ground Floor, Murdoch Chambers, South Quay, Douglas, IOM IM1 5AS
Aqua Comms (UK) Limited[5]	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
Aqua Comms Services Limited[5]	Ireland	100%	Subsea fibre optic network	The Exchange Building, 4 Foster Place, Dublin 2
America Europe Connect (UK) Limited[5]	UK	100%	Subsea fibre optic network	85 Great Portland Street, London W1W 7LT
America Europe Connect 2 USA Inc[5]	USA	49%	Subsea fibre optic network	251 Little Falls Drive, Wilmington, Delaware, 19808 USA
Aqua Comms (Americas) Inc[5]	USA	49%	Subsea fibre optic network	3500 South Dupont Highway, Dover, Delaware 19901 Kent, United States
Verne Holdings Limited[2]	UK	100%	Holding company	1 King William Street, London EC4N 7AF
Verne Global GmbH[17]	Germany	100%	Data centre solutions	Äußere Sulzbacher Straße 118, 90491 Nürnberg
Verne Global hf.[6]	Iceland	100%	Data centre operation	Valhallarbraut 868, 262 Reykjanesbaer, Iceland
Verne Global Ltd[17]	UK	100%	Data centre solutions	1 King William Street, London EC4N 7AF
Verne Global Inc.[17]	USA	100%	Data centre solutions	1825 Washington Street, Canton MA 02021 USA
GAData Holdings Limited[7]	Jersey	100%	Holding company	28 Esplanade, St Helier, Jersey JE3 3QA
Volta Data Centres Limited[8]	UK	100%	Data centre operator	36-43 Great Sutton Street London EC1V 0AB
GSS Propco Limited[8]	Jersey	100%	Property investment	28 Esplanade, St Helier, Jersey JE3 3QA
Leeson Telecom Limited[9]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom One Limited[9]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Leeson Telecom Holdings Limited[10]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
W R Computer Network Limited[10]	Ireland	100%	Enterprise broadband	6-9 Trinity St, Dublin, D02 EY47, Ireland
Ficolo Oy[11]	Finland	100%	Data centre operator	Konepajanranta 4, 28100 Pori, Finland
Arqiva Group Limited[12]	UK	48.02%	Holding Company	Crawley Court, Winchester, Hampshire SO21 2QA

[1] Held by Digital 9 Subsea Holdco
[2] Held by Digital 9 DC Limited
[3] Held by Digital 9 Wireless Limited
[4] Held by D9 Wireless Midco 1 Limited
[5] Held by Aqua Comms Designed Activity Company and its intermediate holding companies
[6] Held by Verne Holdings Limited
[7] Held by D9 DC Opco 1 Limited
[8] Held by GAData Holdings Limited
[9] Held by D9 Wireless Opco 1 Limited
[10] Held by Leeson Telecom Limited
[11] Held by D9 DC Opco 3 Limited
[12] Held by D9 Wireless Opco 2 Limited
[13] Held by Digital 9 Fibre Limited
[14] Held by D9 Opco 2 Limited
[15] Held by Giggle Fibre Limited
[16] Held by D9 Fibre Opco 2 Limited
[17] Held by Verne Global hf

16. TRANSACTIONS WITH THE INVESTMENT ADVISERS AND RELATED PARTY DISCLOSURE

DIRECTORS

Directors are remunerated for their services at such rate as the directors shall from time to time determine. The Directors are each paid an annual fee of £40,000 other than the Chair of the Audit Committee and Chair of the Risk Committee who are each entitled to an additional £5,000 and the Chair of the Company who is entitled to receive an annual fee of £75,000.

Director	Number of Ordinary shares held	*Dividends paid 31 December 2022	*Dividends paid 31 December 2021
Jack Waters (resigned 23 May 2022)	70,000	£1,050	£1,800
Philip Jordan (from 23 May 2022)	73,909	£1,518	–
Aaron Le Cornu (from 1 April 2022)	72,500	£2,437	–
Lisa Harrington	38,604	£2,316	£879
Keith Mansfield	86,429	£3,934	£1,479
Monique O'Keefe (resigned 23 May 2022)	10,000	£150	£300
Charlotte Valeur	10,000	£600	£300

* - Dividends disclosed for the period from the date of appointment and up to the date of resignation.

INVESTMENT MANAGER

The Company considers Triple Point as the Investment Manager as a key management personnel and therefore a related party. Further details of the investment management contract and transactions with the Investment Manager are disclosed in Note 6.

TRANSACTION WITH SUBSIDIARY UNDERTAKINGS

During the period, the Company made equity investments in Digital 9 Holdco Limited totalling £48.4 million (2021 - £700.7 million).

During the period, the Company received dividend income of £3.2 million (2021 – £2.9 million) from Digital 9 Holdco Limited.

As per Note 18, the Company, through its subsidiary undertakings has capital expenditure commitments totalling £46 million (2021 - £Nil).

LOAN TO SUBSIDIARY UNDERTAKING

As at the year end the Company provided a loan of £29.5 million (2021 - £Nil) to Digital 9 Holdco Limited. Interests of £0.9 million (2021 - £Nil) were charged on the loan.

AMOUNTS DUE FROM SUBSIDIARY UNDERTAKINGS

Included within Note 10 is an amount due from subsidiary undertakings:

Subsidiary undertakings:	31 December 2022 £'000	31 December 2021 £'000
Aqua Comms DAC	**160**	–
D9 DC Opco 1 Limited	**32**	–
D9 DC Opco 3 Limited	**34**	–
D9 Wireless Opco 1 Limited	**30**	–
Digital 9 Seaedge Limited	**15**	–
Digital 9 Subsea Limited	**42**	–
Verne Holdings Limited	**288**	–
Digital 9 DC Limited	**–**	193
Digital 9 Fibre Limited	**–**	16
	601	**209**

17. EVENTS AFTER THE REPORTING PERIOD

DIVIDENDS

The Company announced a dividend of 1.5 pence per share equivalent to £12,977,624 with respect to the period from 1 October 2022 to 31 December 2022 to be paid on 31 March 2023 to shareholders on the register on 17 March 2023.

An additional £25m of the RCF was drawn post-period end to fund additional capital expenditure at Verne Global London and Aqua Comms.

The Directors have determined that there have been no other significant events after the reporting date requiring recognition or disclosure in these financial statements.

18. COMMITMENTS AND CONTINGENT LIABILITIES

The Company, through its subsidiary undertakings has committed £46.3 million for capital expenditures at 31 December 2022 (2021 - £Nil). Please see page 220 for a breakdown of committed expenditures.

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Notes to the Financial Statements

For the year ended 31 December 2022

19. FINANCIAL RISK MANAGEMENT

The Company is exposed to market risk, interest rate risk, credit risk and liquidity risk in the current and future periods. The Board oversees the management of these risks. The Board's policies for managing each of these risks are summarised below.

MARKET RISK

The Company's activities are exposed to a potential reduction in demand for internet, data centre or cell network service and competition for assets and services. Whilst the Company seeks to invest in a diverse portfolio of digital infrastructure, demand for the Company's digital infrastructure assets is dependent on demand for internet, data, network or other telecom services and the continued development of the internet. Furthermore, the ongoing use of the infrastructure services D9 is providing requires competitive prices which are cost-effective to the end users. Some factors that could impact the volume of demand or the ability to provide competitive pricing includes:

- continued development and expansion of the internet as a secure communications medium and marketplace for the distribution and consumption of data and video
- continued growth in cloud hosted services as a delivery platform
- ongoing growth in demand for access to high-capacity broadband
- continued focus on technologies, assets and services which can offer competitive pricing and high-quality reliable services
- continued partnership with suppliers and hyperscalers to maintain and provide the most cost-effective access

Variations in any of the above factors can affect the valuation of assets held by the Company and as a result impact the financial performance of the Company.

MARKET RISK ARISING FROM FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument translated into GBP will fluctuate because of changes in foreign exchange rates.

The Group had the following foreign currency balances and their GBP equivalents at the end of the reporting period:

	USD $'000	EUR €'000	GBP £'000
Bank balances	12,344	1,192	62,339
Investment at fair value	642,932	215,781	404,923

The Company is primarily exposed to changes in USD/GBP and EUR/GBP exchange rates as its investments in Aqua Comms DAC and Verne Holdings Limited held by D9 Holdco and its subsidiary are primarily in USD and to changes in EUR/GBP exchange rates as its investments in Leeson Telecom and Ficolo Oy are primarily in EUR. The sensitivity of profit or loss to changes in the exchange rates arises mainly on the fair value of investment. To demonstrate the impact of foreign currency risk (in GBP), a 5% increase/decrease in USD/GBP and EUR/GBP rates are measured as this is in line with the relevant change in the rate during the last six months.

	Impact on post tax profit £'000	Impact on other components of equity £'000
USD/GBP and EUR/GBP exchange rates – increase by 5%	34,947	34,947
USD/GBP and EUR/GBP exchange rates – decrease by 5%	(34,947)	(34,947)

The above figures represent impacts of changes in USD/GBP and EUR/GBP exchange rates. The Company's exposure to other foreign exchange movements is not material.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's main interest rate risk arises in the valuation of the financial asset and loan to Digital 9 Holdco where interest rate is one of the key assumptions of the Weighted Average Cost of Capital. Exposure to interest rate risk on the financial asset valuation is included in Note 9 above.

The Company's interest rate risk on interest bearing financial assets is limited to interest earned on cash deposit. Exposure to interest rate risk on the liquidity funds is immaterial to the Company.

CREDIT RISK

Credit risk is the risk that a counterparty of the Company will be unable or unwilling to meet a commitment that it has entered with the Company. It is a key part of the pre-investment due diligence. The credit standing of the companies which we intend to lend or invest is reviewed, and the risk of default estimated for each significant counterparty position. monitoring is ongoing and period end positions are reported to the Board.

Credit risk arises on the debt investments held at fair value through profit or loss, this includes loan provided to Digital 9 Holdco Limited. The Company's debt investments at fair value through profit or loss is considered to have low credit risk, and management have not recognized any loss allowance recognised during the year.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. The Company and its subsidiaries may mitigate their risk on cash investments and derivative transactions by only transacting with major international financial institutions with high credit ratings assigned by international credit rating agencies. The Company's cash and cash equivalents are all deposited with Barclays Bank plc which has a Fitch rating of A+.

The Company had no derivatives during the period.

The carrying value of the investments, trade and other receivables and cash represent the Company's maximum exposure to credit risk.

LIQUIDITY RISK

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The Investment Manager and the Board continuously monitor forecast and actual cash flows from operating, financing, and investing activities to consider payment of dividends, repayment of trade and other payables or funding further investing activities. The Company ensures it maintains adequate reserves and will put in place banking facilities and it will continuously monitor forecast and actual cash flows to seek to match the maturity profiles of financial assets and liabilities. Further analysis on the Company's liquidity is included within the Basis of Preparation – Going Concern assessment.

31 December 2022	Total £'000	1-3 months £'000	3-12 months £'000	1 -2 years £'000	2- 5 years £'000	More than 5 years £'000
Trade payables	216	216	–	–	–	–
Accruals	2,553	–	2,553	–	–	–
	2,769	**216**	**2,553**	**–**	**–**	**–**

31 December 2021	Total £'000	1-3 months £'000	3-12 months £'000	1 -2 years £'000	2- 5 years £'000	More than 5 years £'000
Accruals	1,912	–	1,912	–	–	–
	1,912	**–**	**1,912**	**–**	**–**	**–**

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Notes to the Financial Statements

For the year ended 31 December 2022

20. FINANCIAL INSTRUMENTS

	Cash at bank balances at amortised cost £'000	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Financial assets at fair value through profit or loss £'000	Total value £'000
Year ended 31 December 2022					
Non-current assets:					
Equity investments held at fair value through profit or loss	–	–	–	891,866	891,866
Debt investment held at fair value through profit or loss	–	–	–	29,105	29,105
Current assets:					
Trade and other receivables	–	1,417	–	–	1,417
Cash and cash equivalents	30,001	–	–	–	30,001
Total Assets	**30,001**	**1,417**	**–**	**920,971**	**952,389**
Current liabilities:					
Trade and other payables	–	–	(2,769)	–	(2,769)
Total liabilities	**–**	**–**	**(2,769)**	**–**	**(2,769)**
Net assets	**30,001**	**1,417**	**(2,769)**	**920,971**	**949,620**
Period ended 31 December 2021					
Non-current assets:					
Equity investments held at fair value through profit or loss	–	–	–	746,229	746,229
Current assets:					
Trade and other receivables	–	228	–	–	228
Cash and cash equivalents	11,311	–	–	–	11,311
Total Assets	11,311	228	–	746,229	757,768
Current liabilities:					
Trade and other payables	–	–	(1,912)	–	(1,912)
Total liabilities	–	–	(1,912)	–	(1,912)
Net assets	**11,311**	**228**	**(1,912)**	**746,229**	**755,856**

21. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to minimise the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

22. EARNINGS PER SHARE

Earnings per share ("EPS") amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period. As there are no dilutive instruments outstanding, both basic and diluted earnings per share are the same.

The calculation of basic and diluted earnings per share is based on the following:

	Year ended 31 December 2022		
Calculation of Basic Earnings per share	Revenue	Capital	Total
Net (loss)/profit attributable to ordinary shareholders (£'000)	**(3,225)**	**95,294**	**92,069**
Weighted average number of ordinary shares	**829,961,949**	**829,961,949**	**829,961,949**
Earnings per share – basic and diluted	**(0.39p)**	**11.48p**	**11.09p**

There is no difference between basic or diluted Loss per Ordinary Share as there are no convertible securities.

There is no difference between the weighted average Ordinary or diluted number of Shares.

Calculation of Weighted Average Number of Shares in Issue	01-Jan-22	28-Jan-22	12-Jul-22	31-Dec-22
No of days	365	338	173	365
Ordinary Shares				
No. of shares				
Opening Balance	722,480,620	722,480,620	810,629,500	865,174,954
New Issues	–	88,148,880	54,545,454	–
Closing Balance	**722,480,620**	**810,629,500**	**865,174,954**	**865,174,954**
Weighted Average	**722,480,620**	**81,628,278**	**25,853,051**	**829,961,949**

	Period ended 31 December 2021:		
Calculation of Basic Earnings per share	Revenue	Capital	Total
Net profit attributable to ordinary shareholders (£'000)	(291)	38,600	38,309
Weighted average number of ordinary shares	392,462,432	392,462,432	392,462,432
Earnings per share – basic and diluted	**(0.07p)**	**9.84p**	**9.77p**

There is no difference between basic or diluted Loss per Ordinary Share as there are no convertible securities.

There is no difference between the weighted average Ordinary or diluted number of Shares.

Calculation of Weighted Average Number of Shares in Issue	08-Jan-21	31-Mar-21	10-Jun-21	01-Oct-21	31-Dec-21
No of days	358	276	205	92	358
Ordinary Shares					
No. of shares					
Opening Balance	–	2	300,000,000	466,666,667	722,480,620
New Issues	2	299,999,998	166,666,667	255,813,953	–
Closing Balance	**2**	**300,000,000**	**466,666,667**	**722,480,620**	**722,480,620**
Weighted Average	**2**	**231,284,915**	**95,437,617**	**65,739,899**	**392,462,433**

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For the year ended 31 December 2022

23. NET ASSET VALUE PER SHARE

Net Asset Value per share is calculated by dividing net assets in the Statement of Financial Position attributable to Ordinary equity holders of the parent by the number of Ordinary Shares outstanding at the end of the period. Although there are no dilutive instruments outstanding, both basic and diluted NAV per share are disclosed below.

Net asset values have been calculated as follows:

	31 December 2022	31 December 2021
Net assets at end of period (£'000)	£949,620	£755,856
Shares in issue at end of period	865,174,954	722,480,620
IFRS NAV per share – basic and dilutive	**109.76p**	**104.62p**

24. ULTIMATE CONTROLLING PARTY

In the opinion of the Board, on the basis of the shareholdings advised to them, the Company has no ultimate controlling party.

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Unaudited Alternative Performance Measures

For the year ended 31 December 2022

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.

The Sections below define our APMs and how they relate to the Company and its subsidiaries.

1. ONGOING CHARGES RATIO

Ongoing Charges Ratio is a figure published annually by an investment company which shows the drag on performance caused by operational expenses.

		Annualised to 31 Dec 2022 £'000	Period to 31 Dec 2021 £'000	Annualised to 31 Dec 2021 £'000
Management fee		**7,736**	2,952	4,209
Other operating expenses		**1,645**	1,012	1,253
Total management fee and other operating expenses	(a)	**9,381**	3,964	5,462
Average undiluted net assets	(b)	**852,738**	–	524,904
Ongoing charges ratio % (c = a/b)(%)	(c)	**1.10%**		**1.04%**

2. TOTAL RETURN

Total NAV return is a way to measure the performance of an investment company. A fund's NAV return is the percentage change between its net asset value at the beginning and end of a particular period plus dividends paid. This is relevant to the Company, as D9 targets a 10% return through a combination of dividends and capital growth.

	31 December 2022		31 December 2021
Closing NAV per share (pence)	**109.76p**		104.62p
Add back dividends paid (pence)	**9.00p**		3.00p
Adjusted closing NAV (pence)	**118.76p**		107.62p
Adjusted NAV per share as at the period end less NAV per share at 31 December 2021 (31 March 2021)	**(118.76p – 107.62p)**	(a)	(107.62p – 98.00p)
NAV per share at 31 December 2021 (31 March 2021)	**107.62p**	(b)	98.00p
Total return % (c = a/b)(%)	**10.40%**	(c)	**9.82%**

The above return is for the period from IPO to 31 December 2022 (31 December 2021 – 13.09% annualised).

Financial Statements

Unaudited Alternative Performance Measures

For the year ended 31 December 2022

3. DIVIDEND COVER

The Company's explanation of Dividend cover and how it is calculated is included in the Investment Managers Report. Dividend cover reflects how the cashflows from investee companies before reinvestment can cover the Company's dividends.

	Year to 31 December 2022 £'000	Period to 31 December 2021 £'000
Operating cash flows	**18,695**	11,882
Dividends paid and declared for the period	**51,092**	29,996
Dividends covered by operating cash flows	**40.00%**	**39.61%**

Dividend cover is measured as total dividends paid and payable at 31 December 2022, as a percentage of total operating cash flows for the Company and its subsidiaries.

4. MARKET CAPITALISATION

Market capitalisation refers to the market value of a company's equity. It is a simple but important measure that is calculated by multiplying a company's shares outstanding by its price per share.

		31 December 2022 £'000	31 December 2021 £'000
Closing share price at period end	(a)	**86.4p**	113.8p
Number of shares in issue at period end	(b)	**865,174,954**	722,480,620
Market capitalisation (c) = (a) x (b)	(c)	**£747,511,160**	**£822,182,946**

5. CAPITAL DEPLOYED

This is a measure of amounts invested into the portfolio of investments less any amounts relating to refinance proceeds or sell-downs.

Deployment including committed fund	Deployed	Committed fund	31 December 2022 £'000	31 December 2021 £'000
Aqua Comms DAC	£176,077	£13,487	**£189,564**	£175,615
EMIC-1	£22,617	£24,757	**£47,374**	£22,796
Verne Global Iceland	£292,441	–	**£292,441**	£247,190
SeaEdge UK1	£16,335	–	**£16,355**	£16,292
Elio Networks	£50,807	–	**£50,807**	–
Verne Global London	£53,642	£7,776	**£61,418**	–
Verne Global Finland	£118,927	–	**£118,927**	–
Arqiva	£462,998	–	**£462,998***	–
Giggle	£3,000	–	**£3,000**	–
Total deployment	**£1,196,864**	**£46,020**	**£1,242,884**	**£461,893**

* – Includes £163 million Vendor Loan Notes issued by D9 Wireless Opco 2 Limited

6. TOTAL SHAREHOLDER RETURN

A measure of the return based upon share price movements over the period and assuming reinvestment of dividends. This APM, allows shareholders to establish their return by using share price as a metric rather than NAV.

		31 December 2022	31 December 2021
Closing share price (pence)		**86.40**	113.80
Add back effect of dividend reinvestment (pence)		**5.14**	3.14
Adjusted closing share price (pence)	(a)	**91.54**	116.94
Opening share price at beginning of the year (2021 at IPO) (pence)	(b)	**113.80**	100.00
Total shareholder return (c = ((a-b)/(b)) (%)	**(c)**	**(19.56)%**	**16.94%**

The above return is for the year to 31 December 2022 (31 December 2021 – from IPO to 31 December 2021 equates to 23.08% annualised).


A 3
B 3

Information

Glossary and Definitions

"Adjusted Gross Asset Value"	the aggregate value of the total assets of the Company as determined with the accounting principles adopted by the Company from time to time as adjusted to include any third-party debt funding drawn by, or available to, any Group company (which, for the avoidance of doubt, excludes Investee Companies);
"Admission"	the admission of the Company's ordinary share capital to trading on the Premium Segment of the Main Market of the London Stock Exchange;
"Aqua Comms"	Aqua Comms Designation Activity Company, a private company limited by shares incorporated and registered in Ireland;
"AIC Code"	AIC Code of Corporate Governance produced by the Association of Investment Companies;
"AIC Guide"	AIC Corporate Governance Guide for Investment Companies produced by the Association of Investment Companies;
"AIFM"	the alternative investment fund manager of the Company being Triple Point Investment Management LLP;
"AIFMD"	the EU Alternative Investment Fund Managers Directive 2011/61/EU;
"Board"	the Directors of the Company from time to time;
"CAGR"	compound annual growth rate;
"Conservative"	in respect of the Company's borrowing policy, the level of any short term revolving credit facility put in place by the Company will be determined by the quality of the investments to be made, including the covenant strength of counterparties within the proposed Investee Company, the terms available to the Company and the timeframe for which such short-term borrowings are expected to be required. In any event, the aggregate level of borrowings will be expected to be no more than a maximum of 50 per cent. of Adjusted Gross Asset Value;
"Construction Phase"	in respect of a new development project, the phase where contracts have been agreed and relevant permits are in place;
"CTA 2010"	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force;
"D9" or "Company"	Digital 9 Infrastructure plc, incorporated and registered in Jersey (company number 133380);
"Development Phase"	in respect of a new development project, the initial phase before relevant contracts or permits are in place;
"Digital Infrastructure"	Key services and technologies that enable methods, systems and processes for the provision of reliable and resilient data storage and transfer;

"Digital Infrastructure Investments"	an investment which falls within the parameters of the Company's investment policy and which may include (but is not limited to) an investment into or acquisition of an Investee Company or a direct investment in Digital Infrastructure assets or projects via an Investment SPV or a forward funding arrangement;
"DTR"	the Disclosure Guidance and Transparency Rules sourcebook containing the Disclosure Guidance, Transparency Rules, corporate governance rules and the rules relating to primary information providers;
"EBITDA"	earnings before interest, taxes, depreciation and amortisation;
"EPS"	earnings per share;
"ESG"	environmental, Social and Governance;
"EU or "European Union"	the European Union first established by the treaty made at Maastricht on 7 February 1992;
"FAANGs"	global content providers such as Meta , Amazon, Apple, Netflix, Google;
"FCA"	the Financial Conduct Authority;
"FTTH"	Fibre to the Home;
"FTTP"	Fibre to the Premises;
"GAV"	the gross assets of the Company in accordance with applicable accounting rules from time to time;
"Group"	the Company and any other companies in the Company's Group for the purposes of Section 606 of the Corporation Tax Act 2010 from time to time but excluding Investee Companies;
"Internet of Things" or "IoT"	the network of physical objects (things) that are embedded with technologies such as sensors or software for the purpose of connecting and exchanging data with other devices and systems via the internet;
"Investee Company"	a company or special purpose vehicle which owns and/or operates Digital Infrastructure assets or projects in which the Group invests or acquires;
"Investment Manager"	Triple Point Investment Management LLP (partnership number OC321250);
"Investment Objective"	the Company's investment objective as set out in the Prospectus dated 8 March 2021;
"Investment Policy"	the Company's investment policy as set out in the announcement dated 24 August 2022;
"Investment SPV"	a special purpose vehicle used to acquire or own one or more Digital Infrastructure Investments;
"IPO"	the Company's initial public offering launched on 8 March 2021 which resulted in the admission of, in aggregate, 300 million Ordinary Shares to trading on the Specialist Fund Segment of the Main Market on 31 March 2021;

Glossary and Definitions

"LTM"	Last Twelve Months;
"LTM Contracted Run-Rate EBITDA"	accounts for the portfolio EBITDA including signed, but not yet fully ramped up contracts. The Company's EBITDA margin is applied to total annual revenue expected to be delivered by a contract to estimate the EBITDA generated from contracts which are yet to fully ramp;
"MRR"	monthly recurring revenue;
"NAV"	Net Asset Value being the net assets of the Company in accordance with applicable accounting rules from time to time;
"Ongoing Charges Ratio"	a measure of all operating costs incurred in the reporting period, calculated as a percentage of average net assets in that year. Operating costs exclude costs of buying and selling investments, interest costs, taxation, non-recurring costs and the costs of buying back or issuing ordinary shares;
"Ordinary Shares"	ordinary shares of no-par value in the capital of the Company;
"RCF"	Revolving Credit Facility
"Restricted Territories"	the Republic of China, Democratic People's Republic of Korea (North Korea), Russia, Iran and Syria.
"SDG9"	the UN's Sustainable Development Goal 9;
"SASB"	Sustainability Accounting Standards Board;
"SDIA"	Sustainable Digital Infrastructure Alliance;
"SFDR"	Sustainable Finance Disclosure Regulation;
"SDR"	Sustainability Disclosure Requirements;
"TCFD"	Taskforce for Climate-related Financial Disclosures;
"Total Shareholder Return"	the increase in Net Asset Value in the period plus distributions paid in the period;
"Verne Global Iceland"	Verne Holdings Limited, a private limited company incorporated in England and Wales;
"Verne Global Finland"	Ficolo Oy, a company incorporated in Finland;
"Verne Global London"	Volta Data Centres Limited, a private limited company incorporated in England and Wales; and
"Verne Global"	Verne Global Iceland, Verne Global London, Verne Global Finland collectively.

Shareholder Information

NON-EXECUTIVE DIRECTORS
Phil Jordan
Keith Mansfield
Lisa Harrington
Aaron Le Cornu
Charlotte Valeur

REGISTERED OFFICE
26 New Street
St Helier
Jersey
JE2 3RA
Channel Islands

INVESTMENT MANAGER
Triple Point Investment Management LLP
1 King William Street
London
EC4N 7AF

FINANCIAL ADVISER
Akur Limited
66 St James's Street
London
SW1A 1NE

CORPORATE BROKER
J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London
E14 5JP

UK LEGAL ADVISER
Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW

JERSEY LEGAL ADVISER
Carey Olsen Jersey LLP
47 Esplanade
St Helier
Jersey
JE1 0BD
Channel Islands

TAX ADVISER
Deloitte LLP
1 New Street Square
London
EC4A 3BZ

ADMINISTRATOR
Ocorian Fund Services (Jersey) Limited
26 New Street
St Helier
Jersey JE2 3RA
Channel Islands

COMPANY SECRETARY
Ocorian Secretaries (Jersey) Limited
26 New Street
St Helier
Jersey
JE2 3RA
Channel Islands

DELEGATED COMPANY SECRETARY
Hanway Advisory Limited
1 King William Street
London
EC4N 7AF

REGISTRAR
Computershare Investor Services (Jersey) Limited
13 Castle Street
St Helier
Jersey
JE1 1ES
Channel Islands

AUDITOR
PricewaterhouseCoopers LLP
7 More Riverside
London
SE1 2RT

DEPOSITARY
INDOS Financial Limited
The Scalpel
52 Lime Street
London
EC3M 7AF

COMMUNICATIONS ADVISER
FTI Consulting
200 Aldersgate
Aldersgate Street
London
EC1A4HD

FORWARD LOOKING STATEMENTS

The Front Section of this report (including but not limited to the Chair's Statement, Strategic Report, Investment Manager's Review and Directors' Report) has been prepared to provide additional information to Shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Review Section may include statements that are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager concerning, amongst other things, the Investment Objectives and Investment Policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and NAV total return and dividend targets of the Company and the markets in which it invests.

By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In addition, the Review Section may include target figures for future financial periods. Any such figures are targets only and are not forecasts. This Annual Report has been prepared for the Company as a whole and therefore gives greater emphasis to those matters which are significant in respect of Digital 9 Infrastructure Plc.

ANNEX 1 - REPORTING PRINCIPLES AND METHODOLOGIES

The below reporting principles and methodologies apply to all portfolio companies.

REPORTING PERIOD

All data is presented from the point of acquisition to 31 December 2022. Where a company has been owned for the full reporting year, data for the full year is presented. Where necessary, some full-year data has been pro-rated down to the ownership period.

ENERGY AND CARBON EMISSIONS

Carbon emissions are calculated by multiplying energy consumption data by emissions factors. Emissions factors are derived from various sources, according to geography and energy supply specifics. For each investee company within our portfolio, our reporting methodology and boundaries follow the GHG Protocol's Corporate Accounting and Reporting Standard. Emissions are attributed to D9 using PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry.

The main source of Scope 1 emissions within the portfolio is fuel used in on-site electricity generation and company-owned vehicles, and fugitive emissions. On-site generation is required by data centres to guarantee up-time, and by subsea network operators to ensure the continuous running of this critical infrastructure. For all locations, emissions were determined from fuel use using UK Government GHG Factors. Fugitive emissions were estimated from the amount of refrigerant gases refilled into cooling systems during the period. UK Government GHG Factors were used to convert these into tCO2e figures. In some instances, a mixture of water and glycol is used in cooling systems. Emissions factors were not available for this mixture and, based on preliminary research, this was assumed to have no Global Warming Potential.

Marke and location-based emissions figures are presented for Scope 2, reported in line with the GHG Protocol's Scope 2 guidance. To calculate market-based emissions, emissions factors supplied by the electricity company and derived from contractual instruments are used in the first instance. In the absence of these specific factors, residual mix factors are applied from Green-e in the United States and the Association of Issuing Bodies (AIB) in Europe, or location-based emissions factors where these aren't available. In all cases, the most recent available emissions factor is used.

Renewable Energy is defined on a market-based basis, including energy backed by Energy Attribute Certificates (such as RECs, REGOs, GOs), power-purchase agreements, as well as on-site generation. If no market-based instruments are purchased, the default grid percentages of renewable energy are used from the relevant national authority.

Emissions resulting from electric vehicles are included in Scope 2 as these vehicles are exclusively charged on-site.

District Heating use for Verne Global Finland's Pori site was estimated from floor area using a kWh/m2 average from the Swedish Energy Agency[29]. District Heating emissions for Finland were estimated from national fuel consumption and heat generation statistics.

Across the portfolio, some fuel usage was estimated from distance travelled in vehicles, amount spent on fuel, or based on partial data that was extrapolated out to the full reporting year. Electricity consumption within Elio Networks' network is not metered and was estimated using equipment specifications.

Aggregated carbon intensity metrics are a weighted average based on the value of the investment within the portfolio, as of 31st December 2022.

VERNE GLOBAL ICELAND EMISSIONS

Verne Global Iceland has a higher carbon intensity than might be assumed, given its sourcing of 100% renewable energy. This is due to the energy supplier, Landsvirkjun, including a broader scope of emissions in their calculations[30] than is typical for energy providers in other markets such as the United Kingdom or United States. Carbon emissions from geothermal energy, and biogenic carbon and methane emissions from hydropower reservoirs, are both included in scope.

29. https://www.energimyndigheten.se/statistik/den-officiella-statistiken/statistikprodukter/energistatistik-for-lokaler/

30. https://www.landsvirkjun.com/annualreports/annualreport2021

POWER USAGE EFFECTIVENESS AND RELATED METRICS

Power usage effectiveness (PUE) is a measure of the energy efficiency of a data centre, with reference only to the electricity usage onsite. It is a ratio of the total facility energy compared to the equipment used in the computing equipment:

$$PUE = \frac{\textit{Total Facility Energy}}{\textit{IT Equipment Energy}}$$

IT Equipment Energy: includes the energy associated with all of the IT equipment involved in computation, storage and networking, as well as supplemental equipment such as switches.

Total Facility Energy: includes all energy associated with IT equipment, plus everything that supports the IT equipment energy usage, including power delivery components, cooling systems and other miscellaneous energy uses, such as data centre lighting. A more detailed explanation can be found in the guidance from the Green Grid[31].

Carbon Usage Effectiveness and Water Usage Effectiveness replace the numerator of the above equation with Scope 2 (location-based) emissions (kgCO2e) and water usage (litres), respectively, to give an indication of the carbon and water efficiency of a data centre. These metrics were calculated following guidance from the Green Grid[32,33].

xUE measures are aggregated to the portfolio level by taking the sum total of all of the relevant data to calculate an xUE figure, avoiding averages which can be skewed by the differing capacities of each individual data centre.

GROWTH IN NETWORK CAPACITY

Capacity on the Aqua Comms network is provisioned to customers as blocks of a defined capacity (GB/s) between two individual points of presence on the network. The sum of all of these blocks, as provisioned to customers, is taken as at the start and end of the reporting year to determine the increase in sold capacity.

For Elio Networks, the total of sold capacity was determined as at the date of acquisition, with total new sales and cancellations added to this value to determine the growth in the network capacity.

SFDR-ALIGNED INDICATORS

Reporting principles and methodologies for the SFDR-aligned indicators are the same as those outlined in the principal adverse sustainability impacts statement of the April 2022 SFDR RTS[34], with any exceptions noted in footnotes.

Gender pay gap calculations are based on a snapshot of the data for the calendar month of August 2022. We have followed UK Government guidance[35] in calculating the gender pay gap. This sample represents the pay that employees would have seen on their pay slip for August, excluding overtime and bonus payments. This includes salary (or basic pay and hours worked, for employees paid hourly), pay for leave, pay for being on call, car allowances, and pay for recruitment and retention. Benefits in kind, such as healthcare and pension contributions have been excluded. Bonuses were excluded as consistent bonus data for all employees was not available for the month of August.

Employees who started or terminated their employment during the month of August have been excluded from the sample, as have those currently on parental leave. Salaried non-executive directors and chairpersons have also been removed from the sample as their remuneration approach is not comparable to FTEs and their hours worked are less well-defined. Including them in the calculations would skew the data. For salaried employees, we have assumed that 2,080 hours are worked across the year.

Employee data from all portfolio companies were consolidated into a single data set, and the overall gender pay gap of this data set was calculated. Elio Networks was not included due to data availability, but given the small number of employees, this was not deemed to make a material difference.

BOARD GENDER DIVERSITY

Board gender diversity is based on the identified genders of the board members of underlying portfolio companies as at 31 December 2022.

31. https://www.thegreengrid.org/en/resources/library-and-tools/237-PUE%3A-A-Comprehensive-Examination-of-the-Metric
32. https://www.thegreengrid.org/en/resources/library-and-tools/241-Carbon-Usage-Effectiveness-%28CUE%29%3A-A-Green-Grid-Data-Center-Sustainability-Metric
33. https://www.thegreengrid.org/en/resources/library-and-tools/238-Water-Usage-Effectiveness-%28WUE%29%3A-A-Green-Grid-Data-Center-Sustainability-Metric-
34. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2022.196.01.0001.01.ENG&toc=OJ%3AL%3A2022%3A196%3ATOC
35. https://www.gov.uk/guidance/the-gender-pay-gap-data-you-must-gather#ordinary-pay

INVESTMENTS
WITH **PURPOSE**
FOR **PROFIT**
BY **PEOPLE**
FROM TRIPLE POINT

1 King William Street | London | EC4N 7AF

For further information about Triple Point
please call 020 7201 8990 or send an email to contact@triplepoint.co.uk

www.triplepoint.co.uk