GREENCOAT UK WIND

Greencoat UK Wind PLC

Annual Report

For the year ended 31 December 2023

Contents

All capitalised terms are defined in the list of defined terms on pages 124 to 126 unless separately defined.

Summary

Greencoat UK Wind PLC is the leading listed renewable infrastructure fund, invested in UK wind farms. The Company's aim is to provide investors with an annual dividend that increases in line with RPI inflation while preserving the capital value of its investment portfolio in the long term on a real basis through reinvestment of excess cash flow.

The Company provides investors with the opportunity to participate directly in the ownership of UK wind farms, so increasing the resources and capital dedicated to the deployment of renewable energy and the reduction of greenhouse gas emissions.

Highlights

- The Group's investments generated 4,743GWh of renewable electricity.
- Net cash generation (Group and wind farm SPVs) was £405.5 million.
- Investment in Dalquhandy, London Array, South Kyle and Kype Muir Extension wind farms increased the portfolio to 49 operating wind farm investments and net generating capacity to 2,007MW as at 31 December 2023.
- The target dividend for the year was 8.76 pence per share. With the increased dividend for the final quarter of 3.43 pence per share, declared dividends for 2023 were 10 pence per share.
- The target dividend with respect to 2024 is also 10 pence per share, an increase of 14.2 per cent above the target dividend for 2023, significantly above December's RPI of 5.2 per cent.
- Aggregate Group Debt was £2,375 million as at 31 December 2023, equivalent to 38 per cent of GAV.

Key Metrics

	As at 31 December 2023	As at 31 December 2022
Market capitalisation	£3,502.9 million	£3,523.5 million
Share price	151.5 pence	152.0 pence
Dividends with respect to the year	£231.4 million	£178.9 million
Dividends with respect to the year per share	10 pence	7.72 pence
GAV*	£6,169.0 million	£5,652.7 million
NAV*	£3,794.0 million	£3,873.2 million
NAV per share*	164.1 pence	167.1 pence
TSR*	5.4 per cent	13.5 per cent
CO_2 emissions avoided per annum*	2.5 million tonnes	2.0 million tonnes
Homes powered per annum*	2.3 million homes	1.8 million homes
Funds invested in community projects in the year	£4.4 million	£4.0 million

* Alternative Performance Measures as defined on page 127.

Defining Characteristics

Greencoat UK Wind PLC was designed for investors from first principles to be simple, transparent and low risk.

- The Group is invested solely in UK wind farms.
- Wind is the most mature and largest scale renewable technology.
- The UK has a long established regulatory regime, high wind resource and £100 billion worth of wind farms in operation.
- The Group is wholly independent and thus avoids conflicts of interests in its investment decisions.
- The independent Board is actively involved in key investment decisions and in monitoring the efficient operation of the assets, and works in conjunction with the most experienced investment management team in the sector.
- Low gearing is important to ensure a high level of cash flow stability and higher tolerance to downside sensitivities.
- The Group invests in sterling assets and thus does not incur material currency risk.

Chairman's Statement

I am pleased to present the Annual Report of Greencoat UK Wind PLC for the year ended 31 December 2023.

Performance

My first annual statement as Chairman comes in the year of the Company's 10th anniversary as a listed company and it is pleasing that this year has seen a further demonstration of the Company's resilience despite rising interest rates, volatile power prices and broader turmoil in global financial markets.

With the final dividend for the year, our investors will have received over £1 billion of dividends since listing. The Company has consistently generated excess cash flow beyond its dividend and has now reinvested £906 million. Our net generating capacity now exceeds 2GW and last year we generated 4.7TWh of renewable electricity, approximately 1.5 per cent of the UK's electricity demand.

Net cash generated by the Group and wind farm SPVs was £406 million, providing cover of 2.1x on £197 million of dividends paid in the year.

By the end of 2023, the portfolio was generating sufficient electricity to power 2.3 million homes and avoiding CO_2 emissions of approximately 2.5 million tonnes per annum through the displacement of thermal generation.

Dividends and Returns

The target dividend for the year was 8.76 pence per share. With the increased dividend for the final quarter of 3.43 pence per share, to be paid on 29 February 2024, the declared dividends for 2023 will be 10 pence per share. With our continuing strong cash flow and dividend cover, we can confidently target a dividend of 10 pence per share with respect to 2024, an increase of 14.2 per cent above the target dividend for 2023, significantly above December's RPI of 5.2 per cent.

The Total Shareholder Return for the year was 5.4 per cent. NAV decreased by 3 pence per share to 164.1 pence per share, including the effects of a material increase in the portfolio discount rate. Since listing, NAV per share has increased by significantly more than RPI, as can be seen on the chart on page 17. The Company's aim remains to provide investors with annual dividends that increase in line with RPI inflation.

In line with the higher interest rate environment, the Company has continued to increase its discount rate and thus returns to investors. The forecast 10 per cent return to investors on NAV (net of all costs) includes reinvestment of excess cash generation (dividend cover) in addition to the dividends paid. Given the nature of the Company's business, we believe that this return compares well with the 10 year gilt rate which was 4.1 per cent immediately prior to the date of this report.

Since listing, aggregate historical dividend cover of 2.0x has enabled the Company to reinvest £906 million of excess cash generation. Given this greater reinvestment and higher return, the Company has been and is able to grow NAV per share significantly more than its peers in addition to generating a higher dividend yield.

Investment

During the year we invested £821 million into Dalquhandy, London Array, South Kyle and Kype Muir Extension wind farms, increasing net generating capacity by 397MW.

Outlook and Strategy

Wind continues to be the most mature and widely deployed renewable energy technology in the UK (30 per cent of GB electricity generation in 2023) with an offshore wind target of 50GW for 2030 being an important Government target in the delivery of its 2050 net zero emissions commitment. The Company supports the UK Government's commitment to achieve Net Zero by 2050 through acquiring operational wind farms and thereby allowing developers and utilities to recycle their capital into further renewable energy projects, and by demonstrating the attractive long term returns in the industry through our prudent management of wind farms, thereby reducing the cost of capital.

Our Investment Objective has remained unchanged over the last 11 years since listing: to provide shareholders with an annual dividend that increases in line with RPI inflation while preserving the capital value of the investment portfolio in real terms. This has been more than achieved through a focused strategy of investing only in wind farms and only in the UK while maintaining a balanced exposure to power prices. Our intention remains to adhere to this core strategy.

Chairman's Statement continued

Outlook and Strategy continued

The Company is investing in a mature and growing market, and the Board believes that there should continue to be further opportunities for investments that are beneficial to shareholders.

The Company regularly reviews its capital allocation policy by considering a range of options to optimise returns to shareholders. In October 2023, as part of this consideration, the Company announced an increase in its annual dividend target for 2024 to 10 pence per share, an increase beyond December's RPI of 5.2 per cent. The dividend with respect to the final quarter of the year will be 3.43 pence per share, taking the annual dividend for 2023 to 10 pence per share.

The Company also announced a £100 million share buyback programme. The Company has bought back 14 million shares to date at an average cost of 142.1 pence per share.

The Company maintains a disciplined approach to acquisitions, only investing when it is considered to be in the interests of shareholders to do so. With the Company's share price currently trading at a discount to NAV, the alternatives for capital allocation warrant significant consideration.

We will also continue to look at opportunistic disposals.

Through strong cash flow and dividend cover, coupled with our disciplined approach, we are confident in our ability to continue to meet the objectives of dividend growth in line with RPI and capital preservation in real terms.

Health and Safety and the Environment

As a responsible investor in operating wind farms, the Company takes its health and safety responsibilities very seriously. We work with our Investment Manager to promote the highest standard of health, safety and environmental management practices in managing our portfolio of investments. Detailed key performance indicators and the results of audits are regularly reviewed by the Board and action taken where necessary. We continue to monitor the standards maintained by the operators of our wind farm investments, to ensure that these are at least in line with the wider industry, while seeking continuous improvement.

Climate Change and Sustainability

As a Company investing in wind farms, our strategy and activities naturally make a positive contribution towards the worldwide goal of achieving a net zero carbon emissions economy and limiting global warming to 1.5°C. The Company also considers the recommendations of the Taskforce for Climate-related Financial Disclosures ("TCFD"). Detailed disclosures can be found in the Strategic Report on pages 29 to 37.

The Company qualified under Article 9 of the EU Sustainable Financial Disclosure Regulation ("SFDR") in 2023. The Company's Investment Policy supports the environmental objective of climate change mitigation that helps to facilitate the transition to a low carbon economy. The Company will continue to provide periodic reporting as required under Article 9 of the SFDR in its Annual Report.

In 2023, the Financial Conduct Authority published its final rules regarding Sustainability Disclosure Requirements ("SDR"). The Company, with support from the Investment Manager, will consider the rules and work to meet any obligations of the SDR in the coming financial year.

The Board, Governance and Executive Management

At the AGM on 28 April 2023, Shonaid Jemmett-Page retired from the Board and Nick Winser assumed the role of Senior Independent Director. On behalf of the whole Board, I would like to thank Shonaid for her excellent contribution, first as Chairman of the Audit Committee and then as Chairman of the Board. With Shonaid being the last Director who was with the Company at IPO, the succession of the whole Board has now taken place. I am delighted to have taken over as Chairman and look forward to the Company continuing to deliver shareholder value.

On 1 May 2023, Jim Smith joined the Board bringing his extensive experience from the electricity industry including in offshore wind asset management, notably leading SSE's renewable business. Jim will oversee the performance of the Investment Manager's asset management activities.

On 1 March 2024, Abigail Rotheroe will join the Board. Abigail has extensive experience in the investment and asset management industry, with a focus on ESG. Abigail's appointment broadens the experience of the Board at a time when ESG considerations are becoming a major factor in the sustainability of the investment industry.

At the forthcoming AGM, Martin McAdam will retire from the Board and on behalf of the Board, I would also like to thank him for his services as a non-executive Director of the Company since his appointment in 2015 and for his wisdom and insight.

The annual internal evaluation of the Board raised no significant issues. The Group's governance is further described in the Corporate Governance Report on pages 50 to 55.

Chairman's Statement continued

The Board, Governance and Executive Management continued

In December 2023, we announced that Laurence Fumagalli will be succeeded by Matt Ridley as one of the investment managers, partnering Stephen Lilley. The Board would like to thank Laurence for his vision and unwavering commitment to list, manage and grow the Company and look forward to continuing to work alongside Stephen and Matt as the Company continues to develop.

Annual General Meeting

Our AGM will take place at 2pm on 24 April 2024 at the office of the Investment Manager.

Details of the formal business of the meeting are set out in a separate circular which is sent to shareholders with the Annual Report.

Lucinda Riches C.B.E.
Chairman

28 February 2024

Corriegarth

Investment Manager's Report

The Investment Manager

The investment management team covers all the skills and experience required to manage the Group: investment, ownership, finance and operation. The Investment Manager is authorised and regulated by the Financial Conduct Authority and is a full scope UK AIFM.

Since the Company's IPO in March 2013, the investment management team has been led by Stephen Lilley and Laurence Fumagalli.

In December 2023, the Company announced Laurence Fumagalli's intention to step down from his role and that Matt Ridley will succeed Laurence Fumagalli leading the investment management team alongside Stephen Lilley from 1 March 2024.

Matt brings a broad range of renewable investment experience across both public and private investment vehicles with a primary focus on wind. Prior to his appointment, Matt had led the private markets group of the Investment Manager.

The other key figures in the Investment Manager's team dedicated to managing the Company remain unchanged, and the majority of the team have been involved in the management of the Group for over 5 years. The investment management team has breadth and depth, with core competencies across investment, asset management and finance, and is supported by the 130 strong wider team within the Investment Manager.

Investment Manager's Report continued

Investment Portfolio

As at 31 December 2023, the Group owned investments in a diversified portfolio of 49 operating UK wind farms totalling 2,007MW.

1 Andershaw
2 Bicker Fen
3 Bin Mountain
4 Bishopthorpe
5 Braes of Doune
6 Brockaghboy
7 Burbo Bank Extension
8 Carcant
9 Church Hill
10 Clyde
11 Corriegarth
12 Cotton Farm
13 Crighshane
14 Dalquhandy
15 Deeping St. Nicholas
16 Douglas West
17 Drone Hill
18 Dunmaglass
19 Earl's Hall Farm
20 Glass Moor
21 Glen Kyllachy
22 Hornsea 1
23 Humber Gateway
24 Kildrummy
25 Kype Muir Extension
26 Langhope Rig
27 Lindhurst
28 Little Cheyne Court
29 London Array
30 Maerdy
31 Middlemoor
32 North Hoyle
33 North Rhins
34 Red House
35 Red Tile
36 Rhyl Flats
37 Screggagh
38 Sixpenny Wood
39 Slieve Divena
40 Slieve Divena 2
41 South Kyle
42 Stronelairg
43 Stroupster
44 Tappaghan
45 Tom nan Clach
46 Twentyshilling
47 Walney
48 Windy Rig
49 Yelvertoft

Investment Manager's Report continued

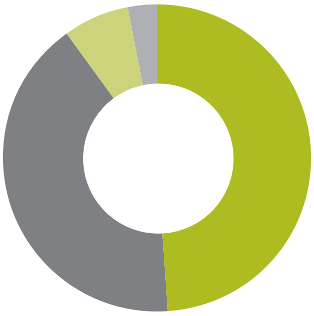
Investment Portfolio continued

Breakdown of operating portfolio by value as at 31 December 2023:

Onshore/Offshore

- Onshore (55%)
- Offshore (45%)

Geography

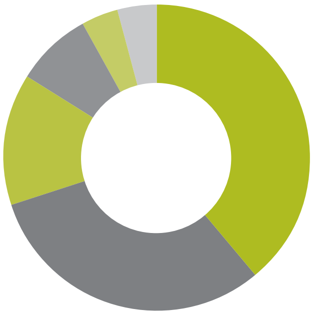


- England (49%)
- Scotland (41%)
- Northern Ireland (7%)
- Wales (3%)

Asset Age

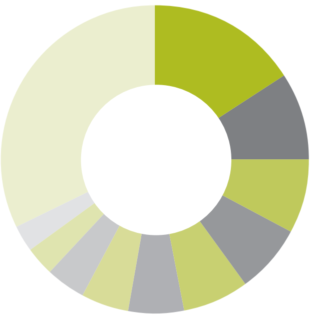
- < 5 years (31%)
- 5-10 years (38%)
- > 10 years (31%)

Turbine Manufacturer



- Siemens (39%)
- Vestas (31%)
- Nordex (14%)
- Enercon (8%)
- Senvion (4%)
- GE (4%)

Assets



- Hornsea 1 (16%)
- London Array (8%)
- Clyde (7%)
- Stronelairg (5%)
- Burbo Bank Extension (3%)
- Other (32%)
- Humber Gateway (9%)
- Walney (7%)
- South Kyle (6%)
- Corriegarth (4%)
- Brockaghboy (3%)

Investment Manager's Report continued

Asset Management

The Group operates a sizeable and diverse portfolio of 49 assets with net generating capacity in excess of 2GW. The Investment Manager has an experienced and specialist asset management team, which has expanded considerably as the portfolio has grown. The team focusses on the safe and optimal performance of the Group's assets, as well as ensuring the delivery of the Company's long term investment case. The team continues to move forward several key initiatives to optimise the performance of the Group's assets, creating long term value for shareholders. Initiatives include, for instance, lease extensions, turbine performance upgrades, and revenue and operating cost optimisation.

Operating and Financial Performance

Portfolio generation in the year was 4,743GWh, 13 per cent below budget owing to low wind.

The following table shows wind speed and portfolio generation since IPO:

	UK weighted average wind speed (variation to long term mean)	Generation (variation to budget)
2013 (adjusted)	+3%	+8%
2014	-2%	-3%
2015	+5%	+8%
2016	-6%	-6%
2017	-1%	0%
2018	-4%	-6%
2019	-8%	-11%
2020	+2%	-3%
2021	-12%	-20%
2022	-5%	-5%
2023	-7%	-13%

Variation to budget lies within reasonable statistical parameters. The annual standard deviation of wind speed is 6 per cent and the annual standard deviation of generation is 10 per cent (less than 2 per cent over 30 years).

Net cash generated by the Group and wind farm SPVs was £405.5 million and dividend cover for the year was 2.1x.

Group and wind farm SPV cash flows	For the year ended 31 December 2023 £'000
Net cash generation[1]	405,510
Dividends paid	(197,043)
Acquisitions	(820,925)
Acquisition costs	(2,742)
Share buybacks	(9,439)
Share buyback costs	(56)
Net amounts drawn under debt facilities	690,000
Upfront finance costs	(4,939)
Movement in cash (Group and wind farm SPVs)	**60,366**
Opening cash balance (Group and wind farm SPVs)	160,851
Closing cash balance (Group and wind farm SPVs)[2]	**221,217**
Net cash generation	405,510
Dividends	197,043
Dividend cover	2.1x

(1) Alternative Performance Measure defined with comparative information on page 127.

(2) Includes £40,119k security cash deposits recognised as a receivable in note 11 to the financial statements.

Investment Manager's Report continued

Operating and Financial Performance continued

The following tables provide further detail in relation to net cash generation of £405.5 million:

Net Cash Generation – Breakdown[1]	For the year ended 31 December 2023 £'000
Revenue	785,608
Operating expenses	(198,611)
Tax	(62,661)
SPV level debt interest	(20,044)
SPV level debt amortisation	(47,129)
Other	28,133
Wind farm cash flow	**485,296**
Management fee	(24,993)
Operating expenses	(2,564)
Ongoing finance costs	(62,834)
Other	5,013
Group cash flow	**(85,378)**
VAT (Group and wind farm SPVs)	5,592
Net cash generation	**405,510**

(1) Alternative Performance Measure defined with comparative information on page 127.

Net Cash Generation – Reconciliation to Net Cash Flows from Operating Activities[1]	For the year ended 31 December 2023 £'000
Net cash flows from operating activities[2]	359,801
Movement in cash balances of wind farm SPVs	18,225
Repayment of shareholder loan investment[2]	50,199
Finance costs[2]	(67,773)
Upfront finance costs[3]	4,939
Placing of security cash deposits[4]	40,119
Net cash generation	**405,510**

(1) Alternative Performance Measure defined with comparative information on page 127.
(2) Consolidated Statement of Cash Flows.
(3) £4,350k facility arrangement fees plus £589k professional fees per note 13 to the financial statements.
(4) Note 11 to the financial statements.

Investment Manager's Report continued

Investment and Gearing

The following table lists investments in the year:

	£m
Dalquhandy	51.5
London Array	443.6
South Kyle	315.9
Kype Muir Extension[1]	9.9
Total	**820.9**

[1] In addition to £39.4 million invested as at 31 December 2022.

All of the above investments were materially accretive to NAV (£174.2 million in total). The Investment Manager believes that there should continue to be further opportunities for investments that are beneficial to shareholders. The Company also continues to review its capital allocation, with 14 million shares having been repurchased as of 27 February 2024 as part of its £100 million buyback programme announced in October 2023, at an average cost of 142.1 pence per share. The Company may also use excess cash generation to return capital to shareholders through further increased dividends, or for the repayment of debt.

As at 31 December 2023, Aggregate Group Debt was £2,375 million, comprising £1,390 million of term debt at Company level, £400 million drawn under the Company's revolving credit facility plus £585 million being the Group's share of limited recourse debt in Hornsea 1. Cash balances (Group and wind farm SPVs) as at 31 December 2023 were £221.2 million (including £40.1 million of security cash deposits).

Gearing as at 31 December 2023 was 38 per cent of GAV, with a weighted cost of debt of 4.59 per cent across a spread of maturities (October 2024 to March 2036):

Facility	Maturity date	Loan principal £'000	Loan margin %	Swap rate/SONIA %	All-in rate %
RCF	29 Oct 24	400,000	1.75	5.20[1]	6.95
NAB	4 Nov 24	50,000	1.15	1.06	2.21
CBA	14 Nov 24	50,000	1.35	0.81	2.16
CBA	6 Mar 25	50,000	1.55	1.53	3.08
CIBC	3 Nov 25	100,000	1.50	1.51	3.01
ANZ	3 May 26	75,000	1.45	5.92	7.37
NAB	1 Nov 26	75,000	1.50	1.60	3.10
NAB	1 Nov 26	25,000	1.50	0.84	2.34
CIBC	14 Nov 26	100,000	1.40	0.81	2.21
Lloyds	9 May 27	150,000	1.60	5.65	7.25
CBA	4 Nov 27	100,000	1.60	1.37	2.97
ABN AMRO	2 May 28	100,000	1.75	5.04	6.79
ANZ	3 May 28	75,000	1.75	5.38	7.13
Barclays	3 May 28	100,000	1.75	4.99	6.74
AXA	31 Jan 30	125,000	—	—	3.03
AXA	31 Jan 30	75,000	1.70	1.45	3.15
AXA	28 Apr 31	25,000	—	—	6.43
AXA	28 Apr 31	115,000	1.80	5.20[1]	7.00
Hornsea 1	31 Mar 36	585,000	—	—	2.60
		2,375,000		**Weighted average**	**4.59**

[1] Facility pays SONIA as variable rate.

In June 2023, the Investment Manager led a placing of £640 million of new term loan facilities with 5 lenders, 2 of which were new lending relationships to the Company. This included the refinancing of £150 million of term debt tranches maturing in late 2023. The Company's revolving credit facility is due to mature in October 2024 in addition to £150 million of term loan tranches by March 2025. The Investment Manager has commenced discussions with existing and new lenders to refinance the near-maturing revolving credit facility and term debt and has found significant appetite.

Investment Manager's Report continued

Net Asset Value

The following table sets out the movement in NAV from 31 December 2022 to 31 December 2023:

	£'000	Pence per share
NAV as at 31 December 2022	**3,873,228**	**167.1**
Net cash generation	405,510	17.5
Dividend	(197,043)	(8.5)
Depreciation	(118,742)	(5.1)
Power price	(278,137)	(12.0)
Inflation	132,279	5.7
Discount rate	(263,252)	(11.4)
Accretive investments	174,228	7.5
Share buybacks	(9,496)	0.1
Other[1]	75,421	3.3
NAV as at 31 December 2023	**3,793,997**	**164.1**

[1] Includes REGOs and wind farm SPV budget updates.

Reconciliation of Statutory Net Assets to Reported NAV

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Operating portfolio	5,964,343	5,458,334
Construction portfolio	—	39,414
Cash (wind farm SPVs)	159,293	141,068
Fair value of investments[1]	**6,123,636**	**5,638,816**
Cash (Group)	21,805	19,783
Other relevant assets/(liabilities)	23,556	(5,867)
GAV	**6,168,997**	**5,652,732**
Aggregate Group Debt[1]	(2,375,000)	(1,779,504)
NAV	**3,793,997**	**3,873,228**
Reconciling items	—	—
Statutory net assets	**3,793,997**	**3,873,228**
Shares in issue	2,312,131,799	2,318,089,989
NAV per share (pence)	**164.1**	**167.1**

[1] Includes limited recourse debt of £585 million at Hornsea 1, not included in the Consolidated Statement of Financial Position.

Investment Manager's Report continued

Health and Safety and the Environment

Health and safety is of key importance to both the Company and the Investment Manager.

The Investment Manager is an active member of SafetyOn, the UK's leading health and safety focused organisation for the onshore wind industry. The Investment Manager also has its own health and safety forum, chaired by Stephen Lilley, where best practice is discussed and key learnings from incidents across the industry are shared.

During the year, routine health and safety audits were conducted across 14 sites by an independent consultant. In addition, the Investment Manager undertook 73 safety walks. No material areas of concern were identified from all audits and safety walks performed in the year.

The Company has continued to contribute to local community funds and to invest in a range of local environmental and social projects. In addition, the Company is funding a £250,000 programme to advance knowledge on blade recycling and repurposing.

As at 31 December 2023, the portfolio powers 2.3 million homes and avoids the emission of 2.5 million tonnes of CO_2 per annum.

Power Price

Long term power price forecasts are provided by a leading market consultant, updated quarterly, and may be adjusted by the Investment Manager where more conservative assumptions are considered appropriate. Short term power price assumptions reflect the forward curve as at 29 December 2023.

A discount of 10-20 per cent is applied to power price assumptions in all years to reflect the fact that wind generation typically captures a lower price than the base load power price. During the year, the portfolio captured an average price of £89.03/MWh versus an average N2EX index price of £94.47/MWh (6 per cent discount).

In addition to the above capture discount, a further discount is applied to reflect the terms of each PPA. The price of some PPAs is expressed as a percentage of a given price index, whereas other PPAs include a fixed £/MWh discount to the price index. Other PPAs pay a fixed £/MWh price for power. The table on the following page sets out the terms of each PPA.

London Array

Power Price continued

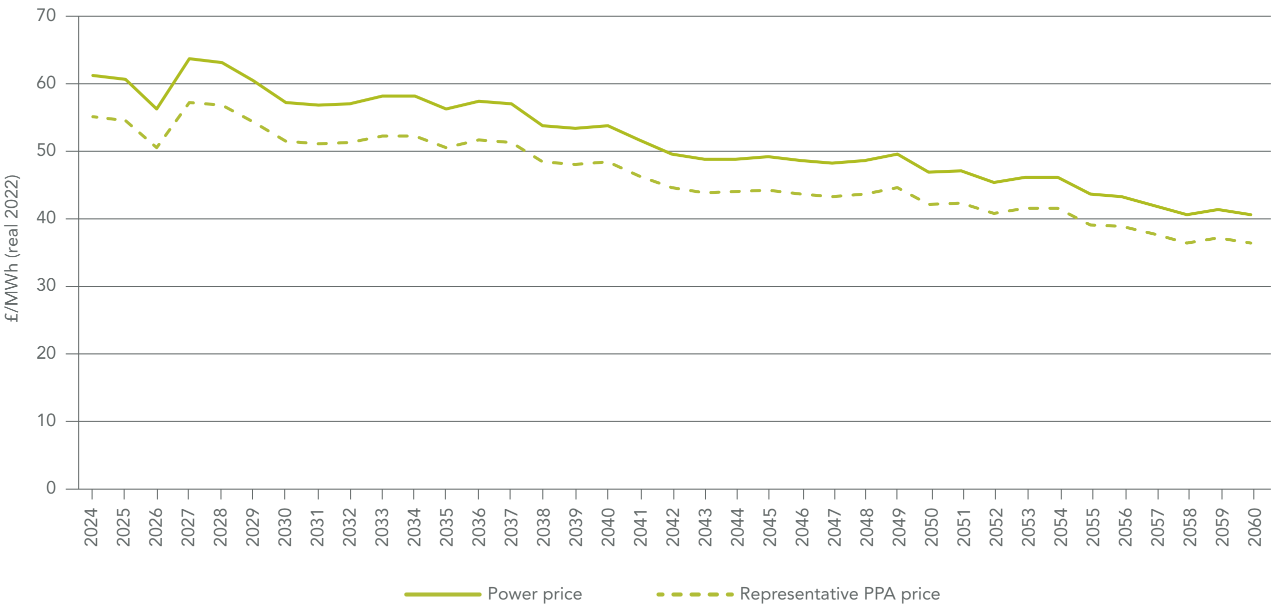
Wind Farm	Ownership Stake	Net MW	Net GWh	Power: Offtaker	Power: Price	Power: Expiry	ROC: ROC/ MWh	ROC: ROC end date	ROC: Offtaker	ROC: Price (Buy Out)	ROC: Price (Recycle)	ROC: Expiry
Andershaw	100%	35.0	105.8	Statkraft	£4.20/MWh fee	31-Dec-36	0.9	28-Feb-37	Statkraft	93.0%	92.0%	31-Dec-36
Bicker Fen	80%	21.3	44.3	EDF	93.5%	31-Mar-27	1.0	31-Jul-28	EDF	93.0%	100.0%	31-Mar-27
Bin Mountain	100%	9.0	23.4	SSE	95% + £3.00/MWh fee	31-Dec-27	1.0	31-Mar-27	SSE/E.On	90.0%	93.8%	31-Dec-27
Bishopthorpe	100%	16.4	50.6	Axpo	95.0%	31-May-37	1.0	28-Feb-37	Axpo	95.0%	95.0%	31-May-37
Braes of Doune	100%	72.0	167.8	Erova	98.8%	11-Jul-37	1.0	31-Mar-27	Total	98.5%	100.0%	31-Mar-27
Brockaghboy	100%	47.5	157.3	SSE	96% + £3.00/MWh fee	28-Feb-33	0.9	31-Jul-37	SSE/E.On	95.0%	95.0%	28-Feb-33
Burbo Bank Extension	15.7%	40.4	155.0	CFD	£209.32/MWh + CPI	31-Mar-36	n/a	n/a	n/a	n/a	n/a	n/a
Carcant	100%	6.0	17.1	Axpo	95.0%	31-Oct-30	1.0	30-Jun-30	Total/E.On	90.0%	98.8%	31-Mar-27
Church Hill	100%	18.4	37.1	Energia	86.0%	31-Jul-30	1.0	30-Apr-32	Energia	90.0%	90.0%	31-Jul-30
Clyde	28.2%	147.3	457.2	SSE	94.0%	31-Dec-31	1.0	10-Sep-33	SSE	93.0%	94.0%	31-Dec-31
Corriegarth	100%	69.5	216.2	Centrica	£3.79/MWh fee	14-May-32	0.9	30-Sep-36	Centrica	95.0%	75.0%	14-May-32
Cotton Farm	100%	16.4	51.0	Sainsbury's	£60/MWh fixed	08-Mar-28	1.0	31-Jan-33	Sainsbury's	94.0%	100.0%	08-Mar-28
Crighshane	100%	32.2	59.7	Energia	86.0%	31-Jul-30	1.0	31-May-32	Energia	90.0%	90.0%	31-Jul-30
Dalquhandy	100%	42.0	109.6	BT	£65.60/MWh fixed for 80% volume 95.0% for 20% volume	31-Dec-31	n/a	n/a	n/a	n/a	n/a	n/a
Deeping St. Nicholas	80%	13.1	29.8	EDF	93.5%	31-Mar-27	1.0	31-Mar-27	EDF	93.0%	100.0%	31-Mar-27
Douglas West	100%	45.0	129.2	BT	£60/MWh fixed	31-Dec-33	n/a	n/a	n/a	n/a	n/a	n/a
Drone Hill	51.6%	14.8	30.3	Statkraft	£4.55/MWh fee	31-Dec-38	1.0	29-Feb-32	Statkraft	90.0%	90.0%	31-Dec-38
Dunmaglass	35.5%	33.4	129.9	SSE	95.0%	31-Mar-24	0.9	30-Sep-36	SSE	95.0%	95.0%	31-Mar-24
Earl's Hall Farm	100%	10.3	31.9	Sainsbury's	£60/MWh fixed	20-Mar-28	1.0	31-Jan-33	Sainsbury's	94.0%	100.0%	20-Mar-28
Glass Moor	80%	13.1	28.9	EDF	93.5%	31-Mar-27	1.0	31-Mar-27	EDF	93.0%	100.0%	31-Mar-27
Glen Kyllachy	100%	48.5	145.7	Tesco	£42.49/MWh + CPI for 50% volume £1.50/MWh fee for 50% volume	31-Dec-37	n/a	n/a	n/a	n/a	n/a	n/a
Hornsea 1	12.5%	150.0	668.1	CFD	£195.86/MWh + CPI	31-Mar-36	n/a	n/a	n/a	n/a	n/a	n/a
Humber Gateway	37.8%	82.8	320.4	E.On	96.0%	31-Mar-35	2.0	30-Apr-35	E.On	98.5%	100.0%	31-Mar-35
Kildrummy	100%	18.4	55.6	Sainsbury's	£60/MWh fixed	10-May-28	1.0	28-Feb-33	Sainsbury's	94.0%	100.0%	10-May-28
Kype Muir Extension	49.9%	33.5	110.9	SSE	£54.49/MWh fixed + CPI for 200GWh	31-Dec-37	n/a	n/a	n/a	n/a	n/a	n/a
Langhope Rig	100%	16.0	47.1	Centrica	£3.23/MWh fee	06-Jan-31	0.9	31-Mar-35	Centrica	95.0%	75.0%	06-Jan-31
Lindhurst	49%	4.4	11.5	RWE	90.0%	08-Nov-28	1.0	30-Sep-30	RWE	90.0%	90.0%	08-Nov-28
Little Cheyne Court	41%	24.5	61.0	RWE	90.0%	31-Dec-27	1.0	30-Nov-28	RWE	90.0%	90.0%	31-Dec-27
London Array	13.7%	86.4	301.3	Orsted	£75/MWh fixed	31-Dec-25	2.0	31-Dec-32	Orsted	95.0%	100.0%	31-Dec-25
Maerdy	100%	24.0	63.1	Statkraft	£4.55/MWh fee	31-Dec-38	1.0	29-Feb-32	Statkraft	90.0%	90.0%	31-Dec-38
Middlemoor	49%	26.5	68.3	RWE	90.0%	08-Nov-28	1.0	30-Sep-30	RWE	90.0%	90.0%	08-Nov-28
North Hoyle	100%	60.0	185.8	Erova	99.0%	31-Dec-35	1.0	30-Jun-34	Total	98.5%	100.0%	31-Mar-27
North Rhins	51.6%	11.4	37.8	E.On	90.0%	31-Dec-24	1.0	31-Dec-29	E.On	90.0%	90.0%	31-Dec-24
Red House	80%	9.8	22.5	EDF	93.5%	31-Mar-27	1.0	31-Jul-28	EDF	93.0%	100.0%	31-Mar-27
Red Tile	80%	19.7	42.4	EDF	93.5%	31-Mar-27	1.0	31-Jul-28	EDF	93.0%	100.0%	31-Mar-27
Rhyl Flats	24.95%	22.5	70.3	RWE	90.0%	31-Dec-27	1.5	31-Jul-29	RWE	90.0%	90.0%	31-Dec-27
Screggagh	100%	20.0	44.4	Energia	80.0%	19-Oct-29	1.0	31-Jan-31	Energia	85.0%	85.0%	19-Oct-29
Sixpenny Wood	51.6%	10.6	28.5	Statkraft	£4.55/MWh fee	31-Dec-38	1.0	29-Feb-32	Statkraft	90.0%	90.0%	31-Dec-38
Slieve Divena	100%	30.0	54.9	SSE	95% + £3.00/MWh fee	31-Dec-28	1.0	30-Nov-28	SSE/EDF	95.0%	95.0%	31-Dec-28
Slieve Divena 2	100%	18.8	48.7	SSE	95% + £3.00/MWh fee	31-Mar-37	0.9	28-Feb-37	SSE	95.0%	95.0%	31-Mar-37
South Kyle	100%	235.0	665.6	Vattenfall	100% + £1.90/MWh fee + CPI	01-Nov-38	n/a	n/a	n/a	n/a	n/a	n/a
Stronelairg	35.5%	80.9	302.6	SSE	95.0%	31-Mar-24	0.9	31-Jul-34	SSE	95.0%	95.0%	31-Mar-24
Stroupster	100%	29.9	94.9	BT	87.0%	31-Oct-30	0.9	31-Aug-35	BT	92.0%	100.0%	31-Oct-30
Tappaghan	100%	28.5	68.6	SSE	95% + £3.00/MWh fee	31-Dec-27	1.0	15-Dec-27	SSE/E.On	90.0%	93.8%	31-Dec-27
Tom nan Clach	75%	30.0	124.7	CFD	£110.35/MWh + CPI	31-Dec-34	n/a	n/a	n/a	n/a	n/a	n/a
Twentyshilling	100%	37.8	125.6	Statkraft	£2.25/MWh fee	31-Dec-39	n/a	n/a	n/a	n/a	n/a	n/a
Walney	25.1%	92.2	363.1	Total	97.0%	30-Jun-26	2.0	31-Aug-31	Total	98.5%	100.0%	30-Jun-26
Windy Rig	100%	43.2	138.5	Statkraft	£2.25/MWh fee	31-Dec-39	n/a	n/a	n/a	n/a	n/a	n/a
Yelvertoft	51.6%	8.5	21.7	Statkraft	£4.55/MWh fee	31-Dec-38	1.0	29-Feb-32	Statkraft	90.0%	90.0%	31-Dec-38
		2,006.7	**6,325.5**									

Investment Manager's Report continued

Power Price continued

The following table and chart show the assumed power price (post capture discount, pre PPA discount) and also the price post a representative PPA discount (90 per cent x index price).

£/MWh (real 2022)				2024	2025	2026	2027	2028	2029	2030
Pre PPA discount				61.34	60.88	56.37	63.76	63.28	60.56	57.36
Post representative PPA discount				55.21	54.79	50.73	57.38	56.95	54.50	51.62
	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Pre PPA discount	57.04	57.20	58.32	58.32	56.48	57.60	57.20	54.00	53.68	54.00
Post representative PPA discount	51.34	51.48	52.49	52.49	50.83	51.84	51.48	48.60	48.31	48.60
	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Pre PPA discount	51.84	49.84	48.96	49.12	49.36	48.88	48.48	48.80	49.76	47.20
Post representative PPA discount	46.66	44.86	44.06	44.21	44.42	43.99	43.63	43.92	44.78	42.48
	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
Pre PPA discount	47.28	45.68	46.40	46.40	43.84	43.60	42.24	40.88	41.60	40.80
Post representative PPA discount	42.55	41.11	41.76	41.76	39.46	39.24	38.02	36.79	37.44	36.72



The portfolio benefits from a substantial fixed revenue base. Furthermore, most fixed revenues are index linked (RPI in the case of ROCs, CPI in the case of CFDs).

Investment Manager's Report continued

Power Price continued

The fixed revenue base means that dividend cover is robust in the face of extreme downside power price sensitivities:

	2024	2025	2026	2027	2028
RPI increase (%)		3.5	3.5	3.5	3.5
Dividend (pence/share)	10.00	10.35	10.71	11.09	11.48
Dividend (£ 000)	231,213	239,306	247,681	256,350	265,322
Dividend cover (x)					
Base case	2.0	2.0	2.0	2.3	2.4
£50/MWh	1.8	1.8	1.9	1.9	2.0
£40/MWh	1.6	1.6	1.7	1.7	1.7
£30/MWh	1.5	1.5	1.5	1.5	1.5
£20/MWh	1.3	1.3	1.3	1.2	1.2
£10/MWh	1.1	1.1	1.0	1.0	0.9

All numbers illustrative. Power prices real 2022, pre PPA discount.

The Group's strategy remains to maintain an appropriate balance between fixed and merchant revenue. To the extent that merchant revenues were to increase as a proportion of total revenues then new fixed price PPAs would be entered into. However, it is likely that an appropriate revenue balance would be maintained through the acquisition of new fixed revenue streams (for example, offshore wind CFD assets).

Inflation

Base case assumptions in relation to inflation are:

- CPI: 2.5 per cent (all years)
- RPI: 4.3 per cent (2024), 3.5 per cent (2025-2030), 2.5 per cent (2031 onwards)

The ROC price is inflated annually from 1 April each year based on the previous year's average RPI. For example, on 1 April 2024, the ROC price will increase by 9.7 per cent (average RPI over 2023).

CFD prices are also inflated annually from 1 April each year. However, in the case of CFDs, the price is inflated based on January CPI. For example, on 1 April 2024, CFD prices will increase by 4.0 per cent (January 2024 CPI).

Given the explicit inflation linkage of a substantial proportion of portfolio revenue (ROCs, CFDs, certain PPAs) and the implicit inflation linkage inherent in power prices, there is a strong link between inflation and portfolio return.

South Kyle

Investment Manager's Report continued

Returns

The portfolio discount rate was increased by 1 per cent as at 30 June 2023 (total increases of 2 per cent over 2022 and 2023). The levered portfolio IRR now stands at 11 per cent.

Given that the Company's ongoing charges ratio is less than 1 per cent, the net return to investors is thus 10 per cent (assuming investment at a share price equal to NAV – the return is greater assuming investment at a share price below NAV).

A 10 per cent inflation linked return should be very attractive versus other investment opportunities. The Company's 10 year track record demonstrates relatively low volatility and the historical and projected dividend cover is robust. By investing in operating UK wind farms (higher returning than European or solar generation assets, and lower risk than batteries or development assets), the Company aims to continue to generate consistent superior risk adjusted returns.

A total return of 10 per cent and a dividend yield of 6 per cent would imply NAV growth of 4 per cent. The total return is more important than the dividend yield, which depends on the chosen dividend policy (the Company could choose a different combination of dividend yield and NAV growth).

Excess cash generation (dividend cover) is reinvested to drive NAV growth. Therefore the size of dividend cover is important; it is not just a question of "covered or not covered". The business model is self funding and does not rely on further equity issuance.

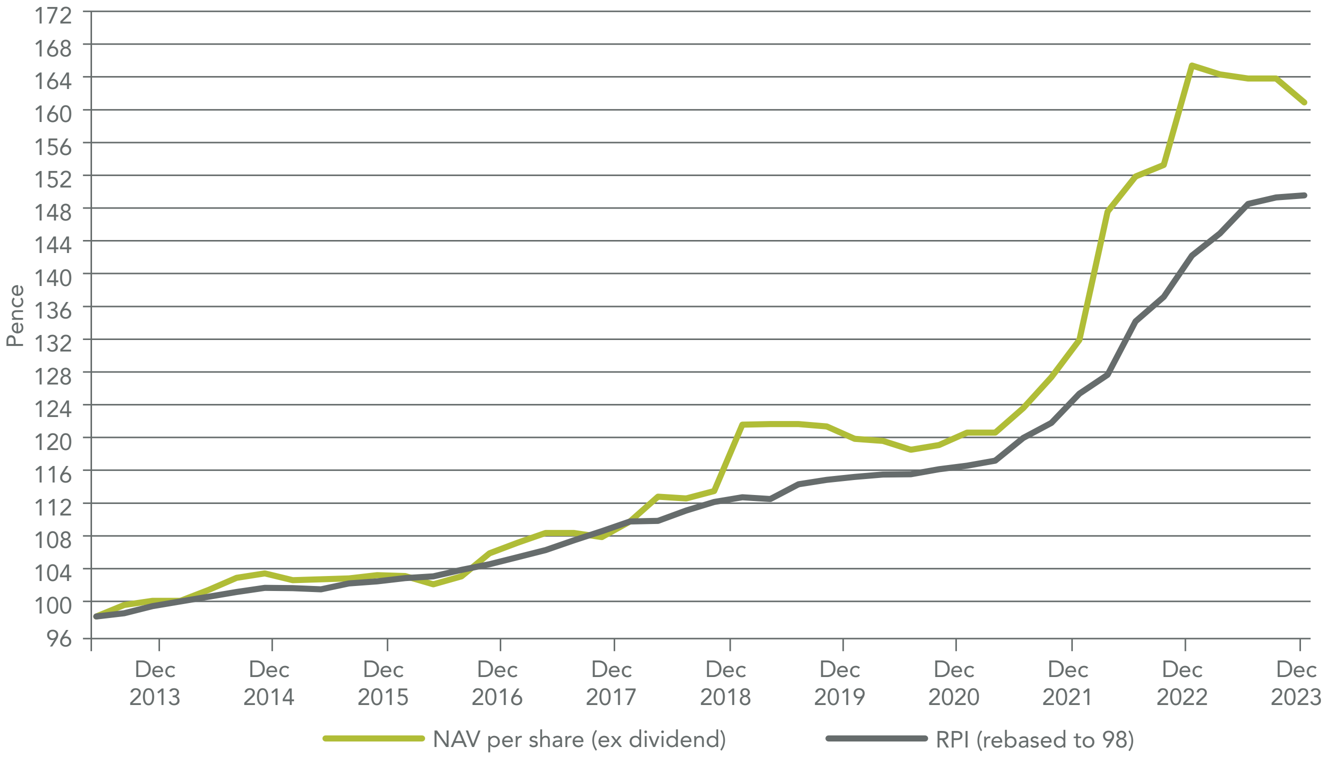
Since IPO, aggregate historical dividend cover has been 2.0x and the Group has reinvested £906 million to deliver NAV growth significantly in excess of RPI.

Walney

Investment Manager's Report continued

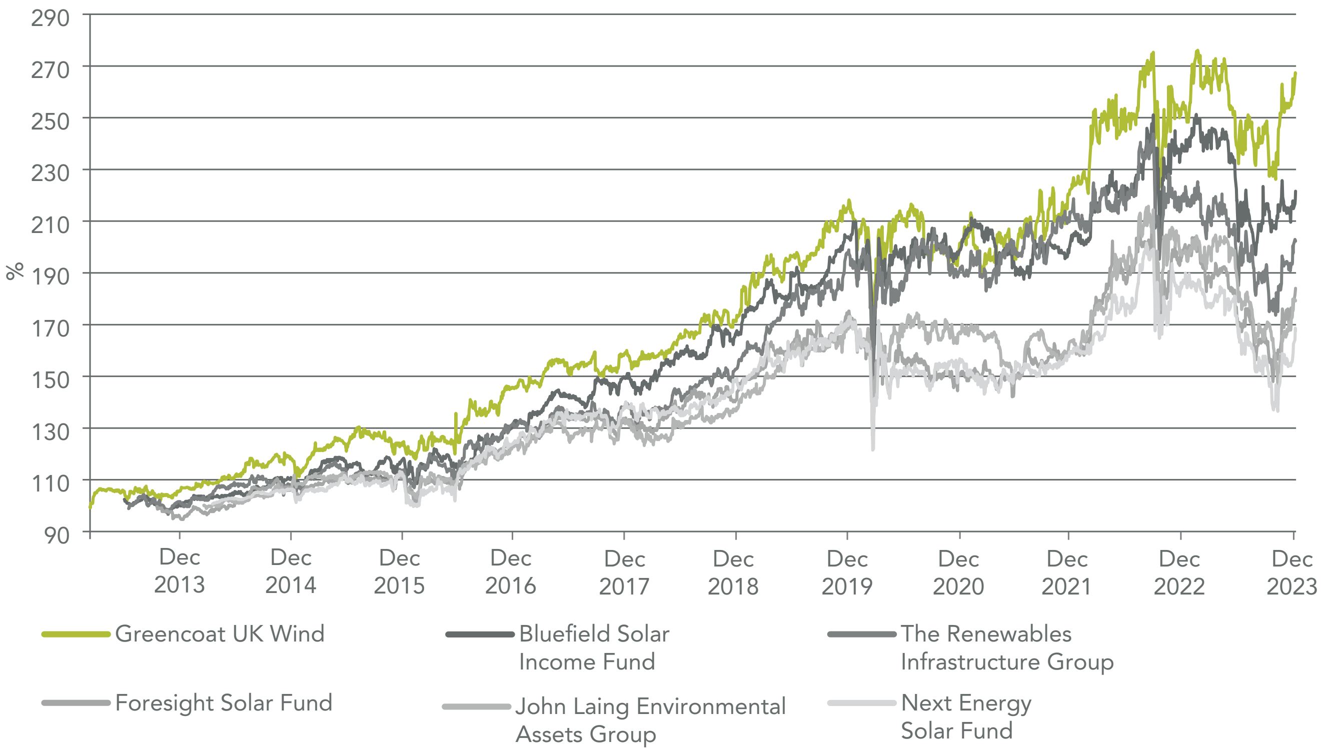
The chart below shows NAV per share versus RPI:

NAV vs RPI



The chart below shows TSR versus market peers:

Total Shareholder Return vs Market Peers *(Bloomberg)*



Investment Manager's Report continued

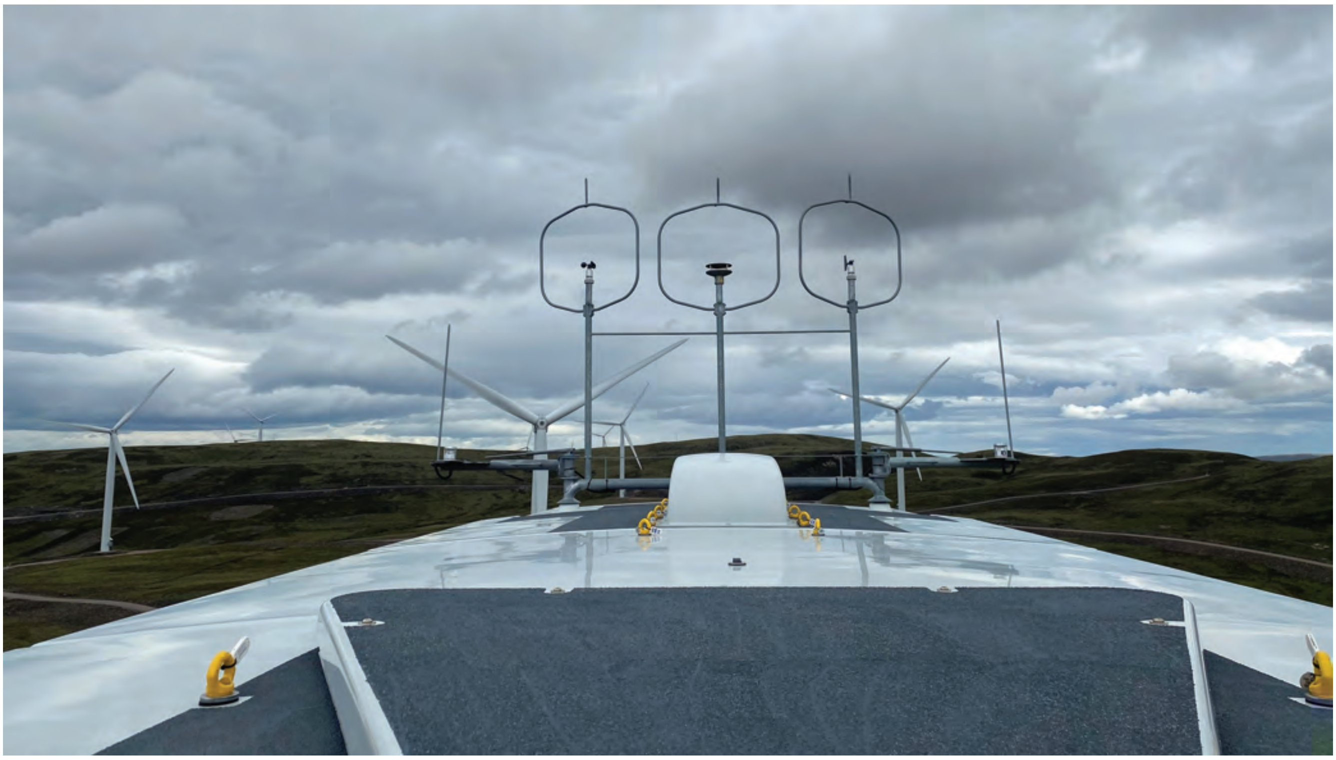
Outlook

There are currently approximately 30GW (£100 billion) of operating UK wind farms (15GW onshore plus 15GW offshore). The Group's market share is approximately 7 per cent. As at 31 December 2023, the average age of the portfolio was 7.5 years (versus 5 years at IPO in March 2013).

The portfolio is robust in the face of downside power price sensitivities and remains exposed to significant upside (power prices, asset life extension, asset optimisation, new revenue streams, interest rate cycle etc). The levered portfolio IRR of 11 per cent and net return to investors of 10 per cent should be very attractive versus other investment opportunities.

Given the leading market position of the Group and the Investment Manager, there is no shortage of investment opportunities, further fuelled by the challenging fundraising environment affecting all buyers (in both public and private markets). The Company will continue to review its capital allocation policy and will assess new acquisitions in this light.

In general, the outlook for the Group is extremely encouraging.



Glen Kyllachy

Strategic Report

Introduction

The Directors present their Strategic Report for the year ended 31 December 2023. Details of the Directors who held office during the year and as at the date of this report are given on pages 38 to 41.

Investment Objective

The Company's aim is to provide investors with an annual dividend that increases in line with RPI inflation while preserving the capital value of its investment portfolio in the long term on a real basis through reinvestment of excess cash flow.

The Company provides investors with the opportunity to participate directly in the ownership of UK wind farms, so increasing the resources and capital dedicated to the deployment of renewable energy and the reduction of greenhouse gas emissions.

The target return to investors is an IRR net of fees and expenses of 10 per cent. As a result of the Company's prospects, strong balance sheet and cash flow generation, the Board decided to increase the 2024 target dividend to 10 pence per share which represents a 14.2 per cent increase above the target dividend for 2023 and is significantly higher than December 2023 RPI. The Board also decided to pay a 3.43 pence per share dividend for Q4 2023, increasing the 2023 full year dividend to 10 pence per share.

Progress on the objectives is measured by reference to the key metrics on page 1.

Investment Policy

The Group invests in UK wind farms predominantly with a capacity of over 10MW.

Low gearing ensures that the annual dividend is sufficiently protected against lower power prices. This means that the Group also has the ability to benefit from higher power prices as it is not required to enter into long term fixed price contracts.

The Group used debt facilities to make additional investments in the year and intends to continue to use short term debt facilities to make further investments, where appropriate. The Group will look to repay its short term debt facilities by refinancing them with longer term debt facilities or in the equity markets in order to refresh its debt capacity. While debt facilities are drawn, the Group benefits from an increase in investor returns because borrowing costs are below the underlying return on investments.

The Board believes that there is a significant market in which the Group can continue to grow over the next few years.

Capital Allocation

The Company regularly reviews its capital allocation policy by considering a range of options to optimise returns to shareholders. In October 2023, as part of this consideration, the Company announced an increase in its annual dividend target for 2024 at 10 pence per share, an increase beyond December's RPI of 5.2 per cent. The dividend with respect to the final quarter of the year will be 3.43 pence per share, taking the annual dividend for 2023 to 10 pence per share.

The Company also announced a £100 million share buyback programme and bought back 6.6 million shares in the final 2 months of the year at an average cost of 144.4 pence per share.

The Company maintains a disciplined approach to acquisitions, only investing when it is considered to be in the interests of shareholders to do so. With the Company's share price currently trading at a discount to NAV, the alternatives for capital allocation warrant significant consideration.

Structure

The Company is a UK registered investment company with a premium listing on the London Stock Exchange. The Group comprises the Company and Holdco. Holdco invests in SPVs which hold the underlying wind farm assets. The Group employs Schroders Greencoat LLP as its Investment Manager.

Discount Control

The Articles of Association require a continuation vote by shareholders if the share price were to trade at an average discount to NAV of 10 per cent or more over a 12 month period.

During the year, the Company's shares have traded at an average discount to NAV of 10.5 per cent. In accordance with the Company's Articles of Association, a continuation vote will be proposed at the 2024 AGM.

Notwithstanding this, it is the intention of the Board for the Company to buy back its own shares in the market if the share price is trading at a material discount to NAV, providing that it is in the interests of shareholders to do so. Given that the share price had continued to trade at a material discount to NAV, on 26 October 2023 the Company announced the commencement of a share buyback programme of up to £100 million executed under the authority granted by shareholders at the 2023 AGM.

Strategic Report continued

Review of Business and Future Outlook

A detailed discussion of individual asset performance and a review of the business in the year together with future outlook are covered in the Investment Manager's Report on pages 5 to 18.

Key Performance Indicators

The Board believes that the key metrics detailed on page 1, which are typical for investment entities, will provide shareholders with sufficient information to assess how effectively the Group is meeting its objectives.

Ongoing Charges

The ongoing charges ratio of the Company is 0.92 per cent of the weighted average NAV for the year to 31 December 2023. This is made up as follows and has been calculated using the AIC recommended methodology.

	31 December 2023 £'000	%	31 December 2022 £'000	%
Total management fee	32,844	0.86%	31,348	0.87%
Directors' fees	385	0.01%	338	0.01%
Other ongoing expenses[1]	2,058	0.05%	1,970	0.05%
Total	**35,287**	**0.92%**	**33,656**	**0.93%**
Weighted average NAV	**3,834,654**		3,622,216	

[1] Other ongoing expenses do not include £1,772k of management and administration fees relating to the wind farm SPVs that is recharged to them and £549k of broken deal and project costs.

Assuming no further changes in NAV, the 2024 ongoing charges ratio is expected to be 0.92 per cent.

The Investment Manager is not paid any performance or acquisition fees.

Employees and Officers of the Company

The Company does not have any employees and therefore employee policies are not required. The Directors of the Company are listed on pages 38 to 40.

Principal Risks and Uncertainties

In the normal course of business, each investee company has a rigorous risk management framework with a comprehensive risk register that is reviewed and updated regularly and approved by its board. The principal risks identified by the Board to the performance of the Group are detailed below.

The Board maintains a risk matrix setting out the risks affecting both the Group and the investee companies. This risk matrix is reviewed and updated at least annually to ensure that procedures are in place to identify principal risks and to mitigate and minimise the impact of those risks should they crystallise. This risk matrix is also reviewed and updated to identify emerging risks, such as climate related risks, and to determine whether any actions are required. This enables the Board to carry out a robust assessment of the risks facing the Group, including those risks that would threaten its business model, future performance, solvency or liquidity.

The risk appetite of the Group is considered in light of the principal risks and their alignment with the Company's Investment Objective. The Board considers the risk appetite of the Group and the Company's adherence to the Investment Policy in the context of the regulatory environment taking into account, inter alia, gearing and financing risk, wind resource risk, the level of exposure to power prices and environmental and health and safety risks.

As it is not possible to eliminate risks completely, the purpose of the Group's risk management policies and procedures is to reduce risks and to ensure the Group is adequately prepared to respond to such risks and minimise any impact should they materialise.

The spread of assets within the portfolio ensures that the portfolio benefits from a diversified wind resource and spreads the exposure to a number of potential technical risks associated with grid connections and with local distribution and national transmission networks. In addition, the portfolio includes 6 different turbine manufacturers, which diversifies technology and maintenance risks. Finally, each site contains a number of individual turbines, the performance of which is largely independent of other turbines.

Risks Affecting the Group

Investment Manager

The ability of the Group to achieve the Company's Investment Objective depends heavily on the experience of the management team within the Investment Manager and more generally on the Investment Manager's ability to attract and retain suitable staff. The sustained growth of the Group depends upon the ability of the Investment Manager to identify, select and execute further investments which offer the potential for satisfactory returns.

The Investment Management Agreement includes key man provisions which would require the Investment Manager to employ alternative staff with similar experience relating to investment, ownership, financing and management of wind farms should any key man cease to be employed by the Investment Manager. The Investment Management Agreement ensures that no investments are made following the loss of key men until suitable replacements are found and there are provisions for a reduction in the investment management fee during the loss period. It also outlines the process for key man replacement with the Board's approval. In addition, the key men are shareholders in the Company.

Strategic Report continued

Risks Affecting the Group continued

Investment Manager continued

On 7 December 2023, the Company announced that Laurence Fumagalli would be stepping down from his role leading the investment management team alongside Stephen Lilley with effect from 1 March 2024, with Matt Ridley replacing him. Matt has 16 years' renewable energy investment management experience, spanning the development, construction and operational phases across a range of technologies, with a focus on wind, and previously was the Head of Private Markets at the Investment Manager. Stephen and Matt will lead the broad and experienced team focused on the management of the Group and its wind farm portfolio. The majority of the team have been involved in the management of the Group for over 5 years.

The Investment Manager is one of Europe's leading renewable investment managers, which employs over 130 professionals and has over £10 billion of assets under management. The Investment Manager is 75 per cent owned by Schroders Group PLC, founded over 200 years ago, and managing over £726 billion of assets (as of 30 June 2023) with over 6,000 staff globally.

Financing Risk

The Group will finance further investments either by borrowing or by issuing further shares in addition to its cash resources. The ability of the Group to deliver expected real NAV growth is dependent on access to debt facilities and equity capital markets. There can be no assurance that the Group will be able to borrow additional amounts or refinance on reasonable terms or that there will be a market for further raising of equity.

Investment Returns Become Unattractive

Higher interest rates could persist, making the listed infrastructure asset class relatively less attractive to investors. In such circumstances, it is likely that discount rates would be adjusted to maintain a suitable premium over increased risk free rates.

Risks Affecting Investee Companies

Regulation

If a change in Government renewable energy policy were applied retrospectively to current operating projects including those in the Group's portfolio, this could adversely impact the market price for renewable energy or the value of the green benefits earned from generating renewable energy. The Government has evolved the regulatory framework for new projects being developed but has consistently stood behind the framework that supports operating projects as it understands the need to ensure investors can trust regulation.

Electricity Prices

Other things being equal, a decline in the market price of electricity would reduce the investee companies' revenues.

The Group's dividend policy has been designed to withstand significant short term variability in power prices. A longer period of power price decline would materially affect the revenues of investee companies.

Wind Resource

The investee companies' revenues are dependent upon wind conditions, which will vary across seasons and years within statistical parameters. The standard deviation of energy production is 10 per cent over a 12 month period (less than 2 per cent over 30 years). Since long term variability is low, there is no significant diversification benefit to be gained from geographical diversification across weather systems.

The Group does not have any control over the wind resource but has designed its dividend policy such that it can withstand significant short term variability in production relating to wind. Before investment, the Group carries out extensive due diligence and relevant historical wind data is available over a substantial period of time. The other component of wind energy generation, a wind farm's ability to turn wind into electricity, is mitigated by purchasing wind farms, where possible, with a proven operating track record.

Tappaghan

Strategic Report continued

Risks Affecting Investee Companies continued

Wind Resource *continued*

When acquiring wind farms that have only recently entered into operation, only limited operational data is available. In these instances, the acquisition agreements with the vendors of these wind farms will include a "wind energy true-up" or an appropriate discount to the purchase price.

Asset Life

In the event that the wind turbines do not operate for the period of time assumed by the Group or require higher than expected maintenance expenditure to do so, it could have a material adverse effect on investment returns.

The Group performs regular reviews and ensures that maintenance is performed on all wind turbines across the wind farm portfolio. Regular maintenance ensures the wind turbines are in good working order, consistent with their expected life-spans.

Health and Safety and the Environment

The physical location, operation and maintenance of wind farms may, if inadequately assessed and managed, pose health and safety risks to those involved. Inappropriate wind farm operation and maintenance may result in bodily injury, particularly if an individual were to fall from height, fall or be crushed in transit from a vessel to an offshore installation or be electrocuted. If an accident were to occur in relation to one or more of the Group's investments and if the Group were deemed to be at fault, the Group could be liable for damages or compensation to the extent such loss is not covered by insurance policies. In addition, adverse publicity or reputational damage could follow.

The Board reviews health and safety at each of its scheduled Board meetings and Martin McAdam serves as the appointed Health and Safety Director. After Martin's retirement at the AGM in April 2024, Jim Smith will assume this responsibility. The Group also engages an independent health and safety consultant to ensure the ongoing appropriateness of its health and safety policies.

The investee companies comply with all regulatory and planning conditions relating to the environment, including in relation to noise emissions, habitat management and waste disposal.

Going Concern

As further detailed in note 1 to the financial statements on page 74, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence from the date of approval of this report to at least February 2025. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Longer Term Viability

As further disclosed on page 50, the Company is a member of the AIC and complies with the AIC Code. In accordance with the AIC Code, the Directors are required to assess the prospects of the Group over a period longer than the 12 months associated with going concern. The Directors conducted this review for a period of 10 years, which is deemed appropriate, given the long term nature of the Group's investments which are modelled over 30 years, coupled with its long term strategic planning horizon.

In considering the prospects of the Group, the Directors looked at the key risks facing both the Group and the investee companies as detailed on pages 20 to 22, focusing on the likelihood and impact of each risk as well as any key contracts, future events or timescales that may be assigned to each key risk. The Directors also tested and are comfortable that the Company would continue to remain viable under several robust downside scenarios, including loss of government subsidies and a significant decline in long term power price forecasts, both considered principal risks and uncertainties affecting investee companies.

As a sector-focused infrastructure fund, the Group aims to produce stable and inflating dividends while preserving the capital value of its investment portfolio on a real basis. The Directors believe that the Group is well placed to manage its business risks successfully over both the short and long term and accordingly, the Board has a reasonable expectation that the Group will be able to continue in operation and to meet its liabilities as they fall due for a period of at least 10 years.

The Board does not believe that the lower power prices projected in the high transition risk scenario, as discussed on page 33, will diminish the longer term viability of the Company.

The Directors have also considered the continuation vote to be proposed at the Company's AGM in April 2024, caused by the Company's shares trading at 10.5 per cent average discount to NAV in line with its Articles of Association. The Directors believe that the outcome of the shareholder continuation vote will not impact their opinion of the Company's longer term viability.

While the Directors have no reason to believe that the Group will not be viable over a longer period, they are of the opinion that it would be difficult to foresee the economic viability of any company with any degree of certainty for a period of time greater than 10 years.

Strategic Report continued

Directors' Responsibilities Pursuant to Section 172 of the Companies Act 2006

The Directors are responsible for acting in a way that they consider, in good faith, is the most likely to promote the success of the Company for the benefit of its members. In doing so, they should have regard for the needs of stakeholders and the wider society. The Company's objective is to provide investors with an annual dividend that increases in line with RPI inflation while preserving the capital value of its investment portfolio in the long term on a real basis through reinvestment of excess cash flow.

The Company provides investors with the opportunity to participate directly in the ownership of UK wind farms, so increasing the resources and capital dedicated to the deployment of renewable energy and the reduction of greenhouse gas emissions. The Board is also aware of its responsibility for the risk management of the Group's climate related risks and for transparent disclosure of these risks, appreciating how this is integral to the success of the Company.

Key decisions are those that are either material to the Company or are significant to any of the Company's key stakeholders, as defined on pages 54 to 55. The Company's engagement with its key stakeholders, including the Investment Manager, is discussed further in the Corporate Governance Report. The key decisions and discussions detailed in the table below were made or approved by the Directors during the year, with the overall aim of promoting the success of the Company while considering the impact on its members and wider stakeholders.

Topic	Stakeholder considerations and outcome
Dividends	Shareholders voted 99.99 per cent in favour to approve the Company's dividend policy at the AGM on 28 April 2023. In recognition of the very strong cash flow delivered by the business during the year, the Board approved a special dividend payment of 3.43 pence per share for Q4 2023 which brought total dividends to 10 pence per share with respect to the year. The Board has also announced a target dividend of 10 pence per share for 2024, an increase of 14.2 per cent from 2023's target dividend of 8.76 pence per share. ***Stakeholders influencing and/or impacting considerations:*** Shareholders and potential investors
Investments	During the year, the Company invested in two wind farms and completed the acquisition of two further wind farms which it committed to acquire in 2020, bringing the Company's net generating capacity to over 2GW. Following recommendation from the Investment Manager, the Directors considered each of the Company's investments in the context of the Company's Investment Policy, availability of financing and the potential returns to investors. They also considered each investment in the context of sustainability and its impact on the surrounding community. ***Stakeholders influencing and/or impacting considerations:*** Shareholders, potential investors, local communities and Investment Manager.
Share Capital	On 26 October 2023, the Company announced the commencement of a share buyback programme of up to £100 million executed under the authority granted by shareholders at the 2023 AGM. The Board determined that buying back shares was in the best interests of shareholders. As at 31 December 2023, 6.6 million shares were purchased under the above authority at a total cost of £9.5 million. During the year, the Company issued 619,546 Ordinary Shares to satisfy the Equity Element of the Investment Management Fee, in accordance with the Investment Management Agreement. No shares were issued through equity raisings during the year. ***Stakeholders influencing and/or impacting considerations:*** Shareholders, potential investors and Investment Manager.

Strategic Report continued

Directors' Responsibilities Pursuant to Section 172 of the Companies Act 2006 continued

Topic	Stakeholder considerations and outcome
Annual review of service providers	The Board annually reviews the Company's external service providers and, in particular, the quality and costs of the services provided and organisational strength where appropriate. It has concluded that the interests of the Company's shareholders would be best served by the ongoing appointments of the Investment Manager, the Administrator and the Company's other key service providers on the existing terms. ***Stakeholders influencing and/or impacting considerations:*** Investment Manager, Administrator and other key service providers.
Strategy session	The Board holds an annual strategy session with the Investment Manager, outside of the scheduled quarterly Board meetings, to consider the Company's strategic objectives. The Board believes that the strategy session helped to strengthen a clear and collaborative vision for the strategic direction of the Company, while taking into account the views and needs of stakeholders. ***Stakeholders influencing and/or impacting considerations:*** Shareholders, potential investors and Investment Manager.

Board Composition and Internal Evaluation

During the year, Jim Smith was appointed as a non-executive Director of the Company with effect from 1 May 2023. With effect from 28 April 2023, Lucinda Riches C.B.E. succeeded Shonaid Jemmett-Page as Chairman, following her retirement from the Board, with Nick Winser C.B.E. succeeding Lucinda Riches as Senior Independent Director.

On 1 March 2024, Abigail Rotheroe will join the Board. At the forthcoming AGM, Martin McAdam will not seek re-election and will retire from the Board.

As disclosed on page 51, the Board undertakes a formal and rigorous internal evaluation of its performance each financial year to determine effectiveness and performance in various areas, as well as the Directors' continued independence and tenure. The reviews concluded that the overall performance of the Board and Audit Committee was satisfactory and the Board was confident in its ability to continue to govern the Company well.

Environmental, Social and Governance

The Group's approach

The Group invests in wind farms and the environmental benefits of renewable energy are proven and key to delivering the Government's and society's climate change objectives. As the largest renewable infrastructure fund and one of the largest owners of wind farms in the UK, the Company continues to prove the viability of clean energy as a robust sector for investment.

The Group now owns over 2GW of installed capacity across 49 onshore and offshore operating wind farms. By dedicating resources to the deployment of renewable energy, the Group is playing an active role in reducing the UK's greenhouse gas emissions and accelerating a move towards Net Zero for the whole economy. Since listing, the Group's operating wind farms have produced 23.5TWh of clean energy, avoiding 9.4 million tonnes of CO_2.

During the year, the Group's wind farms generated 4,743GWh of renewable electricity. By the end of 2023, the portfolio was generating sufficient electricity to power 2.3 million homes[(1)] and avoiding approximately 2.5 million tonnes of CO_2 emissions per annum through the displacement of thermal generation[(2)].

Through acquiring operational wind farms from third parties, this allows capital to be recycled into further renewable energy projects.

Both generating renewable electricity and enabling capital recycling contribute to SDG 7 (ensure access to affordable, reliable, sustainable and modern energy for all) and SDG 13 (take urgent action to combat climate change and its impacts).

(1) The number of homes powered is based on the average annual household energy consumption (2.7MWh/annum (Ofgem)), using the latest reported figures, and reflects the portfolio's annual electricity generation as at the relevant reporting date.

(2) The portfolio's annual CO_2 emissions avoided through the displacement of thermal generation, based on the portfolio's annual generation as at the relevant reporting date. The Group assumes that wind generation replaces CCGT in the UK and applies a carbon factor of 0.4tCO_2/MWh (Ofgem).

Strategic Report continued

Environmental, Social and Governance continued

Responsible Investment

To sustain the long term success of the business, the Company acknowledges and understands the importance of effective management of ESG matters for all stakeholders.

The Company continues to have an important role to play in championing both responsible investment and the development of the renewable energy sector. This is achieved through continuous engagement with all industry stakeholders, including suppliers, O&M partners, industry associations, policy makers, peers and communities. The Company transparently shares its ESG approach and results with investors.

Responsible investing principles have been applied to each of the investments made, which require the Group to make reasonable endeavours to ensure the ongoing compliance of its investee companies with its policies on responsible investment and ESG matters.

Although the non-executive Board has overall responsibility for the activities of the Company and its investments, the day-to-day management of the business is delegated to the Investment Manager. This includes responsibility for ESG matters and applies as investments are being made and continuously during the life of each wind farm. The Investment Manager assesses how ESG should be managed and the Company has developed its ESG policy in accordance with the Investment Manager's ESG Policy. The ESG Policy of the Company is approved and overseen by the Company's Board.

The Group will continue to lead the way in encouraging responsible investment to accelerate the development of the UK's wind energy sector further and will do this in a way that maximises returns for our shareholders and creates benefits for the communities and the natural environment in which its wind farms operate.

The Investment Manager has representation on the boards of the operating wind farm companies which oversee performance, including on ESG matters, and meet quarterly. From these ongoing reviews, the Investment Manager reports quarterly to the Company's Board, with data on production, wind farm availability, key events and health and safety performance.

This robust management structure enables the Investment Manager to oversee ESG issues effectively throughout the lifecycle of the Group's wind farms:

Screening

- screening the investment against investment mandate and restrictions; and
- assessing the ability of the investment to comply with ESG standards.

Due Diligence

- rigorously assessing ESG risks and opportunities of the investment based on commitment, capacity, track record and features of the wind farm; and
- identifying mitigation plans for ESG risks, where identified.

Investment decision

- identifying and addressing ESG issues in extracts of the Investment Manager's Investment Committee papers that inform investment decisions; and
- determining and costing plans to address ESG issues, and price into the investment decision process.

Asset Management

- establishing appropriate governance structures;
- complying with all relevant laws and regulations;
- ensuring ongoing monitoring and management of ESG issues;
- managing impacts on the natural habitat surrounding the wind farms under management;
- engaging with and supporting the local communities;
- performing due diligence on third parties and ensuring compliance with the Company's ESG policy; and
- ensuring business integrity with a focus on avoiding money laundering, negligent or corrupt practices.

Environment

As one of the largest owners of wind farms in the UK, the Group is focused on taking actions to support climate change mitigation through the generation of renewable energy, whilst minimising the potential impacts that the operation of wind farms may have on local habitats and the environment.

Strategic Report continued

Environmental, Social and Governance continued

Environment continued

The world continues to face a serious climate challenge, and the UK is taking an active role as a global leader in greenhouse gas emissions reduction. The Company supports the UK Government's commitment to achieve Net Zero by 2050 through acquiring operational wind farms and thereby allowing developers and utilities to recycle their capital into further renewable energy projects, and by demonstrating the attractive long term returns in the industry through our prudent management of wind farms, thereby reducing the cost of capital.

The Group is committed to protecting the local environment around its wind farms, recognising the potential impact that wind farms can have on local terrestrial and aquatic wildlife and landscape.

As such, the Group seeks to protect the local environment around its wind farms by using robust environmental management systems. These include policies, periodic risk assessments, monitoring and regular reporting to the Board and the boards of each of the wind farm companies. Through these measures, the Group also ensures compliance with all applicable laws, regulations and planning permissions as administered by the Environment Agency, Health Protection Agency, local authorities, Ofgem, UREGNI or any other relevant regulatory body, including the data reporting obligations under Renewable Obligation Order 2009.

The Group's core activities include:

- maintaining management systems to evaluate the potential risks and impacts of its activities and avoiding or mitigating environmental impacts on biodiversity, air quality, noise and waste management where relevant;
- running habitat management plans at its wind farms;
- undertaking additional environmental impact assessments or undergoing regular monitoring as required;
- seeking to work with partners who uphold good industry standards – from operational managers whose management systems comply with the requirements of ISO 14001:2015 (environmental management systems) to the material contractors used; and
- reporting regularly to the Board and the boards of each of the wind farm companies.

CASE STUDY

Seal rescue and rehabilitation in Caithness

Caithness Seal Rehab and Rescue was set up to protect, rescue, treat and release Common, Harbour and Grey seals along the Caithness coastline. A barn near the harbour in Brough has been repurposed to establish a seal hospital and can house up to four seals in purpose built pens, a nursery area that can accommodate a further two seal pups, and three mobile pens. Seals are picked up, checked by vets, fed and rehabilitated until they are healthy and at a suitable weight to be released. Local volunteers help to run the centre and provide local educational talks about seals.

During the year, Stroupster contributed £15,000 to a project to improve facilities within the barn such as: a new insulated food preparation room with increased hygiene standards; a small laboratory station; and the creation of four new large seal pens with concrete floors, insulation, tiling and drainage. The project facilitates better working conditions for the volunteers at the centre, better storage of equipment, and an opportunity to accommodate more visitors to the sanctuary to enable it to become a popular tourist attraction. The funding of such projects remains a key aspect of the Company's approach to community engagement and the environment.

Strategic Report continued

Environmental, Social and Governance continued

Environment continued

The Company also recognises the importance of a circular economy in achieving Net Zero targets and in reducing the environmental impact associated with renewable energy generation. After setting up a grant-making programme to fund and support academic research and non-profit projects last year, the first 2 projects are underway. The 'Added-value Coatings' research project, led by The University of Edinburgh, aims to turn decommissioned wind turbine blade materials into powders that can be used in surface coatings to protect engineering and structural components from corrosion. The second project is led by Imperial College, London and aims to develop an end-of-life decision-making tool to predict how much damage a wind turbine blade has accumulated in its lifetime. The tool aims to support the industry in making informed and sustainable decisions about the optimal end-of-life route for turbine blades.

Social

Supporting worker safety and fair employment on our sites

Worker safety is a top priority for the Group. The Group also recognises the need for people to be paid fairly for the work they do and to have appropriate working conditions. In prioritising these elements, it supports the local communities in which its wind farms operate, ensuring the long term viability of its operations.

The Group achieves this through a range of activities, including:

- complying with all applicable laws relating to employment, occupational health and safety, human rights, prevention of human trafficking and modern slavery, public safety and security and community matters, including the Wind Turbine Safety Rules;
- implementing health and safety best practices through wind farm specific health and safety policies, project management, contractual arrangements, staff training and stakeholder education;
- assessing and monitoring health and safety practices through wind farm specific risk identification and prevention activities; and
- reporting on key health and safety data regularly, with escalation and rapid response procedures in place in case of emergency.

During the year, these activities included:

- 530 regular safety checks carried out by the operations and maintenance service providers at all wind farms;
- safety walks by the Investment Manager's team at 43 wind farms;
- independent health and safety audits by accredited professionals at 14 wind farms and 16 O&M partners; and
- HV audits at 10 wind farms.

The Group's focus on prevention arises out of a culture of transparent reporting, collaboration, and best practice. Identifying both hazards and analysing the causes of incidents is a key risk mitigant.

As a member of Renewable UK, the UK's leading wind energy trade association, the Company is keen to work with other stakeholders to develop the industry further including on health and safety. In addition, the Investment Manager is an active member of SafetyOn, the UK's leading health and safety focused organisation for the onshore wind industry. With the increase in offshore wind capacity in the Company's portfolio, the Investment Manager also became a member of G+, to help ensure industry best practice for offshore wind assets.

Supporting the communities around our wind farms

It is important that the wind farms are truly part of the community. The Group's approach aids long term support by local communities for wind farms in the UK, which ultimately enables the continued growth of the industry.

The Group cares about the communities around its wind farms and engages with local communities to ensure respect for land and access rights and that its wind farms are managed in accordance with planning permissions.

The Group holds regular dialogue with community funds and provides financial support to local groups through community benefit schemes that fund local projects.

These funds help deliver a range of services, from improving local amenities and infrastructure to aiding educational projects for local schools.

In 2023, the Group provided £4.4 million to community funds.

Strategic Report continued

Environmental, Social and Governance continued

Social continued

Diversity

The Board has a policy to base appointments on merit and against objective criteria, with due regard for the benefits of diversity, including both gender and ethnic diversity. Its objective is to attract and maintain a Board that, as a whole, comprises an appropriate balance of skills and experience.

The Board consists of individuals from relevant and complementary backgrounds offering experience in the investment management of listed funds, as well as in the energy sector from both a public policy and a commercial perspective. As at the date of this report, the Board comprised 3 men and 2 women, all non-executive Directors who are considered to be independent of the Investment Manager and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. Currently, the Chairman and Audit Committee Chairman positions are both held by women who represent 40 per cent of Directors on the Board. After the Company's AGM on 24 April 2024, the Board will comprise of 3 women and 2 men.

The Board is cognisant that it does not currently have ethnic minority representation, contrary to the FCA diversity guidelines. The size of the Board is relatively small in comparison to the wider FTSE 250 and FTSE 100 constituents and therefore provides a greater challenge in complying with diversity guidelines. In the recruitment processes conducted during the year, enhancing the Board's ethnic diversity was a key focus. Whilst the Board has not become more ethnically diverse as a result of the recruitment in 2023, this will continue to be an important objective during future succession planning, whilst ensuring an appropriate balance of skills and experience in the Board.

The Board recognises the importance of an inclusive and diverse Board in facilitating a collaborative culture and enhancing the delivery of the Company's strategic objectives.

In accordance with Listing Rule 9.8.6R(10), as at the date of this report and as described above, the composition of the Board is as follows:

	Number of Board members in scope	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[1]
Men	3	60%	1
Women	2	40%	2
Not specified/prefer not to say	—	—	—

[1] The positions of CEO and CFO are not applicable to the Company as an externally managed investment fund. Senior Board positions will continue to be reviewed.

	Number of Board members in scope	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[1]
White British or other White (including minority-white groups)	5	100%	3
Mixed/Multiple Ethnic Groups	—	—	—
Asian/Asian British	—	—	—
Black/African/Caribbean/Black British	—	—	—
Other ethnic group, including Arab	—	—	—
Not specified/prefer not to say	—	—	—

[1] The positions of CEO and CFO are not applicable to the Company as an externally managed investment fund. Senior Board positions will continue to be reviewed.

The above information is based on voluntary self-declaration from the Directors.

The Investment Manager operates an equal opportunities policy and its partners and employees comprise 92 men and 35 women.

Strategic Report continued

Environmental, Social and Governance continued

Governance

Detailed disclosure on the Company's governance structure and activities can be found in the Corporate Governance Report on pages 50 to 55 and in the TCFD Governance section below.

Task Force on Climate Related Financial Disclosures (TCFD)

The Company strives to maintain the highest standards of corporate governance and effective risk identification and management at both Group and wind farm level. The Company supports the recommendations of the TCFD and refers to them for guidance on addressing climate related risks and opportunities across the Group and enhancing our disclosure.

These disclosures are categorised between the 4 thematic areas as recommended by the TCFD.

Governance

Board oversight and the role of the Investment Manager

The Board is responsible for the determination of the Company's Investment Objective and Investment Policy. It also oversees the management of the Company and its investments, including ESG and climate related risks and opportunities. The Board also delegates the day-to-day management of the business, including management of ESG matters, to the Investment Manager.

The Audit Committee also considers the Company's climate related disclosures in its Annual Report and Financial Statements.

As discussed in the Corporate Governance Report on pages 50 to 55, the Board and the Investment Manager meet regularly and discuss risk management. Climate related risks are covered during these discussions, as they naturally arise from the Group's underlying investments and the Company's significant role in the decarbonisation of the UK economy. A formal risk matrix is maintained by the Investment Manager and reviewed and approved by the Board on an annual basis.

CASE STUDY

Errogie Church – Driving positive social impact in the local community

The Group is committed to investing in projects that benefit communities in the long term: the Errogie Church project is a great example of this approach. Co-funded by Corriegarth, the Stratherrick & Foyers Community Trust (SFCT) looks to encourage positive community development near the wind farm. Specifically, the project aims to repurpose Errogie Church into a community hub.

Following the acquisition of Errogie Church 4 years ago, the project followed an inclusive approach to decision making with extensive consultations being held with local residents to gauge the community's needs and support for a communal space. This fostered a sense of ownership and pride in local heritage. Over the lifetime of the project, the building will be restored, local talent showcased and community cohesion enhanced. Additionally, opportunities for economic growth have emerged with craft markets, exhibitions, and other activities which have supported local businesses taking place.

In 2023, we celebrated the completion of the first phase of the project, as extensive works have been completed to ensure that the building was fit for basic use. The Errogie Doors Open Day and the large turnout are evidence of the consensus around the initiative and testimony of the positive impact it will have in the future.

Through ongoing partnerships and community-led initiatives, the project is on track to leave a lasting legacy of positive social impact for generations to come.

Errogie Chruch

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Governance continued

***Board oversight and the role of the Investment Manager** continued*

In addition, the Investment Manager has its own ESG Committee that meets regularly to discuss ESG and climate related risks relating to the Group and other funds it manages. This committee has implemented an ESG Policy that looks to establish best practice in climate related risk management, reporting and transparency. Stephen Lilley is on this ESG Committee and therefore remains well informed and involved with ESG and climate related discussions, which may impact the Company. Representatives from the Investment Manager also sit on all of the boards of the wind farm companies, which meet quarterly and discuss ESG and climate related risk management.

Strategy

The Board understands that climate change poses risks and opportunities to the Company.

As the leading listed renewable infrastructure fund, invested in UK wind farms, the Company plays a significant role in the UK renewables industry. Overall, the Board believes that the decarbonisation of the UK economy will continue to present a significant investment opportunity and the size of the Company's growth will be related to the success of the sector and the engagement of its stakeholders. The Company is committed to its strategy and Investment Policy of investing in operating wind assets to benefit from this opportunity. The Company also recognises, however, that there are short term and medium to long term transition risks that could impact its future financial performance. The Company seeks to manage these risks to mitigate potential impact.

North Hoyle

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Strategy continued

The tables below summarise the principal opportunities and risks identified by the Company and details, where relevant, how it manages the risks or opportunities.

Opportunities

Category	Climate issue	Opportunities	Company consideration
Transition	Increased demand for renewable energy generation	Increasing ambition of corporate and Government Net Zero targets could lead to a material increase in the procurement of renewable energy by businesses and consumers. Moreover, companies are increasingly required to demonstrate their commitment to reducing their carbon footprints, which may increase the demand for corporate PPAs.	The Board considers that the decarbonisation of the UK economy will continue to present a significant investment opportunity in the short and medium term (0-15 years) and the size of the Company's growth will be related to the success of the sector and the engagement of its stakeholders.
Transition	Increased investor interest in renewable energy funds	Institutional investors are increasingly expected by regulators and clients to disclose their strategies to mitigate climate change. This includes the setting of Net Zero targets and investing in assets that contribute to climate change mitigation such as renewable energy assets to meet these targets. Increased investor interest in renewable energy funds could lead to a lower cost of capital and enable greater capital raises to support the long term growth and investment activities of the Company.	The Board believes that providing investors with a vehicle that supports their Net Zero ambitions is an opportunity to the Company in the short term (<5 years). The Company continues to evolve its engagement with the market and its disclosures to better explain the positive role that wind energy generation plays in the energy transition.

Risks

Category	Climate issue	Risk	Company consideration
Transition	Retrospective changes to policies providing financial support to renewable energy	There is a risk that the UK Government retrospectively changes its financial support for the renewable energy sector such as ROCs, network charges and carbon price floors. Retrospective changes to such financial support could decrease portfolio revenues and increase operating costs making the technology less commercially viable.	The Board considers the likelihood of any retrospective policy change to be low in the short term (less than 5 years). To manage any such risk, the Board and Investment Manager keep themselves abreast of developments in international support for renewable energy as well as their impact and, where possible, respond to changes when and if they happen. The Investment Manager is also actively engaged in discussion with both industry and the Government on the ongoing REMA consultation.

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Strategy continued

Risks continued

Category	Climate issue	Risk	Company consideration
Transition	Increased renewable generation capacity reduces power prices	It is possible that the deployment of new renewable energy generation capacity, required to meet future UK and global emission reduction targets, could reduce the power prices captured by the Group's portfolio investments resulting in reduced revenues.	The Board considers there to be limited potential impact on the Company from fluctuating power prices due to the nature of the portfolio's cashflows, which are both fixed and merchant. The Group's dividend policy has also been designed to withstand significant short term variability in generation or power price capture.
Transition	Increased reputational risks associated with climate-related disclosures and reporting obligations	There is also an increase in reputational risk should incorrect or unclear statements be made in climate related disclosures that could result in investor dissatisfaction, fines linked to greenwashing or broader reputational damage to the Company and the Investment Manager.	The Company considers the potential impact of this risk to the Company to be low in the short and medium term. To manage this risk, the Investment Manager engages specialist consultants to measure and report on the Company's carbon emissions. The Investment Manager also uses internal processes to monitor emerging climate-related disclosure regulations and disclosures that are made by the Company are reviewed by the Audit Committee as well as the Investment Manager's compliance and ESG teams.
Physical	Increase in extreme weather events	The UK has witnessed an increase in extreme weather events including flooding, heatwaves and storms including high wind speeds in recent years. Extreme weather events have the potential to disrupt portfolio operations impacting cash flows, and to damage assets resulting in increased operating costs or insurance premiums.	The Company considers the impact of such risks to its portfolio to be low. The current portfolio of wind farms is designed to withstand extreme weather conditions and to take advantage of weather systems such as increased wind speeds. In addition, wind turbines are designed to shut down in the event that wind speeds exceed very high speeds to protect them from damage. The Investment Manager does not consider an increase in flooding to pose significant issues to the Company's portfolio as onshore wind turbines are not typically located in areas prone to flooding. To mitigate risk of damage from extreme weather events, the Company procures property damage and business interruption insurance should operations be disrupted, or assets be damaged.

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Strategy continued

Climate scenarios

The Company recognises the requirement under the TCFD for considering the resilience of its strategy under different climate related scenarios, including a 2°C or lower increase scenario. The Board has also considered the potential impact of a high transition risk scenario on its strategy and sets out high level conclusions below. The scenarios were developed by a market leading consultant.

To meet the FCA's product level TCFD disclosure requirements, the Company will publish a separate report on its website before 30 June 2024. This will include information relating to an assessment of the potential impacts of specific transition scenarios as listed in the FCA Handbook.

High transition risk scenario

Transition risks are those associated with the pace and extent at which society adapts and mitigates the risk of climate change. Transition risks can occur when moving to a greener economy has adverse impacts on certain sectors, due to policy, legal, market or technological shifts. The Board and the Investment Manager continue to believe that the key factor that could impact the Company in the transition to a lower carbon economy is the variability of long term prices for wholesale electricity. In a lower carbon economy, where considerable build-out of renewable generation capacity will be required, there is a risk that the power price received by the Group's portfolio could be negatively impacted, depending on how successful the Government is in implementing its plan and depending on future electricity market design including the ongoing REMA consultation.

The Investment Manager has assessed the potential impact of a high transition risk scenario using a third party Net Zero model built by leading power market experts. The model sets out how electricity prices and the market may develop in line with meeting the legislated target of Net Zero emissions by 2050, including current and future policy implementation to achieve carbon neutrality, technological developments and commodity price forecasts for a global outlook.

In this high transition risk scenario where global temperature increases are limited to only 1.5°C to 2°C (most typically associated with Net Zero), it is assumed that the UK Government is successful in implementing its plan in its entirety and the REMA consultation does not conclude in significantly different market design. In this scenario, the long term power price is lower than the base case used to calculate the Company's NAV.

Dalquhandy

The lower long term power price, provided by a leading market consultant, reflects the wider deployment of low marginal cost renewable generation capacity, partially offset by the expected deployment of electrolysers as part of a growing hydrogen economy, increased electrification of transport and heat and the build-out of data centres. Modelling the lower long term power price would equate to approximately a 17 pence reduction in NAV per share.

The base case long term power price assumes significant renewable generation and other measures to reduce carbon emissions and represents the independent consultant's best estimate of likely outturn. The high transition risk scenario assumes further measures. The precise effect on power price of any measures (in the base case and in the high transition risk scenario) is highly uncertain and is highly dependent on future electricity market design. The high transition risk scenario also assumes no other offsetting factors.

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Strategy continued

***Climate scenarios** continued*

High physical risk scenario

Physical risks may consist of acute physical risk, which can refer to event driven perils including increased severity and frequency of extreme weather events, and chronic physical risk, which can refer to longer term shifts in climate patterns that cause sea level rises, heat waves, droughts and desertification.

The Board and the Investment Manager continue to believe that a scenario where global temperature increases are significantly higher than 2°C (a high physical risk scenario) would not lead to any significant physical risk to the Group's wind farms, which are designed to operate in extreme weather conditions and are typically not located in areas prone to flooding.

The Board recognises that climate change could lead to more extreme weather events including extreme temperature changes, increased electrical storms, increased rainfall levels and changes in wind speed and direction. The Board does not consider these potential changes to be a material risk to the Group because the wind farms are designed to operate in extreme weather conditions, are typically not located in areas prone to flooding, and insurance and business continuity plans are in place to manage such an event, should it occur.

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

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

Risk Management

As a full scope UK AIFM, the Investment Manager has established a Risk Management Committee that meets on a quarterly basis to discuss, amongst other matters, the risk framework of the Group and investee companies including processes for identifying, assessing and managing climate related risks. The Company's risk matrix, reviewed and approved by the Board, includes climate related risks.

All risks identified, including climate related risks are assessed based on likelihood, impact and mitigation. The risk assessment is carried out on a qualitative basis by the Investment Manager, although consideration is given to how quantitative measures can be used to support climate related risk assessment. The risk matrix is then presented to the Board for discussion and approval on an annual basis.

As mentioned above, climate related risks can be classified into two broad categories: (i) risks associated with the transition to a decarbonised economy; and (ii) risks associated with the physical impacts of climate change. The table below aims to summarise the most material transition and physical risks associated with climate change and the extent to which the Board considers the impact high or low, based on exposure and mitigation actions.

To ensure strong performance and risk mitigation, the Group has specific oversight on environmental and social issues including climate change. It reinforces this oversight with a range of activities, including:

- appointing at least one senior representative from the Investment Manager to the boards of the wind farm companies to ensure monitoring and influence of both financial and ESG performance, including climate related risks and opportunities; and
- carrying out due diligence during the acquisition of new wind farms in accordance with the Investment Manager's established procedures and ESG Policy, which requires an analysis of climate issues.

The Investment Manager's Investment Committee comprises experienced senior managers. Whilst making investment decisions, due consideration is given to climate related risks as well as to opportunities identified during due diligence.

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Metrics and Targets

The world continues to face a serious climate challenge, and the UK is taking an active role as a global leader in greenhouse gas emissions reduction.

The Government's Net Zero strategy includes:

- complete decarbonisation of the electricity sector by 2035;
- 50GW of offshore wind capacity by 2030;
- 70GW of solar PV capacity by 2035;
- 10GW of low carbon hydrogen production capacity by 2030;
- 24GW of nuclear capacity by 2050;
- capture and store 20-30 $MtCO_2$ per year by 2030; and
- electrification of transportation (thus increasing demand for electricity).

The Group supports this strategy by allowing developers and utilities to recycle their capital, and by demonstrating the attractive long term returns in the industry through its prudent management of wind farms, thereby reducing the cost of capital and increasing the potential for further construction of renewable energy capacity and the decarbonisation of the economy.

Renewable energy generators avoid CO_2 emissions on a net basis at a rate of approximately 0.4t CO_2 per MWh. Given the size of the Group's investment portfolio on 31 December 2023, the portfolio's contribution to reducing CO_2 emissions is approximately 2.5 million tonnes per annum. The portfolio is also generating sufficient electricity to power 2.3 million homes per annum, at 2.7 MWh per home.

Bicker Fen

Strategic Report continued

Task Force on Climate Related Financial Disclosures (TCFD) continued

Metrics and Targets continued

Disclosure	Year ended 31 December 2023	Year ended 31 December 2022
The portfolio's Scope 1, Scope 2 and Scope 3 greenhouse gas emissions are disclosed below.		
Scope 1 – direct emissions (tonnes CO_2)	13	149
Scope 2 – indirect emissions, location based (tonnes CO_2)	2,162	1,731
Scope 3 – indirect emissions (tonnes CO_2)(1)	261,138	136,161
Total Scope 1, 2 and 3 emissions (tonnes CO_2)	**263,313**	**138,041**
Scope 2 – indirect emissions, market based (tonnes CO_2)	1,485	1,422
Carbon Footprint – scope 1, 2 and 3 emissions normalised by value of the Company (tonnes CO_2e/£ million invested)(2)	42.9	24.6
Weighted Average Carbon Intensity (revenue) – weighted exposure to investee scope 1, 2 & 3 emissions per revenue generation (tonnes CO_2e/£ million)(2)	1,193.1	535.1
Carbon Intensity – Scope 1, 2 and 3 emissions per MWh renewable generation (tonnes CO_2e/MWh renewable energy generation)(2)	0.00038	0.00035

(1) Scope 3 emissions are the result of activities from assets not owned or controlled by the Group, but that the Group indirectly impacts in its value chain. Scope 3 emissions include all sources not within the Group's Scope 1 and 2 boundary and include, inter alia, emissions arising from the construction of each wind farm acquired in the year, including those emissions associated with the manufacturing and transport of all equipment and material, before the wind farm was commissioned, as well as the expected spare part provision throughout its lifetime.

(2) Calculations for metrics can be found in the EU SFDR disclosures on pages 122 to 123.

It is the Investment Manager's view that Scope 3 emissions are less meaningful given the Company's strategy of investing in UK wind farms for the duration of their asset lives. Furthermore, recognising a wind farm's construction and whole life operating emissions in the year the Group acquires it is potentially misleading as it both overestimates carbon emissions in the year of acquisition and underestimates carbon emissions generated in every other year.

The carbon payback of a wind turbine, how quickly it offsets the emissions generated during its manufacture, transportation and on-site construction, is an indicator of its contribution to accelerating energy transition. At current rates, carbon payback is typically around 5-6 months for onshore and 8 months for offshore wind farms, which is approximately 3 per cent of the assumed asset life. Carbon footprint indicators are measured in line with the industry standard Greenhouse Gas Protocol based on an equity control approach, meaning emissions from the Group's operations are weighted according to the Group's proportionate ownership of its SPV investments.

Targets

The Company has not set a carbon emissions reduction target. It commits to continuing to invest solely in operating wind power generation assets and to continue growing its renewable energy generation and generating capacity to support the transition to a Net Zero economy. The Investment Manager has been a signatory to the Net Zero Asset Managers initiative ('NZAM') since 2021. NZAM is an international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner. In 2022, the Investment Manager established a Net Zero Policy, formalising a commitment to cut the intensity of its Scope 1 and 2 emissions by 50 per cent by 2030. With support from the Investment Manager, the Company will work to develop a plan in line with evolving UK requirements in this regard, including how it intends to reduce its carbon footprint to support the Investment Manager's commitment whilst continuing to grow its portfolio and avoid carbon emissions as a result of its generation activities.

Strategic Report continued

UK Sustainability Disclosure Requirements (SDR)

In 2023, the FCA published its final rules regarding Sustainability Disclosure Requirements (SDR). The Investment Manager has a working group in place, reporting to its ESG Committee, to understand and implement requirements of the SDR for funds in scope. The Company, with support from the Investment Manager, will consider the rules and work to meet any obligations of the SDR in the coming financial year.

EU Sustainable Financial Disclosure Regulation (SFDR)

The Company became Article 9 qualified under EU SFDR in 2022 and makes sustainability related disclosures in the financial services sector. Through its Investment Policy of investing in UK wind farms predominately with a capacity over 10MW, the Company contributes to the environmental objective of climate change mitigation that helps to facilitate the transition to a low carbon economy.

ESG Report

The Company publishes an annual standalone ESG Report. This provides further information on how the Group approaches responsible investment and ESG matters in addition to further case studies and ESG performance. The Company's ESG Report for 2023 will be published on its website in April 2024.

Detailed Annex V disclosures and the Company's principal adverse impacts statement can be found on pages 105 to 123.

On behalf of the Board

Lucinda Riches C.B.E.
Chairman

28 February 2024

Board of Directors

As at the date of this report, the Board comprises 5 individuals from relevant and complementary backgrounds.

During the year and with effect from the conclusion of the 2023 AGM on 28 April 2023, Shonaid Jemmett-Page retired from the Board and Lucinda Riches C.B.E. was appointed as Chairman with Nick Winser C.B.E. succeeding her as Senior Independent Director.

The Directors are of the opinion that the Board as a whole comprises an appropriate balance of skills, experience and diversity. The Directors of the Company who were in office during the year and up to the date of signing the financial statements are listed below.

Lucinda Riches C.B.E., Chairman of the Board (appointed 1 May 2019)

Lucinda Riches C.B.E. (Chairman), aged 62, brings significant capital markets experience, having advised public companies on strategy, fundraising and investor relations for many years. She also brings extensive experience as a public company non-executive director across a variety of businesses, including two FTSE 100 companies.

Lucinda worked at UBS and its predecessor firms for 21 years until 2007 where she was a managing director, global head of Equity Capital Markets and a member of the board of the investment bank. She is Chairman of Peel Hunt Limited and a non-executive Director of Ashtead Group plc. Previously she was a non-executive Director of UK Financial Investments, a non-executive Director of The Diverse Income Trust plc, Senior Independent Director of The British Standards Institution and until 2021 she was a non-executive Director of CRH plc and Senior Independent Director of ICG Enterprise Trust plc. She was awarded a C.B.E. in 2017 for her services to financial services, British industry and to charity.

Caoimhe Giblin, Chairman of the Audit Committee (appointed 1 September 2019)

Caoimhe Giblin (Director and Audit Committee Chairman), aged 47, has extensive experience in the electricity industry sector and is currently Commercial Director at ElectroRoute, an energy trading company which is part of the Mitsubishi Corporation group of companies.

Prior to that, Caoimhe was Director of Finance for SSE Renewables where she had responsibility for the financial activities of SSE's significant on and offshore wind development and construction portfolio. Prior to this, Caoimhe held various roles in the Corporate Finance department at Airtricity where she gained significant experience of corporate acquisitions and disposals, equity fundraising, project finance, debt financing and managed the company's corporate valuation process. Caoimhe was appointed Head of Corporate Finance of SSE Renewables in 2008 following the acquisition of Airtricity by SSE plc.

Caoimhe qualified as a Chartered Accountant with KPMG and spent the early part of her career focusing on providing corporate finance due diligence, internal audit and risk management services in both Dublin and New Zealand. Caoimhe is a Fellow of Chartered Accountants of Ireland and has a BA in Accounting & Finance and an MBS in Accounting from Dublin City University. Caoimhe also holds a Diploma in Company Direction from the Institute of Directors, of which she is a member. In 2018, Caoimhe was elected to sit on the Wind Energy Ireland Council.

Board of Directors continued

Nick Winser C.B.E. Senior Independent Director (appointed 1 January 2022)

Nick Winser C.B.E. (Senior Independent Director), aged 63, has a 30 year career in the energy sector which included being CEO of National Grid across UK and Europe, President of the European Network of Transmission System Operators for Electricity and CIGRE UK Chairman. Nick has been the Chairman of Energy Systems Catapult since 2015 and was appointed Chairman of the Advisory Board for the Energy Revolution ISCF programme in 2018. He was appointed Electricity Network Commissioner by the Government in summer 2022 and is Energy Commissioner at the National Infrastructure Commission.

Nick is a Fellow of the Institute of Engineering and Technology, serving as its President in 2017/18 and is a Fellow of the Royal Academy of Engineering. Nick is also former Chairman of the MS Society and a former member of the Board of the Kier Group.

Martin McAdam (appointed 1 March 2015)

Martin McAdam (Director), aged 62, is an accomplished executive with significant experience in the energy and renewables sector. He was formerly Chief Executive Officer of Aquamarine Power. Prior to that, Martin was President and Chief Executive Officer of the US subsidiary of Airtricity, a role in which he constructed over 400MW of wind farm capacity.

Martin spent his early career at ESB, the Irish utility, involved in a number of activities including power station construction and generation planning. After a number of years in information services, he returned to the power industry and joined Airtricity, a significant developer and constructor of wind farms throughout the UK and Ireland, managing construction of new wind farms. Martin's role expanded into operations and ultimately to take responsibility for the growing US business. He led the integration of the Airtricity generation business unit into the SSE Renewables Division after its sale.

Martin is a Chartered Engineer and a Fellow of Engineers Ireland and a Fellow of the Royal Society for the Encouragement of Arts, Manufactures and Commerce.

Jim Smith (appointed 1 May 2023)

Jim Smith (Director), age 61, is the former Managing Director of SSE Renewables with 34 years experience within the electricity industry at SSE. Since retiring from full time employment in 2022 he has transitioned into a number of part-time roles and is Chair of Noriker Power Ltd, Chair of Inverness & Cromarty Firth Green Freeport Ltd, a non-executive Director of Seabank Power Ltd and a renewable energy ambassador to Cowi UK Ltd.

Jim's early career in SSE was in development, construction and operations in both hydro and gas fired generation where he became Station Manager at Peterhead Power Station. He then went on to be Director of Major Projects responsible for the group's major capital infrastructure investments in renewables, thermal generation, gas storage and transmission.

Following SSE's acquisition of Airtricity in 2008, he led offshore wind development and construction before taking responsibility for all wind development and construction. He also spent time as the Managing Director of the groups energy trading business followed by Managing Director of Generation Operations. Following a restructuring in 2018 Jim took up his final position as Managing Director of SSE Renewables with responsibility for the 4000MW operational fleet and the development pipeline, taking over 5GW (gross) of projects through financial close prior to his retirement.

Jim is a Mechanical Engineer, trained mediator and a mentor for the MCR Pathways charity.

Board of Directors continued

Shonaid Jemmett-Page (appointed 5 December 2012 and retired 28 April 2023)

Shonaid Jemmett-Page, (Chairman) FCA (Director), aged 62, is an experienced non-executive director in the energy and financial sectors. Shonaid spent the first 20 years of her career at KPMG in London and Tokyo, rising to the position of Partner, Financial Services. In 2001, she moved to Unilever, where she was Senior Vice President, Finance and Information for Asia, based in Singapore, before returning to the UK as Finance Director for Unilever's global non-food business. In 2009, Shonaid joined CDC Group as Chief Operating Officer, a position she held until 2012.

Since then, Shonaid has focused on non-executive appointments and is currently Chairman of Cordiant Digital Infrastructure Limited as well as Chairman of its nominations and management engagement committees, Chairman of ClearBank Ltd and a member of its nomination and risk committees, non-executive Director of Aviva plc as well as Chairman of its customer and sustainability committee and a member of its nomination and governance, risk and audit committees, and non-executive Director of QinetiQ Group plc and Chairman of its audit committee and a member of its risk and security, remuneration and nomination committees. Until April 2018 she was non-executive Director of GKN plc where she served as Chairman of its audit committee and was a member of its remuneration and nominations committees. Until November 2019 she was non-executive Director of MS Amlin plc where she served as Chairman and was also the Chairman of its remuneration and nominations committees and a member of its risk and solvency committee. Until March 2020 she served as non-executive Chairman and then non-executive Director of MS Amlin Insurance SE (a Belgian subsidiary of MS Amlin plc), and until May 2022 she was a non-executive Director of Caledonia Investments plc where she served as Chairman of its remuneration committee and a member of its governance, nomination and audit committees. She is also the examiner of the UK branch of an Indian children's cancer charity.

Abigail Rotheroe (with effect from 1 March 2024)

Abigail is a CFA Charterholder and brings over 20 years' experience in the investment industry and knowledge of fund governance and sustainable investing. She is the former Investment Director of Snowball Impact Management, responsible for developing the firm's approach to impact investment and measurement. She has held positions at Schroder Capital Management, HSBC Asset Management and was a Director of Columbia Threadneedle Investments, managing retail and pension fund assets in Asia and emerging markets.

She is currently a non-executive director of HydrogenOne Capital Growth plc, Baillie Gifford Shin Nippon plc and Templeton Emerging Markets Investment Trust plc.

Board of Directors continued

Other UK Listed Public Company Directorships

In addition to their directorships of the Company, the below Directors currently hold the following UK listed public company directorships:

Lucinda Riches C.B.E.

Ashtead Group plc
Peel Hunt Limited

With the exception of Martin McAdam, the Directors have all offered themselves for re-election and resolutions concerning this will be proposed at the 2024 AGM.

Conflicts of Interest

The Directors have declared any conflicts or potential conflicts of interest to the Board which has the authority to approve such situations. The Company Secretary maintains the Register of Directors' Conflicts of Interests which is reviewed bi-annually by the Board and when changes are notified. The Directors advise the Company Secretary and the Board as soon as they become aware of any conflicts of interest. Directors who have conflicts of interest do not take part in discussions which relate to any of their conflicts.

In accordance with Provision 9 of the AIC Code, the appointment of any Director has included consideration of the time they have available to the role. Any additional external appointments will be submitted by Directors to the Board for approval before the appointment is accepted.

Report of the Directors

The Directors present their Annual Report, together with the consolidated financial statements of Greencoat UK Wind PLC for the year to 31 December 2023. The Corporate Governance Report on pages 50 to 55 forms part of this report.

Details of the Directors who held office during the year and as at the date of this report are given on pages 38 to 41.

Capital Structure

The Company has one class of ordinary shares which carry no rights to fixed income. Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the shareholders are entitled to all of the surplus assets of the Company.

Shareholders will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each ordinary share held.

Authority to Purchase Own Shares

The current authority of the Company to make market purchases of up to 14.99 per cent of its issued share capital expires at the conclusion of the 2024 AGM. Special resolution 15 will be proposed at the forthcoming AGM seeking renewal of such authority until the next AGM (or 30 June 2025, whichever is earlier). The price paid for the shares will not be less than the nominal value or more than the maximum amount permitted to be paid in accordance with the rules of the UK Listing Authority in force at the date of purchase. This power will be exercised only if, in the opinion of the Directors, a repurchase would be in the best interests of shareholders as a whole. Any shares repurchased under this authority will either be cancelled or held in treasury at the discretion of the Board for future resale in appropriate market conditions.

The Directors believe that the renewal of the Company's authority to purchase shares, as detailed above, is in the best interests of shareholders as a whole and therefore recommend shareholders to vote in favour of special resolution 15.

The Directors also recommend shareholders to vote in favour of resolutions 12, 13 and 14, which renew their authority to allot equity securities for the purpose of satisfying the Company's obligations to pay the Equity Element of the Investment Manager's fee, and also their authority to allot equity securities for cash either pursuant to the authority conferred by resolution 12 or by way of a sale of treasury shares.

Major Interests in Shares

Significant shareholdings as at 15 February 2024 are detailed below.

Shareholder	Ordinary shares held % 15 February 2024
BlackRock Investment Management	7.32
Rathbone Investment Management	5.58
Investec Wealth & Investment	4.61
Schroder Investment Management	4.58
Newton Investment Management	4.16
Hargreaves Lansdown Asset Management	3.69
Charles Stanley	3.02

Significant shareholdings as at 31 December 2023 are detailed below.

Shareholder	Ordinary shares held % 31 December 2023
BlackRock Investment Management	8.07
Rathbone Investment Management	5.49
Investec Wealth & Investment	4.65
Schroder Investment Management	4.65
Newton Investment Management	4.38
Hargreaves Lansdown Asset Management	3.50
Charles Stanley	3.02

Companies Act 2006 Disclosures

In accordance with Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 the Directors disclose the following information:

- the Company's capital structure is detailed in note 15 to the financial statements and all shareholders have the same voting rights in respect of the share capital of the Company. There are no restrictions on voting rights that the Company is aware of, nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights;
- there exist no securities carrying special rights with regard to the control of the Company;
- the Company does not have an employees' share scheme;
- the rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and the Companies Act 2006;

Report of the Directors continued

Companies Act 2006 Disclosures continued

- there exist no agreements to which the Company is party that may affect its control following a takeover bid;
- there exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid; and
- the Directors' responsibilities pursuant to Section 172 of the Companies Act 2006, as detailed in the Strategic Report.

Investment Trust Status

The Company has been approved as an investment trust under sections 1158 and 1159 of the Corporation Taxes Act 2010. As an investment trust, the Company is required to meet relevant eligibility conditions and ongoing requirements. In particular, the Company must not retain more than 15 per cent of its eligible investment income. The Company has conducted and monitored its affairs so as to enable it to comply with these requirements.

Diversity and Business Review

A business review is detailed in the Investment Manager's Report on pages 5 to 18 and the Group's policy on diversity is detailed in the Strategic Report on page 28.

Directors' Indemnity

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

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

Streamlined Energy Carbon Reporting

As the Group has outsourced operations to third parties, there are no significant greenhouse gas emissions to report from the operations of the Group. The Group qualifies as a low energy user and is therefore exempt from disclosures on greenhouse gas emissions and energy consumption.

The underlying assets of the Group's investee companies are renewable energy generators which avoid CO_2 emissions on a net basis (at a rate of approximately 0.4t CO_2 per MWh and approximately 2.5 million tonnes per annum given the size of the Group's investment portfolio as at 31 December 2023).

Further details of the portfolio's Scope 1, Scope 2 and Scope 3 greenhouse gas emissions can be found in the Strategic Report on page 36.

Risks and Risk Management

The Group is exposed to financial risks such as price risk, interest rate risk, credit risk and liquidity risk and the management and monitoring of these risks are detailed in note 18 to the financial statements.

Independent Auditor

The Directors will propose the reappointment of BDO LLP as the Company's Auditor and resolutions concerning this and the remuneration of the Company's Auditor will be proposed at the 2024 AGM.

So far as each of the Directors at the time that this report was approved are aware:

- there is no relevant audit information of which the Auditor is unaware; and
- they have taken all the steps they ought to have taken to make themselves aware of any audit information and to establish that the Auditor is aware of that information.

Annual Accounts

The Board is of the opinion that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the position, performance, strategy and business model of the Company.

The Board recommends that the Annual Report, the Report of the Directors and the Independent Auditor's Report for the year ended 31 December 2023 are received and adopted by the shareholders and a resolution concerning this will be proposed at the 2024 AGM.

Dividend

The Board recommended an interim dividend of £79.1 million, equivalent to 3.43 pence per share with respect to the 3 month period ended 31 December 2023, bringing total dividends with respect to the year to £231.4 million, equivalent to 10 pence per share as disclosed in note 8 to the financial statements.

Report of the Directors continued

Subsequent Events

Significant subsequent events have been disclosed in note 21 to the financial statements.

Strategic Report

A review of the business and future outlook, going concern statement and the principal risks and uncertainties of the Group have not been included in this report as they are disclosed in the Strategic Report on pages 19 to 37.

On behalf of the Board

Lucinda Riches C.B.E.
Chairman

28 February 2024

Kype Muir Extension

Directors' Remuneration Report

This report has been prepared by the Directors in accordance with the requirements of the Companies Act 2006 and the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. A resolution to approve the Directors' Remuneration Report will be proposed at the 2024 AGM. At the AGM on 28 April 2023, shareholders voted 99.92 per cent in favour to approve the Directors' Remuneration Report for the year ended 31 December 2022.

The Company's Auditor is required to give their opinion on the information provided on Directors' remuneration on pages 45 to 48 of this report and this is explained further in its report to shareholders on page 65. The remainder of this report is outside the scope of the external audit.

Annual Statement from the Chairman of the Board

The Board, which is profiled on pages 38 to 41, consists solely of non-executive Directors and is considered to be independent. The Board considers at least annually the level of the Board's fees, in accordance with the AIC Code. During the year, the basic fee for non-executive Directors increased by £10,000 per annum to £65,000, the fee for the Senior Independent Director and the Audit Committee Chairman increased by £5,000 and £10,000 per annum respectively, and the fee for the Chairman increased by £25,000 per annum to £110,000 following an internal evaluation. The Board confirmed that this increase was appropriate through benchmarking by an external consultant.

Remuneration Policy

As at the date of this report, the Board comprised 5 Directors, all of whom are non-executive. The Board does not have a separate Remuneration Committee as, being wholly comprised of non-executive Directors, the whole Board considers these matters.

At the AGM on 28 April 2023, shareholders voted 99.78 per cent in favour to approve the Company's Remuneration Policy, which is put to a vote by shareholders every 3 years. The details of the Company's Remuneration Policy are set out in full below. No changes are expected for 2024 and this policy will next be put to a vote by shareholders at the 2026 AGM.

Each Director receives a fixed fee per annum based on their roles and responsibility within the Company and the time commitment required. It is not considered appropriate that Directors' remuneration should be performance related and none of the Directors are eligible for pension benefits, share options, long term incentive schemes or other benefits in respect of their services as non-executive Directors of the Company.

The Company's Articles of Association empower the Board to award a discretionary bonus where any Director has been engaged in exceptional work on a time spent basis to compensate for the additional time spent over their expected time commitment.

The Articles of Association provide that Directors retire and offer themselves for re-election at the first AGM after their appointment and at least every 3 years thereafter. However, in accordance with the AIC Code, the Directors are required to be re-elected annually. All of the Directors have been provided with letters of appointment for an initial term of 3 years and for each 3 year term thereafter, which are subject to annual re-election in accordance with the AIC Code. The following table outlines the effective date and expiry date of each of the Directors' current letters of appointment:

	Effective date of current appointment letter	Expiry date of current appointment letter
Lucinda Riches C.B.E.	28 April 2023	27 April 2026
Martin McAdam	1 March 2021	24 April 2024
Caoimhe Giblin	1 September 2022	31 August 2025
Nick Winser C.B.E.	28 April 2023	27 April 2026
Jim Smith	1 May 2023	30 April 2026

A Director's appointment may at any time be terminated by and at the discretion of either the Director or the Company upon 6 months' written notice. A Director's appointment will automatically end without any right to compensation whatsoever if they are not re-elected by the shareholders. A Director's appointment may also be terminated with immediate effect and without compensation in certain other circumstances. Being non-executive Directors, none of the Directors have a service contract with the Company.

The terms and conditions of appointment of non-executive Directors are available for inspection from the Company's registered office.

Directors' Remuneration Report continued

Annual Report on Remuneration

During the year, the basic fee for non-executive Directors increased by £10,000 per annum to £65,000, with effect from 1 January 2023, with the Senior Independent Director and the Audit Committee Chairman receiving an additional £5,000 and £10,000 per annum respectively. The Chairman's basic fee was also increased by £25,000 to £110,000 per annum.

The level of fees for Directors were benchmarked during the year by independent consultants, Heidrick & Struggles, as in line with the market. The Company is the largest independent generator of renewable electricity in the UK. Its GAV has grown to £6.2 billion through acquisitions and equity raisings and, in the last 3 years, the Board and its committees have held 84 meetings.

For the first time since listing in 2013, the Board will be proposing a resolution to increase the aggregate amount of fees to be paid to Directors per annum to £500,000, up from £400,000, via an amendment to Article 85 of the Company's Articles of Association at the 2024 AGM.

The Directors remain eligible to receive discretionary payments where significant additional work is incurred, however, no discretionary payments were made during the year.

The table below (audited information) shows the total remuneration earned by each individual Director during the current year:

Paid in the year to 31 December 2023	Fixed remuneration	Discretionary remuneration[1]	Total remuneration
Lucinda Riches C.B.E. (Chairman)[2]	£97,178	—	£97,178
Caoimhe Giblin (Audit Committee Chairman)	£75,000	—	£75,000
Nick Winser C.B.E. (Senior Independent Director)[3]	£68,397	—	£68,397
Martin McAdam	£65,000	—	£65,000
Jim Smith[4]	£43,630	—	£43,630
Shonaid Jemmett-Page[5]	£35,562	—	£35,562
Total	**£384,767**	**—**	**£384,767**

(1) The Directors received no additional discretionary payment during the year.

(2) Appointed as Chairman with effect from 28 April 2023.

(3) Appointed as Senior Independent Director with effect from 28 April 2023.

(4) Appointed to the Board with effect from 1 May 2023.

(5) Retired with effect from 28 April 2023.

The table below (audited information) shows the total remuneration earned by each individual Director during the prior year:

Paid in the year to 31 December 2022	Fixed remuneration	Discretionary remuneration[1]	Total remuneration
Shonaid Jemmett-Page (Chairman)	£85,000	—	£85,000
Caoimhe Giblin (Audit Committee Chairman)	£65,000	—	£65,000
Lucinda Riches C.B.E. (Senior Independent Director)[2]	£58,397	—	£58,397
Martin McAdam	£55,000	—	£55,000
Nick Winser C.B.E.	£55,000	—	£55,000
William Rickett C.B.[3]	£19,397	—	£19,397
Total	**£337,794**	**—**	**£337,794**

(1) The Directors received no additional discretionary payment during the year.

(2) Appointed as Senior Independent Director with effect from 28 April 2022.

(3) Retired with effect from 28 April 2022.

Directors’ Remuneration Report continued

Annual Report on Remuneration continued

The table below (audited information) shows the change in total remuneration earned by each individual Director over prior years:

Paid in the year to 31 December 2023	2023 % change from prior year[1]	2022 % change from prior year	2021 % change from prior year	2020 % change from prior % change
Lucinda Riches C.B.E. (Chairman)[2]	66%	6%	10%	11%
Caoimhe Giblin (Audit Committee Chairman)	15%	0%	15%	42%
Nick Winser C.B.E. (Senior Independent Director)[3]	24%	100%	n/a	n/a
Martin McAdam	18%	0%	10%	0%
Jim Smith[4]	100%	n/a	n/a	n/a
Shonaid Jemmett-Page[5]	-58%	0%	16%	22%
William Rickett C.B.[6]	n/a	0%	9%	0%
Tim Ingram[7]	n/a	n/a	-100%	-13%
Dan Badger[8]	n/a	n/a	n/a	-100%

(1) Movement in individual Director’s salary based on annualised total figures.
(2) Appointed as Chairman with effect from 28 April 2023.
(3) Appointed as Senior Independent Director with effect from 28 April 2023.
(4) Appointed to the Board with effect from 1 May 2023.
(5) Retired with effect from 28 April 2023.
(6) Retired with effect from 28 April 2022.
(7) Retired with effect from 30 April 2020.
(8) Retired with effect from 31 July 2019.

Directors’ Interests (audited information)

Directors who held office and had interests in the shares of the Company as at 31 December 2023 are given in the table below. There were no changes to the interests of each Director as at the date of this report.

	Ordinary shares of 1p each held at 31 December 2023	Ordinary shares of 1p each held at 31 December 2022
Martin McAdam	153,689	103,689
Lucinda Riches C.B.E.	120,000	120,000
Jim Smith[1]	100,000	n/a
Caoimhe Giblin	70,000	40,000

(1) Appointed to the Board with effect from 1 May 2023.

Relative Importance of Spend on Pay

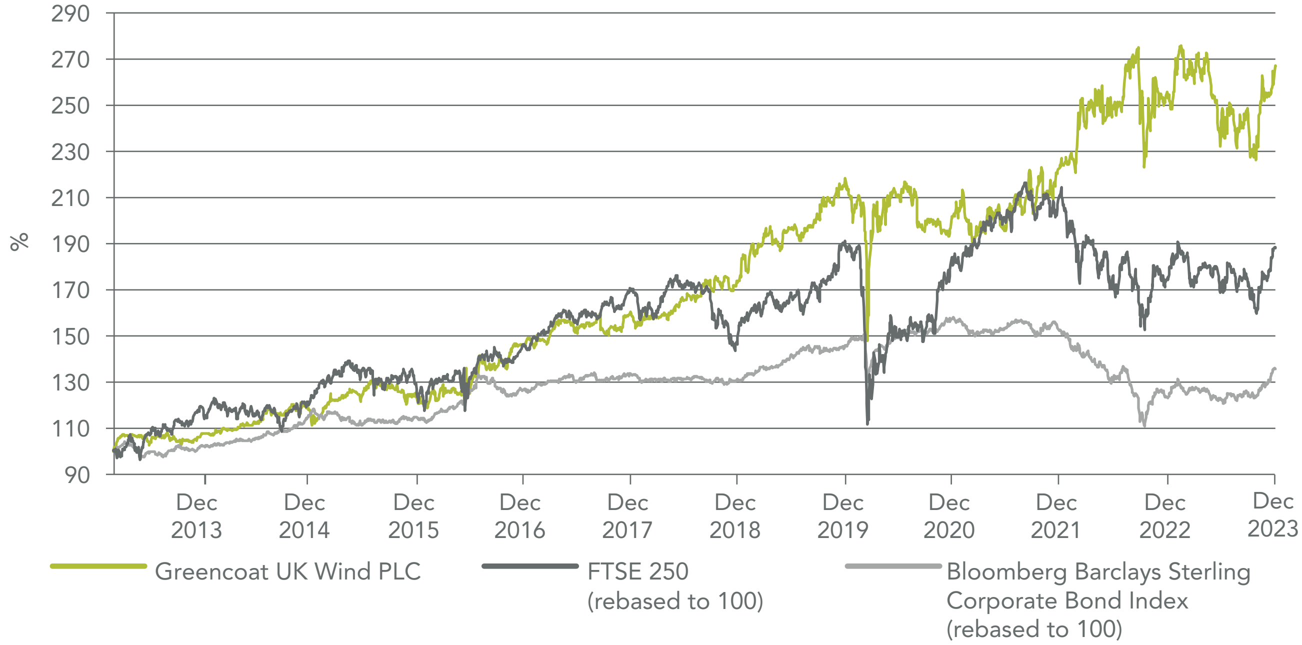
The remuneration of the Directors with respect to the year totalled £384,767 (2022: £337,794) in comparison to dividends paid or declared to shareholders with respect to the year of £231,414,095 (2022: £178,945,737) and the cost of share buybacks of £9,501,098 (2022: £nil). This is 0.2 per cent (2022: 0.2 per cent) of dividends paid or declared and 4.1 per cent (2022: 0 per cent) of the cost of share buybacks.

Company Performance

Due to the positioning of the Company in the market as a sector focused infrastructure fund investing in UK wind farms to produce stable and inflating dividends for investors while aiming to preserve capital value, the Directors consider that a listed infrastructure fund has characteristics of both an equity index and a bond index. The following graph shows the TSR of the Company compared to the FTSE 250 index and the Bloomberg Barclays Sterling Corporate Bond Index:

Directors' Remuneration Report continued

Total Shareholder Return vs Equity and Bond Indices



On behalf of the Board

Lucinda Riches C.B.E.
Chairman

28 February 2024

Burbo Bank Extension

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual 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 are required to prepare the Group's financial statements, and have elected to prepare the Company's financial statements, in accordance with UK adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. 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 of the Group and Company and of the profit or loss for the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and performance;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Report of the Directors, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

The Directors are also responsible under section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole and in doing so have regard for the needs of wider society and other stakeholders.

Website Publication

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

Directors' Responsibilities Pursuant to DTR4

The Directors confirm to the best of their knowledge that:

- the Group's financial statements have been prepared in accordance with UK adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and the Parent Company, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board

Lucinda Riches C.B.E.
Chairman

28 February 2024

Corporate Governance Report

This Corporate Governance Report forms part of the Report of the Directors as further disclosed on pages 42 to 44. The Board operates under a framework for corporate governance which is appropriate for an investment company. All companies with a premium listing of equity shares in the UK are required under the UK Listing Rules to report on how they have applied the UK Code in their Annual Report and financial statements.

The Company became a member of the AIC with effect from 27 March 2013 and has therefore put in place arrangements to comply with the AIC Code and, in accordance with the AIC Code, complies with the UK Code.

The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment companies such as the Company.

The AIC Code and the AIC Guide are available on the AIC's website, www.theaic.co.uk. The UK Code is available on the FRC's website, www.frc.org.uk.

The Company has complied with the recommendations of the AIC Code throughout the year, where applicable.

Purpose, Culture and Values

The Company's purpose remains clear; to provide shareholders with an annual dividend that increases in line with RPI inflation while preserving the capital value of its investment portfolio in the long term on a real basis through reinvestment of excess cash flow.

The Company provides investors with the opportunity to participate directly in the ownership of UK wind farms, so increasing the resources and capital dedicated to the deployment of renewable energy and the reduction of greenhouse gas emissions.

As an investment trust with no employees, the Board have agreed that its culture and values should be aligned with those of the Investment Manager and centred on long term relationships with the Company's key stakeholders and sustainable investment as follows:

- **Integrity** is at the heart of every activity, with importance being placed on transparency, trustworthiness and dependability.
- The **trust** of stakeholders is very important to maintain the Company's reputation, particularly for execution certainty for asset sellers and delivery of investment promises to investors.
- **Respect** for differing opinions is to be shown across all interaction and communication.
- Individual **empowerment** is sought with growth in responsibility and autonomy being actively encouraged.
- **Collaboration** and effectively utilising the collective skills of all participants is important to ensure ideas and information are best shared.

The Board

As at the date of this report, the Board consists of 5 non-executive Directors and represents a range of investment, financial and business skills and experience. During the year, Shonaid Jemmett-Page retired as Director and Chairman of the Company with effect from 28 April 2023, and Jim Smith was appointed as a Director with effect from 1 May 2023.

The Chairman of the Board is Lucinda Riches C.B.E., who was selected to succeed Shonaid following the 2023 AGM. In considering the independence of the Chairman, the Board took note of the provisions of the AIC Code relating to independence, and has determined that Lucinda remains independent as a non-executive Director with a clear division of responsibilities from the Investment Manager. The Senior Independent Director is Nick Winser C.B.E., who was selected to succeed Lucinda following the 2023 AGM. The Company, as an Investment Trust, has no employees and therefore there is no requirement for a chief executive.

The Articles of Association provide that Directors shall retire and offer themselves for re-election at the first AGM after their appointment and at least every 3 years thereafter. However, the AIC Code requires that Directors be subject to an annual election by shareholders, and the Directors comply with this requirement. All of the Directors, other than Martin McAdam, shall offer themselves for re-election at the forthcoming AGM. Having considered their effectiveness, demonstration of commitment to the role, length of service, attendance at meetings and contribution to the Board's deliberations, the Board approves the nomination for re-election of the Directors.

Corporate Governance Report continued

The Board continued

The Company's view is that the continuity and experience of its Directors are important and that a suitable balance needs to be struck with the need for independence and the refreshing of the skills and expertise of the Board. The Company believes that some limited flexibility in its approach to Director rotation and Chair tenure will enable it to manage succession planning more effectively, as set out below. During the year, the Board conducted comprehensive recruitment processes aimed at ensuring a sustained balance of skills and experience on the Board in addition to maintaining diversity. In addition to the appointment of Jim Smith, the Board engaged an external recruitment consultant to recruit a non-executive Director to replace Martin who has surpassed the nine year director tenure limit and therefore will not seek re-election at the 2024 AGM. On 1 March 2024, Abigail Rotheroe will join the Board bringing over 20 years' experience from the investment industry and knowledge of fund governance and sustainable investing.

The terms and conditions of appointment of non-executive Directors are available for inspection from the Company's registered office.

Chair Tenure Policy

The Company's policy on Chair tenure is available on the Company website. The Company's policy on Chair tenure is that the Chairman should normally serve no longer than 9 years as a Director and Chairman but, where it is in the best interests of the Company, its shareholders and stakeholders, the Chairman may serve for a limited time beyond that to help the Company manage succession planning whilst at the same time still address the need for regular refreshment and diversity. In such circumstances the independence of the other Directors will ensure that the Board as a whole remains independent.

Diversity Policy

The Company's policy on Board diversity is available on the Company website and sets out the approach that will be adopted to ensure that the Board remains appropriately balanced, and relevant to the Company's operations. The composition of the Board is reviewed annually by the Nomination Committee, including the balance of skills, knowledge, experience and the diversity policy is considered in conjunction with all Board appointments. The Board's composition is detailed within the Strategic Report on page 24.

Performance and Evaluation

Pursuant to Provision 26 of the AIC Code, the Board undertakes a formal and rigorous evaluation of its performance each financial year. As a FTSE 250 company, in keeping with the provisions of the AIC Code, it is the Company's policy that every 3 years an external consultant, who has no connection with the Company, carries out a formal review of the Board's performance. This was last conducted in 2022 and therefore the Board will be subject to an external evaluation again in 2025.

An internal evaluation of the Board, the Committees and individual Directors was conducted during 2023 in the form of annual performance appraisals, questionnaires and discussions to determine effectiveness and performance in various areas, as well as the Directors' continued independence and tenure. This process was facilitated by the Company Secretary. The reviews concluded that the overall performance of the Board and its Committees was satisfactory and the Board was confident in its ability to continue to govern the Company well.

Each individual Director's training and development needs are reviewed annually. All new Directors receive an induction from the Investment Manager and Company Secretary, which includes the provision of information about the Company and their responsibilities. In addition, site visits and specific Board training sessions are arranged involving presentations on relevant topics on a regular basis.

Board Responsibilities

The Board will meet, on average, 6 times in each calendar year for scheduled Board meetings and on an ad hoc basis as and when necessary. At each meeting the Board follows a formal agenda that will cover the business to be discussed. Between meetings there is regular contact with the Investment Manager and the Administrator. The Board requires to be supplied with information by the Investment Manager, the Administrator and other advisers in a form appropriate to enable it to discharge its duties.

Corporate Governance Report continued

Board Responsibilities continued

The Board has responsibility for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable it to ensure that the financial statements comply with applicable regulation. It is the Board's responsibility to present a fair, balanced and understandable Annual Report, which provides the information necessary for shareholders to assess the performance, strategy and business model of the Company. This responsibility extends to the half year and other price-sensitive public reports.

Audit Committee

The Company's Audit Committee is chaired by Caoimhe Giblin and consists of a minimum of 3 members. In accordance with best practice, the Company's Chairman is not a member of the Audit Committee however she does attend Audit Committee meetings as and when deemed appropriate. The Audit Committee Report which is on pages 56 to 59 of this report describes the work of the Audit Committee.

Management Engagement Committee

The Company's Management Engagement Committee comprises all of the Directors and is required to meet at least once per year. The Chairman of the Management Engagement Committee is Lucinda Riches C.B.E. The Management Engagement Committee's main function is to keep under review the performance of the Investment Manager and make recommendations on any proposed amendment to the Investment Management Agreement.

The Management Engagement Committee met once during the year and agreed an amendment to the Investment Management Agreement with the Investment Manager.

Terms of reference for the Management Engagement Committee have been approved by the Board and are available on the Company's website.

Nominations Committee

The Company's Nominations Committee comprises all of the Directors and is required to meet at least once per year. The Chairman of the Nominations Committee is Lucinda Riches C.B.E. The Nominations Committee's main function is to plan for Board succession and to review annually the structure, size and composition of the Board and make recommendation to the Board with regard to any changes that are deemed necessary. Terms of reference for the Nominations Committee have been approved by the Board and are available on the Company's website.

The Nominations Committee met 5 times during the year to consider Director remuneration and Board succession planning, as well as to commence a Director recruitment process with the assistance of an external recruitment consultant, Heidrick & Struggles.

Communications and Disclosure Committee

The Company has established a Communications and Disclosure Committee which is required to meet at least once a year. The committee has responsibility for, amongst other things, determining on a timely basis the disclosure treatment of material information, and assisting in the design, implementation and periodic evaluation of disclosure controls and procedures. The Committee also has responsibility for the identification of inside information for the purpose of maintaining the Company's insider list.

Terms of reference for the Communications and Disclosure Committee have been approved by the Board and are available on the Company's website. Membership consists of the Chairman (or one other Director) and one of Stephen Lilley and Laurence Fumagalli (to be succeeded by Matt Ridley on 1 March 2024). Additional members of the Committee may be appointed and existing members removed by the Committee. The membership of the Committee is reviewed by the Board on a periodic basis and at least once a year.

The AIC Code recommends that companies appoint a Remuneration Committee, however the Board has not deemed this necessary, as being wholly comprised of non-executive Directors, the whole Board considers these matters.

The Investment Manager

The Board has entered into the Investment Management Agreement with the Investment Manager under which the Investment Manager is responsible for developing strategy and the day-to-day management of the Group's investment portfolio, in accordance with the Group's Investment Objective and Investment Policy, subject to the overall supervision of the Board. A summary of the fees paid to the Investment Manager are given in note 3 to the financial statements.

Corporate Governance Report continued

The Investment Manager continued

The Investment Management Agreement may be terminated with immediate effect and without compensation, by either the Investment Manager or the Company if the other party has gone into liquidation, administration or receivership or has committed a material breach of the Investment Management Agreement.

The Board as a whole reviewed the Company's compliance with the UK Corporate Governance Code, the Listing Rules, the Disclosure Guidance and Transparency Rules and the AIC Code. In accordance with the Listing Rules, the Directors confirm that the continued appointment of the Investment Manager under the current terms of the Investment Management Agreement is in the interests of shareholders. The Board also reviewed the performance of other service providers and examined the effectiveness of the Company's internal control systems during the year.

Board Meetings, Committee Meetings and Directors' Attendance

The number of meetings of the full Board attended in the year to 31 December 2023 by each Director is set out below:

	Scheduled Board Meetings (Total of 5)	Additional Board Meetings (Total of 7)
Lucinda Riches C.B.E.	5	6
Martin McAdam	5	5
Caoimhe Giblin	5	6
Nick Winser C.B.E.	5	6
Jim Smith[1]	2	2
Shonaid Jemmett-Page[2]	3	5

(1) Appointed with effect from 1 May 2023, at which point 3 scheduled Board meetings and 5 additional Board meetings had taken place.

(2) Resigned with effect from 28 April 2023, at which point 3 scheduled Board meetings and 5 additional Board meetings had taken place.

The number of meetings of the committees of the Board attended in the year to 31 December 2023 by each committee member is set out below:

	Audit Committee Meetings (Total of 4)	Management Engagement Committee Meetings (Total of 1)	Nominations Committee Meetings (Total of 5)
Lucinda Riches C.B.E.[1]	2	1	5
Martin McAdam	4	1	5
Caoimhe Giblin	4	1	5
Nick Winser C.B.E.	4	1	5
Jim Smith[2]	2	1	4
Shonaid Jemmett-Page[3]	n/a	0	1

(1) Appointed as Chairman and resigned from Audit Committee with effect from 28 April 2023, at which point 2 Audit Committee meetings had taken place.

(2) Appointed to the Board with effect from 1 May 2023, at which point 2 Audit Committee meetings, no Management Engagement Committee meetings and 1 Nominations Committee meeting had taken place.

(3) Resigned as Chairman with effect from 28 April 2023, at which point no Management Engagement Committee meetings and 1 Nominations Committee meeting had taken place.

Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board confirms that it has an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place throughout the year and has continued since the year end.

The Company's principal risks and uncertainties are detailed on pages 20 to 22 of this report. As further explained in the Audit Committee Report, the risks of the Company are outlined in a risk matrix which was reviewed and updated during the year. The Board continually reviews its policy setting and updates the risk matrix at least annually to ensure that procedures are in place with the intention of identifying, mitigating and minimising the impact of risks should they crystallise. The Board has a process in place to identify emerging risks, such as climate related risks, and to determine whether any actions are required. The Board relies on reports periodically provided by the Investment Manager and the Administrator regarding risks that the Company faces. When required, experts are employed to gather information, including tax and legal advisers. The Board also regularly monitors the investment environment and the management of the Company's portfolio, and applies the principles detailed in the internal control guidance issued by the FRC.

Corporate Governance Report continued

Internal Control continued

The Board holds an annual risk and strategy discussion, which enables the Directors to consider risk outside the scheduled quarterly Board meetings. This enables emerging risks to be identified and discussions on horizon scanning to occur, so the Board can consider how to manage and potentially mitigate any relevant emerging risks.

The principal features of the internal controls systems which the Investment Manager and Administrator have in place in respect of the Group's financial reporting are focused around the 3 lines of defence model and include:

- internal review of all financial reports;
- review by the Board of financial information prior to its publication;
- authorisation limits over expenditure incurred by the Group;
- review of valuations; and
- authorisation of investments.

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 respective 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 organisation.

Amendment of Articles of Association

The Company's Articles of Association may be amended by the members of the Company by special resolution (requiring a majority of at least 75 per cent of the persons voting on the relevant resolution).

Engagement with Stakeholders

The Company is committed to maintaining good communications and building positive relationships with all stakeholders, including shareholders, debt providers, analysts, potential investors, suppliers and the wider communities in which the Group and its investee companies operate. This includes regular engagement with the Company's shareholders and other stakeholders by the Board, the Investment Manager and the Administrator. Highlights of some of the principal decisions that have been made in the interests of stakeholders can be found within the section 172 statement as outlined on pages 23 and 24. Regular feedback is provided to the Board to ensure they understand the views of stakeholders and a stakeholder matrix is reviewed at each scheduled Board and Audit Committee meeting to record the stakeholders considered for each item of business.

Relations with Shareholders

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. The Investment Manager is available at all reasonable times to meet with principal shareholders and key sector analysts. The Chairman, the Senior Independent Director and other Directors are also available to meet with shareholders, if required.

All shareholders have the opportunity to put questions to the Company at its registered address or via email. The AGM of the Company also provides a forum for shareholders to meet and discuss issues with the Directors and Investment Manager. The Company issues regulatory announcements via the London Stock Exchange in respect of routine reporting obligations, periodic financial and portfolio information updates and in response to other events.

The Board receives comprehensive shareholder reports from the Company's Registrar and regularly monitors the views of shareholders and the shareholder profile of the Company. The Board is also kept fully informed of all relevant market commentary on the Company by the Investment Manager.

Relations with Other Stakeholders

The Company values its relationships with its debt providers. The Investment Manager ensures the Company continues to meet its debt covenants and reporting requirements. During the year, the Company drew £640 million of new term debt and repaid £150 million of existing term debt, as disclosed in note 13 to the financial statements.

The Investment Manager conducts presentations with analysts and investors to coincide with the announcement of the Company's full and half year results, providing an opportunity for discussions and queries on the Company's activities, performance and key metrics. In addition to these semi-annual presentations, the Investment Manager meets regularly with analysts and investors to provide further updates with how the Company and the investment portfolio are performing.

Corporate Governance Report continued

***Relations with Other Stakeholders** continued*

The Directors and Investment Manager receive informal feedback from analysts and investors, which is presented to the Board by the Company's Joint Brokers. The Company Secretary also receives informal feedback via queries submitted through the Company's website and these are addressed by the Board, the Investment Manager or the Company Secretary, where applicable.

The Company recognises that relationships with suppliers are enhanced by prompt payment and the Company's Administrator ensures all payments are processed within the contractual terms agreed with the individual suppliers.

The Company, via its Investment Manager, has long term and important relationships with its operational site managers and turbine operations and maintenance managers and reviews performance, including health and safety, on a monthly basis. Representatives of the site manager and SPV board directors from the Investment Manager, visit all operational sites on a regular basis and generally carry out safety walks at least once a year on each site. The Board's Health and Safety Director also visits sites at regular intervals.

Similarly, environment protection issues are reported on every month by the site managers and annual habitat management plans are agreed by each SPV board for all sites to ensure that the environment in and surrounding each windfarm is carefully protected.

The Directors recognise that the long term success of the Company is linked to the success of the communities in which the Group, and its investee companies, operate. During the year, a number of community projects were supported by the Group's investee companies.

Key decisions made or approved by the Directors during the year and the impact of those decisions on the Company's members and wider stakeholders is disclosed further in the Strategic Report on pages 23 to 24.

Shareholders may also find Company information or contact the Company through its website.

On behalf of the Board

Lucinda Riches C.B.E.
Chairman of the Board

28 February 2024

Clyde

Audit Committee Report

At the date of this report, the Audit Committee comprised Caoimhe Giblin (Chairman), Martin McAdam, Nick Winser C.B.E. and Jim Smith. The AIC Code has a requirement that at least one member of the Audit Committee should have recent and relevant financial experience and the Audit Committee as a whole shall have competence relevant to the sector. The Board is satisfied that the Audit Committee is properly constituted in these respects. The qualifications and experience of all Audit Committee members are disclosed on pages 38 to 41 of this report.

The Audit Committee operates within clearly defined terms of reference which were reviewed during the financial year and approved by the Board, and include all matters indicated by Disclosure Guidance and Transparency Rule 7.1 and the AIC Code and are available for inspection on the Company's website: www.greencoat-ukwind.com. The Company's Annual Report complies with the provisions of the Competition and Markets Authority's (CMA) Order.

Audit Committee meetings are scheduled at appropriate times in the reporting and auditing cycle. The Chairman, other Directors and third parties may be invited to attend meetings as and when deemed appropriate.

Summary of the Role and Responsibilities of the Audit Committee

The duties of the Audit Committee, amongst other things, include reviewing the Company's quarterly NAV, half year report, Annual Report and financial statements and any formal announcements relating to the Company's financial performance.

The Audit Committee is the forum through which the external Auditor reports to the Board and is responsible for reviewing the terms of appointment of the Auditor, together with their remuneration. On an ongoing basis, the Audit Committee is responsible for reviewing the objectivity of the Auditor along with the effectiveness of the audit and the terms under which the Auditor is engaged to perform non-audit services (restricted to the limited scope review of the half year report and reporting accountant services in relation to equity raises). The Audit Committee is also responsible for reviewing the Company's corporate governance framework, system of internal controls and risk management, ensuring they are suitable for an investment company.

The Audit Committee reports its findings to the Board, identifying any matters on which it considers that action or improvement is needed, and makes recommendations on the steps to be taken.

During the year, the Audit Committee undertook an assessment of its obligations and processes under the FRC's Minimum Standard for audit committees published during the year.

Overview

During the year, the Audit Committee's discussions have been broad ranging. In addition to the 4 formally convened Audit Committee meetings, the Audit Committee has had regular contact and meetings with the Investment Manager, the Administrator and the Auditor. These meetings and discussions focused on, but were not limited to:

- a detailed analysis of the Company's quarterly NAVs;
- reviewing the updated risk matrix of the Company and assessing the Company's risk management systems;
- reviewing the Company's corporate governance framework, including climate related reporting disclosures under the TCFD framework;
- reviewing the internal controls framework for the Company, the Administrator and the Investment Manager, considering the need for a separate internal audit function;
- considering any incidents of internal control failure or fraud and the Company's response;
- considering the ongoing assessment of the Company as a going concern;
- considering the principal risks and period of assessment for the longer term viability of the Company;
- monitoring the ongoing appropriateness of the Company's status as an investment entity under IFRS 10, in particular following an acquisition;
- monitoring compliance with AIFMD, the AIC code and other regulatory and governance frameworks;
- reviewing and approving the audit plan in relation to the audit of the Company's Annual Report and financial statements;
- monitoring the performance of the Auditor and its engagement with the Investment Manager and Administrator;
- monitoring compliance with the Company's policy on the provision of non-audit services by the Auditor;

Audit Committee Report continued

Overview continued

- reviewing the effectiveness, resources, qualifications and independence of the Auditor;
- reviewing the Company's adherence to the responsibilities within the FRC Audit Committees and the External Audit: Minimum Standard; and
- reviewing the anti-money laundering procedures for the Company, the Administrator and the Investment Manager.

Financial Reporting

The primary role of the Audit Committee in relation to financial reporting is to review with the Investment Manager, the Administrator and the Auditor the appropriateness of the half year report and Annual Report and financial statements, concentrating on, amongst other matters:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;
- amendments to legislation and corporate governance reporting requirements and accounting treatment of new transactions in the year;
- the impact of new and amended accounting standards on the Company's financial statements;
- whether the Audit Committee believes that proper and appropriate processes and procedures have been followed in the preparation of the half year report and Annual Report and financial statements;
- considering and recommending to the Board for approval the contents of the annual financial statements and reviewing the Auditor's report thereon including considering whether the financial statements are overall fair, balanced and understandable;
- material areas in which significant judgements have been applied or there has been discussion with the Auditor; and
- any correspondence from regulators in relation to the Company's financial reporting.

BDO LLP attended 2 of the 4 Audit Committee meetings held during the year. The Audit Committee has also held private meetings with the Auditor to provide additional opportunities for open dialogue and feedback. Matters typically discussed include the Auditor's assessment of the transparency and openness of interactions with the Investment Manager and the Administrator, confirmation that there has been no restriction in scope placed on them, the independence of their audit and how they have exercised professional scepticism.

Significant Issues

The Audit Committee discussed the planning, conduct and conclusions of the external audit as it proceeded. At the Audit Committee meeting in advance of the year end, the Audit Committee discussed and approved the Auditor's audit plan. The Audit Committee identified the carrying value of investments as a key area of risk of misstatement in the Company's financial statements.

Cotton Farm

Audit Committee Report continued

Assessment of the Carrying Value of Investments

The Group has an accounting policy to designate investments at fair value through profit or loss. Therefore, the most significant risk in the Group's financial statements is whether its investments are fairly valued due to the uncertainty involved in determining the investment valuations. There is also an inherent risk of management override as the Investment Manager's fee is calculated based on NAV, as disclosed in note 3 to the financial statements. The Investment Manager is responsible for calculating the NAV with the assistance of the Administrator, prior to approval by the Board.

On a quarterly basis, the Investment Manager provides a detailed analysis of the NAV highlighting any movements and assumption changes from the previous quarter's NAV. This analysis and the rationale for any changes made is considered and challenged by the Chairman of the Audit Committee and subsequently considered, challenged and approved by the Board. The Audit Committee has satisfied itself that the key estimates and assumptions used in the valuation model are appropriate and that the investments have been fairly valued. The key estimates and assumptions include the useful life of the assets, the discount rates, the level of wind resource, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce.

Internal Control

The Audit Committee has established a set of ongoing processes designed to meet the particular needs of the Company in managing the risks to which it is exposed.

The Investment Manager has identified the principal risks to which the Company is exposed, and recorded them on a risk matrix together with the controls employed to mitigate these risks. The Investment Manager also identifies emerging risks and determines whether any actions are required. A residual risk rating has been applied to each risk. The Audit Committee is responsible for reviewing the risk matrix and associated controls before recommending to the Board for consideration and approval, challenging the Investment Manager's assumptions, to ensure a robust internal risk management process.

The Audit Committee considers risk and strategy regularly, and formally reviewed the updated risk matrix in Q1 2024 and will continue to do so at least annually. By their nature, these procedures provide a reasonable, but not absolute, assurance against material misstatement or loss. Regular reports are provided to the Audit Committee highlighting material changes to risk ratings.

The Audit Committee reviewed the Group's principal risks and uncertainties as at 30 June 2023 to determine that these were unchanged from those disclosed in the Company's 2022 Annual Report and remained the most likely to affect the Group in the second half of the year.

During the year, the Audit Committee discussed and reviewed in depth the internal controls frameworks in place at the Investment Manager and the Administrator. Discussions were centred around 3 lines of defence: assurances at operational level; internal oversight; and independent objective assurance. The Administrator holds the International Standard on Assurance Engagements (ISAE) 3402 Type 2 certification. This entails an independent rigorous examination and testing of their controls and processes.

The Audit Committee concluded that these frameworks were appropriate for the identification, assessment, management and monitoring of financial, regulatory and other risks, with particular regard to the protection of the interests of the Company's shareholders.

Internal Audit

The Audit Committee continues to review the need for an internal audit function and has decided that the systems, processes and procedures employed by the Company, Investment Manager and Administrator, including their own internal controls and procedures, provide sufficient assurance that an appropriate level of risk management and internal control is maintained. In addition to this, the Company's external Depositary provides cash monitoring, asset verification and oversight services to the Company.

The Audit Committee has therefore concluded that shareholders' investments and the Company's assets are adequately safeguarded and an internal audit function specific to the Company is considered unnecessary.

The Audit Committee is available on request to meet investors in relation to the Company's financial reporting and internal controls.

Audit Committee Report continued

External Auditor

Effectiveness of the Audit Process

The Audit Committee assessed the effectiveness of the audit process by considering BDO LLP's fulfilment of the agreed audit plan through the reporting presented to the Audit Committee by BDO LLP and the discussions at the Audit Committee meeting, which highlighted the major issues that arose during the course of the audit. In addition, the Audit Committee also sought feedback from the Investment Manager and the Administrator on the effectiveness of the audit process. For this financial year, the Audit Committee was satisfied that there had been appropriate focus and challenge on the primary areas of audit risk and assessed the quality of the audit process to be good.

Non-Audit Services

The Audit Committee has a policy regarding the provision of non-audit services by the external Auditor. The Audit Committee monitors the Group's expenditure on non-audit services provided by the Company's Auditor who should only be engaged for non-audit services where they are deemed to be the most commercially viable supplier and prior approval of the Audit Committee has been sought.

Details of fees paid to BDO LLP during the year are disclosed in note 5 to the financial statements. The Audit Committee approved these fees after a review of the level and nature of work to be performed and are satisfied that they are appropriate for the scope of the work required. The Audit Committee seeks to ensure that any non-audit services provided by the external Auditor do not conflict with their statutory and regulatory responsibilities, as well as their independence, before giving written approval prior to their engagement. The Audit Committee was satisfied that provision of these non-audit services did not provide threats to the Auditor's independence.

Independence

The Audit Committee is required to consider the independence of the external Auditor. In fulfilling this requirement, the Audit Committee has considered a report from BDO LLP describing its arrangements to identify, report and manage any conflict of interest and the extent of non-audit services provided by them.

The Audit Committee has concluded that it considers BDO LLP to be independent of the Company and that the provision of the non-audit services described above is not a threat to the objectivity and independence of the conduct of the audit.

Re-appointment

BDO LLP has been the Company's Auditor from its incorporation on 4 December 2012. The Auditor is required to rotate the audit partner responsible for the Group audit every 5 years. A new lead partner was appointed in 2020 and therefore the lead partner will be required to rotate after the completion of the 2024 year end audit.

The external audit contract is required to be put to tender at least every 10 years. The Audit Committee last conducted a formal and competitive external audit tender process in 2022 and resolved to reappoint BDO LLP as the Company's Auditor for the year ending 31 December 2023.

As described above, the Audit Committee reviewed the effectiveness and independence of the Auditor and remains satisfied that the Auditor provides effective independent challenge to the Board, the Investment Manager and the Administrator. The Audit Committee will continue to monitor the performance of the Auditor on an annual basis and will consider their independence and objectivity, taking account of appropriate guidelines.

The Audit Committee has therefore recommended to the Board that BDO LLP be proposed for re-appointment as the Company's Auditor at the 2024 AGM of the Company.

Caoimhe Giblin
Chairman of the Audit Committee

28 February 2024

Independent Auditor's Report

To the Members of Greencoat UK Wind PLC

Opinion on the financial statements

In our opinion:

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

We have audited the financial statements of Greencoat UK Wind PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which are comprised of the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Statement of Financial Position – Company, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Statement of Cash Flows – Company and notes to the financial statements, including a summary of material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provision of the Companies Act 2006.

Basis for opinion

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

Independence

Following the recommendation of the Audit Committee, we were appointed by the Board of Directors in the year of incorporation to audit the financial statements for the year ended 31 December 2013 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 11 years, covering the years ending 31 December 2013 to 31 December 2023. We remain independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group and Parent Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Agreeing the key inputs and assumptions relating to the long-term life of the assets and forecasted power prices used within the valuation models to supporting documentation and our own understanding as a part of our work over investment valuation which has been covered in the Key Audit matter table below;
- Reviewing the future commitments of the Group and Parent Company and checking they have been appropriately incorporated into the forecast;
- We have reviewed and challenged the inputs in the stress testing of reasonable and extreme downside scenarios and cash flow forecasts prepared by the Directors and recalculated the Group and Parent Company's liquidity position;

Independent Auditor's Report continued

Conclusions relating to going concern continued

- We have reviewed the Group's loan agreements, obtained the Director's assessment of the risk relating to loans which are expiring within the next 12 months and challenged the Director's assessment of the ability to repay or refinance the loans;
- We have checked the compliance with the bank covenants in place, based on the forecast, and considered the likelihood of these being breached in the future via the stress tested scenarios previously mentioned; and
- We have reviewed the Board's assessment of the possible results of the continuation vote by shareholders at the forthcoming AGM and their expectation that shareholders will vote to continue the Group and Parent Company.

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 Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

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

An overview of the scope of our Audit

Coverage	100% (2022: 100%) of Group profit before tax 100% (2022: 100%) of Group revenue 100% (2022: 100%) of Group total assets		
Key audit matters		**2023**	**2022**
	Valuation of investments	Yes	Yes
Materiality	*Group financial statements as a whole* £56.9m (2022: £58.1m) based on 1.5% (2022: 1.5%) of net assets. *Specific Materiality* Materiality for items impacting on the realised return was £15.9m (2022: £25.5m) based on 5% (2022: 5%) of profit before tax, excluding the unrealised valuation movements.		

Scope of our audit

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

We have identified Parent company and Greencoat UK Wind Holdco Limited (Holdco) in the Group as being significant and both were subject to a full scope audit by BDO LLP. There were no other components in the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued

Key audit matters continued

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of investments (See note 1 and note 9 on pages 75 to 77 and 82 to 84)	100% of the underlying investment portfolio is represented by unquoted equity and loan investments. The valuation of the Investment portfolio is calculated using discounted cash flow models. This is a highly subjective accounting estimate where there is an inherent risk of bias arising from the investment valuations being prepared by the Investment Manager, who is remunerated based on the net asset value of the company. These estimates include judgements including the useful life of the assets, the discount rates, the level of wind resource, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce. For these reasons and the materiality of the balance in relation to the financial statements as a whole, we considered this to be a key audit matter.	In respect of the equity investments valued using discounted cash flow models, we performed the following specific procedures over 100% of the investments:: • Used spreadsheet analysis tools to assess the integrity of the valuation models and track changes to inputs or structure from the valuation model used in the prior year. • Agreed wind generation and power price forecasts to independent reports prepared by third-party experts engaged by management. We have assessed the independence, objectivity and competence of the experts. • For the new investments made in the year, we obtained and reviewed agreements and contracts and considered whether these were accurately reflected in the valuation model. • Challenged the appropriateness of the selection and application of key assumptions in the model including the asset life, discount rate, level of wind resource, rate of inflation and power price forecasts by benchmarking to available industry data and consulting with our internal valuation expert on the above key assumptions. • For existing investments, we compared the assumptions used in the current year to the prior year audited assumptions and agreed significant changes in assumptions to independent evidence including available industry data. • We reviewed the corporation tax workings within the valuation model and considered whether these had been calculated accurately in the context of current corporation tax legislation and rates. This includes a consideration of the electricity generator levy. • Agreed cash and other net assets to bank statements and investee company management accounts. • Considered the accuracy of forecasting by comparing previous forecasts to actual results and challenged the reasons for significant variances and whether these have been adequately factored into future modelling. • For each of the key assumptions in the valuation models, we considered the appropriateness of the assumption and whether alternative reasonable assumptions could have been applied. We considered each assumption in isolation as well as in conjunction with other assumptions and the valuation as a whole. Where appropriate, we sensitised the valuations where other reasonable alternative assumptions could have been applied. We also considered the completeness and clarity of disclosures regarding the range of reasonable alternative assumptions in the financial statements. For loan investments we agreed them to loan agreements and verified the relevant terms of the loan, we recalculated the closing value of the loan and tested the movement in the loan balance during the year. **Key observations** Based on our procedures performed we did not identify any matters to suggest the valuation of the investments was not appropriate.

Independent Auditor's Report continued

Our application of materiality

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

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

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

	Group financial statements		Parent company financial statements	
	2023 £m	2022 £m	2023 £m	2022 £m
Materiality	56.9	58.1	54	55.2
Basis for determining materiality	1.5% net assets		95% of Group materiality	
Rationale for the benchmark applied	Net assets are considered to be the benchmark of most interest to the users of the financial statements in understanding the financial position of the group as an investor in UK wind farms.		To address the aggregation risk we have restricted the materiality to 95%.	
Performance materiality	42.6m	43.6m	40.5m	41.4m
Basis for determining performance materiality	75% materiality The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.			

Specific materiality

We also determined that for those items impacting on realised returns, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. As a result, we determined materiality for these items based on 5% (2022:5%) of profit before tax, excluding unrealised valuation movements of £15.9m (2022: £25.5m). We further applied a performance materiality level of 75% (2022: 75%) of specific materiality of £11.3m (2022: £19.1m) to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Component materiality

We set materiality for each component of the Group based on a percentage of 95% (2022: 95%) of Group materiality dependent on our assessment of the risk of material misstatement of each component. In addition to the parent company the other significant component in the group is Greencoat UK Wind Holdco Limited for which the materiality was set at £54m (2022: £55.2m). In the audit of each significant component, we further applied performance materiality levels of 75% (2022: 75%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £2.8m (2022: £1.275m) and for those items impacting realised return before tax £795k (2022: £1,275k). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Independent Auditor's Report continued

Other information

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

We have nothing to report in this regard.

Corporate governance statement

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

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

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 22; and • The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 22.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 43; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 53; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 53 and 54; and • The section describing the work of the Audit Committee set out on pages 56 and 57.

Independent Auditor's Report continued

Other Companies Act 2006 reporting

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

Strategic Report and Directors' Report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report continued

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

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

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

Non-compliance with laws and regulations

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group and the Parent Company which were contrary to applicable laws and regulations, including fraud. We considered the significant laws and regulations to be the Companies Act 2006, the FCA listing and DTR rules, the principles of the UK Corporate Governance Code, the requirements of s.1158 of the Corporation Tax Act, and applicable accounting standards.

Our tests included, but were not limited to:

- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and those charged with governance regarding any instances of non-compliance with laws and regulations; and
- Review of minutes of board meetings throughout the period regarding any instances of non-compliance with laws and regulations.

Fraud

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

Our risk assessment procedures included:

- Enquiry with management, Audit committee and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

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

Our procedures in response to the above included:

- The procedures set out in the Key Audit Matters section above; and
- Testing journals, based on risk assessment criteria as well as an unpredictable sample, and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud.

Independent Auditor's Report continued

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

Fraud continued

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have the appropriate competence and capabilities, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

Use of our report

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

BDO LLP

Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London

28 February 2024

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

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Note	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Investment income	4	422,724	577,156
Unrealised movement in fair value of investments	9	(191,402)	446,096
Other income		3,059	1,878
Total income and gains		**234,381**	**1,025,130**
Operating expenses	5	(37,608)	(35,346)
Investment acquisition costs		(2,797)	(3,146)
Operating profit		**193,976**	**986,638**
Finance expense	13	(67,396)	(32,775)
Profit for the year before tax		**126,580**	**953,863**
Tax	6	(392)	—
Profit for the year after tax		**126,188**	**953,863**
Profit and total comprehensive income attributable to:			
Equity holders of the Company		126,188	953,863
Earnings per share			
Basic and diluted earnings from continuing operations in the year (pence)	7	**5.44**	**41.16**

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 December 2023 £'000	31 December 2022 £'000
Non current assets			
Investments at fair value through profit or loss	9	5,538,636	4,959,312
		5,538,636	**4,959,312**
Current assets			
Receivables	11	41,129	2,487
Cash at bank		21,805	19,783
		62,934	**22,270**
Current liabilities			
Loans and borrowings	13	(500,000)	(150,000)
Payables	12	(17,573)	(8,354)
Net current liabilities		**(454,639)**	**(136,084)**
Non current liabilities			
Loans and borrowings	13	(1,290,000)	(950,000)
Net assets		**3,793,997**	**3,873,228**
Capital and reserves			
Called up share capital	15	23,121	23,181
Share premium account	15	2,471,515	2,470,396
Capital redemption reserve	15	66	—
Retained earnings		1,299,295	1,379,651
Total shareholders' funds		**3,793,997**	**3,873,228**
Net assets per share (pence)	16	**164.1**	**167.1**

Authorised for issue by the Board of Greencoat UK Wind PLC (registered number 08318092) on 28 February 2024 and signed on its behalf by:

Lucinda Riches C.B.E.
Chairman

Caoimhe Giblin
Director

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Statement of Financial Position – Company

As at 31 December 2023

	Note	31 December 2023 £'000	31 December 2022 £'000
Non current assets			
Investments at fair value through profit or loss	9	5,558,357	4,978,816
		5,558,357	**4,978,816**
Current assets			
Receivables	11	40,381	125
Cash at bank		52	2,446
		40,433	**2,571**
Current liabilities			
Loans and borrowings	13	(500,000)	(150,000)
Payables	12	(14,793)	(8,159)
Net current liabilities		**(474,360)**	**(155,588)**
Non current liabilities			
Loans and borrowings	13	(1,290,000)	(950,000)
Net assets		**3,793,997**	**3,873,228**
Capital and reserves			
Called up share capital	15	23,121	23,181
Share premium account	15	2,471,515	2,470,396
Capital redemption reserve	15	66	—
Retained earnings		1,299,295	1,379,651
Total shareholders' funds		**3,793,997**	**3,873,228**
Net assets per share (pence)	16	**164.1**	**167.1**

The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 and accordingly has not presented a Statement of Comprehensive Income for the Company alone. The profit after tax of the Company alone for the year was £126,188,000 (2022: £953,863,000).

Authorised for issue by the Board on 28 February 2024 and signed on its behalf by:

Lucinda Riches C.B.E.
Chairman

Caoimhe Giblin
Director

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Consolidated and Company Statement of Changes in Equity

For the year ended 31 December 2023

For the year ended 31 December 2023	Note	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Retained earnings £'000	Total £'000
Opening net assets attributable to shareholders 1 January 2023)		23,181	2,470,396	—	1,379,651	**3,873,228**
Issue of share capital	15	6	1,119	—	—	**1,125**
Share buybacks	15	(66)	—	66	(9,439)	**(9,439)**
Share buyback costs		—	—	—	(62)	**(62)**
Profit and total comprehensive income for the year		—	—	—	126,188	**126,188**
Interim dividends paid in the year	8	—	—	—	(197,043)	**(197,043)**
Closing net assets attributable to shareholders		**23,121**	**2,471,515**	**66**	**1,299,295**	**3,793,997**

After taking account of cumulative unrealised gains of £522,040,697, the total reserves distributable by way of a dividend as at 31 December 2023 were £777,254,592.

For the year ended 31 December 2022	Note	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Opening net assets attributable to shareholders (1 January 2022)		23,171	2,468,940	601,588	**3,093,699**
Issue of share capital	15	10	1,490	—	**1,500**
Share issue costs	15	—	(34)	—	**(34)**
Profit and total comprehensive income for the year		—	—	953,863	**953,863**
Interim dividends paid in the year	8	—	—	(175,800)	**(175,800)**
Closing net assets attributable to shareholders		**23,181**	**2,470,396**	**1,379,651**	**3,873,228**

After taking account of cumulative unrealised gains of £713,442,660, the total reserves distributable by way of a dividend as at 31 December 2022 were £666,208,331.

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Note	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Net cash flows from operating activities	17	**359,801**	**545,851**
Cash flows from investing activities			
Acquisition of investments	9	(820,925)	(484,153)
Investment acquisition costs		(2,742)	(4,667)
Repayment of shareholder loan investments	9	50,199	13,482
Net cash flows from investing activities		**(773,468)**	**(475,338)**
Cash flows from financing activities			
Payment of issue costs		—	(42)
Share buybacks		(9,439)	—
Share buyback costs		(56)	—
Amounts drawn down on loan facilities	13	1,040,000	460,000
Amounts repaid on loan facilities	13	(350,000)	(310,000)
Finance costs		(67,773)	(29,689)
Dividends paid	8	(197,043)	(175,800)
Net cash flows from financing activities		**415,689**	**(55,531)**
Net increase in cash during the year		**2,022**	**14,982**
Cash at the beginning of the year		**19,783**	**4,801**
Cash at the end of the year		**21,805**	**19,783**

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Statement of Cash Flows – Company

For the year ended 31 December 2023

	Note	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Net cash flows from operating activities	17	**(65,695)**	**(30,949)**
Cash flows from investing activities			
Loans advanced to Group companies	9	(680,800)	(260,811)
Repayment of loans to Group companies	9	328,412	347,862
Net cash flows from investing activities		**(352,388)**	**87,051**
Cash flows from financing activities			
Payment of issue costs		—	(42)
Share buybacks		(9,439)	—
Share buyback costs		(56)	—
Amounts drawn down on loan facilities	13	1,040,000	460,000
Amounts repaid on loan facilities	13	(350,000)	(310,000)
Finance costs		(67,773)	(29,689)
Dividends paid	8	(197,043)	(175,800)
Net cash flows from financing activities		**415,689**	**(55,531)**
Net (decrease)/increase in cash during the year		**(2,394)**	**571**
Cash at the beginning of the year		**2,446**	**1,875**
Cash at the end of the year		**52**	**2,446**

The accompanying notes on pages 74 to 102 form an integral part of the financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2023

1. Material accounting policies

Basis of accounting

The consolidated annual financial statements have been prepared in accordance with UK adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The annual financial statements have been prepared on the historical cost basis, as modified for the measurement of certain financial instruments at fair value through profit or loss. The principal accounting policies are set out below.

These consolidated financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Group operates and are rounded to the nearest thousand, unless otherwise stated.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Investment Manager's Report. The Group faces a number of risks and uncertainties, as set out in the Strategic Report on pages 20 to 22. The financial risk management objectives and policies of the Group, including exposure to price risk, interest rate risk, credit risk and liquidity risk are discussed in note 18 to the financial statements.

As at 31 December 2023, the Group had net current liabilities of £454.6 million (2022: £136.1 million), cash balances of £21.8 million (2022: £19.8 million) (excluding cash balances within investee companies of £159.3 million) and security cash deposits of £40.1 million (2022: £nil). The significant net current liabilities position of the Group at 31 December 2023 is due to both the Company's revolving credit facility and two of the Company's term debt tranches with NAB and CBA maturing within 12 months of the year end and therefore being classified as current liabilities. The Company expects to refinance the maturing term debt during 2024.

The Company had £1,390 million (2022: £1,100 million) of term debt as at 31 December 2023, with an additional £400 million drawn on its £600 million revolving credit facility. The covenants on the Company's banking facilities are limited to gearing and interest cover and the Company is expected to continue to comply with these covenants going forward.

The Group continues to meet day-to-day liquidity needs through its cash resources.

The major cash outflows of the Group are the payment of dividends, costs relating to the acquisition of new assets and purchases of its own shares, all of which are discretionary. The Group has sufficient access to debt, including its revolving credit facility, in order to fund any future wind farm investment within the parameters of its Investment Policy.

As the Company's shares traded at an average discount to NAV of 10.5 per cent during the year, a continuation vote is to be proposed at the Company's AGM in April 2024 in line with its Articles of Association. The Board believe that the Company's share price performance during the year is reflective of its macroeconomic environment, and not of the financial prospects of the Company. The Board believe that the outcome of the shareholder continuation vote will not impair the Company's ability to operate as a going concern.

The Board has reviewed Group forecasts and projections which cover a period of at least 12 months from the date of approval of this report. On the basis of this review, taking into account foreseeable changes in investment and trading performance, and after making due enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence from the date of approval of this report to at least February 2025. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

1. Material accounting policies continued

Accounting for subsidiaries

The Directors have concluded that the Group has all the elements of control as prescribed by IFRS 10 "Consolidated Financial Statements" in relation to all its subsidiaries and that the Company continues to satisfy the 3 essential criteria to be regarded as an investment entity as defined in IFRS 10, IFRS 12 "Disclosure of Interests in Other Entities" and IAS 27 "Consolidated and Separate Financial Statements". The 3 essential criteria are such that the entity must:

1. Obtain funds from one or more investors for the purpose of providing these investors with professional investment management services;
2. Commit to its investors that its business purpose is to invest its funds solely for returns from capital appreciation, investment income or both; and
3. Measure and evaluate the performance of substantially all of its investments on a fair value basis.

In satisfying the second essential criteria, the notion of an investment time frame is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. Although the Company has invested in equity interests in wind farms that have an indefinite life, the underlying wind farm assets that it invests in have an expected life of 30 years. The Company intends to hold these wind farms for the remainder of their useful life to preserve the capital value of the portfolio. However, as the wind farms are expected to have no residual value after their 30 year life, the Directors consider that this demonstrates a clear exit strategy from these investments.

Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value Measurement" and IFRS 9 "Financial Instruments". The financial support provided by the Company to its unconsolidated subsidiaries is disclosed in note 10.

Notwithstanding this, IFRS 10 requires subsidiaries that provide services that relate to the investment entity's investment activities to be consolidated. Accordingly, the annual financial statements include the consolidated financial statements of Greencoat UK Wind PLC and Greencoat UK Wind Holdco Limited (a 100 per cent owned UK subsidiary). In respect of these entities, intra-Group balances and any unrealised gains arising from intra-Group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless the costs cannot be recovered. The financial statements of subsidiaries that are included in the consolidated financial statements are included from the date that control commences until the dates that control ceases.

In the Parent Company's financial statements, investments in subsidiaries are measured at fair value through profit or loss in accordance with IFRS 9, as permitted by IAS 27.

Accounting for associates and joint ventures

The Group has taken the exemption permitted by IAS 28 "Investments in Associates and Joint Ventures" and IFRS 11 "Joint Arrangements" for entities similar to investment entities and measures its investments in associates and joint ventures at fair value. The Directors consider an associate to be an entity over which the Group has significant influence, through an ownership of between 20 per cent and 50 per cent. The Group's associates and joint ventures are disclosed in note 10.

New and amended standards and interpretations applied

The following new standards or interpretations are effective for the first time for periods beginning on or after 1 January 2023 and had an effect on the Group's or Company's financial statements:

- Disclosure of Accounting Policies (Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements*);
- Definition of Accounting Estimates (Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 *Income Taxes*).

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

1. Material accounting policies continued

New and amended standards and interpretations not applied

At the date of authorisation of these financial statements, the following amendments had been published and will be effective in future accounting periods.

Effective for accounting periods beginning on or after 1 January 2024:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 *Presentation of Financial Statements*);
- Non-current Liabilities with Covenants (Amendments to IAS 1 *Presentation of Financial Statements*); and
- Supplier Finance Arrangements (Amendments to IAS 7 *Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures*)

Effective for accounting periods beginning on or after 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*)

The impact of these standards is not expected to be material to the reported results and financial position of the Group.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

At 31 December 2023 and 2022, the carrying amounts of cash at bank, security cash deposits, receivables, payables, accrued expenses and short term borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the original instruments and their expected realisation. The fair value of advances and other balances with related parties which are short term or repayable on demand is equivalent to their carrying amount.

Financial assets

The classification of financial assets at initial recognition depends on the purpose for which the financial asset was acquired and its characteristics.

All financial assets are initially recognised at fair value. All purchases of financial assets are recorded at the date on which the Group became party to the contractual requirements of the financial asset.

The Group's and Company's financial assets principally comprise of investments held at fair value through profit or loss and receivables.

Receivables at amortised cost

Impairment provisions for receivables are recognised based on a forward-looking expected credit loss model. All financial assets assessed under this model are immaterial to the financial statements.

Investments at fair value through profit or loss

Investments are designated upon initial recognition as held at fair value through profit or loss. Gains or losses resulting from the movement in fair value of the Group's loan and equity investments are recognised in the Consolidated Statement of Comprehensive Income at each valuation point. As shareholder loan investments form part of a managed portfolio of assets whose performance is evaluated on a fair value basis, loan investments are designated at fair value in line with equity investments.

The Company's loan and equity investments in Holdco are held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the Company's Statement of Comprehensive Income at each valuation point.

Fair value is defined as the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is calculated on a discounted cash flow basis in accordance with IFRS 13 and IFRS 9.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

1. Material accounting policies continued

Financial instruments continued

Financial assets continued

Recognition and derecognition of financial assets

Financial assets are recognised/derecognised at the date of the purchase/disposal. Investments are initially recognised at cost, being the fair value of consideration given. Transaction costs are recognised in the Consolidated Statement of Comprehensive Income as incurred.

A financial asset (in whole or in part) is derecognised either:

- when the Group has transferred substantially all the risks and rewards of ownership; or
- when it has neither transferred or retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual agreements entered into and are recorded on the date on which the Group becomes party to the contractual requirements of the financial liability.

All loans and borrowings are initially recognised at cost, being fair value of the consideration received, less issue costs where applicable. After initial recognition, all interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Loan balances as at the year end have not been discounted to reflect amortised cost, as the amounts are not materially different from the outstanding balances.

Finance expenses

Borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period to which they relate on an accruals basis.

Share capital

Financial instruments issued by the Company are treated as equity if the holder has only a residual interest in the assets of the Company after the deduction of all liabilities. The Company's ordinary shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from proceeds. Incremental costs include those incurred in connection with the placing and admission which include fees payable under a placing agreement, legal costs and any other applicable expenses.

Repurchase of ordinary share capital

The cost of repurchasing ordinary shares including the related stamp duty and transaction costs are recognised in the Consolidated Statement of Changes in Equity and included within retained earnings. Share repurchase transactions are accounted for on a trade date basis. The nominal value of ordinary share capital repurchased and cancelled is transferred out of share capital and into the capital redemption reserve.

Cash at bank

Cash at bank comprises cash balances held at bank.

Security cash deposits

Security cash deposits comprise amounts held on call with banks and other short term highly liquid deposits, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These balances have been included within receivables.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

1. Material accounting policies continued

Dividends

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

Income recognition

Dividend income and interest income on shareholder loan investments are recognised when the Group's entitlement to receive payment is established.

Gains or losses resulting from the movement in fair value of the Group's and Company's investments held at fair value through profit or loss are recognised in the Consolidated or Company Statement of Comprehensive Income at each valuation point.

Expenses

Expenses are accounted for on an accruals basis. Share issue expenses of the Company directly attributable to the issue and listing of shares are charged to the share premium account.

The Company issues shares to the Investment Manager in exchange for receiving investment management services. The fair value of the investment management services received in exchange for shares is recognised as an expense at the time at which the investment management fees are earned, with a corresponding increase in equity. The fair value of the investment management services is calculated by reference to the definition of investment management fees in the Investment Management Agreement.

Taxation

Under the current system of taxation in the UK, the Group is liable to taxation on its operations in the UK.

Current tax is the expected tax payable on the taxable income for the period, using tax rates that have been enacted or substantively enacted at the date of the Consolidated Statement of Financial Position.

The Group does not expect to recognise any deferred tax assets or liabilities as it would expect to avail from substantial shareholder relief on any temporary or permanent difference arising from any potential future sale of an investment.

2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the application of estimates and assumptions which may affect the results reported in the financial statements. Estimates, by their nature, are based on judgement and available information.

As disclosed in note 1, the Directors have concluded that the Company meets the definition of an investment entity as defined in IFRS 10, IFRS 12 and IAS 27. This conclusion involved a degree of judgement and assessment as to whether the Company met the criteria outlined in the accounting standards.

Significant accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those used to determine the fair value of the investments as disclosed in note 9 to the financial statements.

The key assumptions that have a significant impact on the carrying value of investments that are valued by reference to the discounted value of future cash flows are the useful life of the assets, the discount rates, the level of wind resource, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce. The sensitivity analysis of these key assumptions is outlined in note 9 to the financial statements, on page 84.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

2. Critical accounting judgements, estimates and assumptions continued

Significant judgement

Useful lives are based on the Investment Manager's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness. The assumption used for the useful life of the wind farms is 30 years. The actual useful life may be a shorter or longer period depending on the actual operating conditions experienced by the asset.

The discount rates are subjective and therefore it is feasible that a reasonable alternative assumption may be used resulting in a different value. The discount rates applied to the cash flows are reviewed periodically by the Investment Manager to ensure they are at the appropriate level. The Investment Manager will take into consideration market transactions, where of similar nature, when considering changes to the discount rates used.

The revenues and expenditure of the investee companies are frequently partly or wholly subject to indexation and an assumption is made that inflation will increase at a long term rate.

The price at which the output from the generating assets is sold is a factor of both wholesale electricity prices and the revenue received from the Government support regimes. Future power prices are estimated using external third party forecasts, and may be adjusted by the Investment Manager where more conservative assumptions are considered appropriate. These third party forecasts take the form of specialist consultancy reports, reflecting various factors including gas prices, carbon prices and renewables deployment, each of which reflect the UK and global response to climate change. The future power price assumptions are reviewed as and when these forecasts are updated. There is an inherent uncertainty in future wholesale electricity price projection.

Specifically commissioned external reports are used to estimate the expected electrical output from the wind farm assets taking into account the expected average wind speed at each location and generation data from historical operation. The actual electrical output may differ considerably from that estimated in such a report mainly due to the variability of actual wind to that modelled in any one period. Assumptions around electrical output will be reviewed only if there is good reason to suggest there has been a material change in this expectation.

As disclosed in note 10, the fair value of guarantees and counter-indemnities provided by the Group on behalf of its investments are considered to be £nil, as the Directors do not expect Group cash flows to crystalise as a result of these guarantees or counter-indemnities.

3. Investment management fees

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a combination of a Cash Fee and an Equity Element from the Company.

The Cash Fee is based upon the NAV as at the start of the quarter in question on the following basis:

- on that part of the then most recently announced NAV up to and including £500 million, an amount equal to 0.25 per cent of such part of the NAV;
- on that part of the then most recently announced NAV over £500 million and up to and including £1,000 million, an amount equal to 0.225 per cent of such part of the NAV;
- on that part of the then most recently announced NAV over £1,000 million and up to and including £3,000 million, an amount equal to 0.2 per cent of such part of the NAV; and
- on that part of the then most recently announced NAV over £3,000 million, an amount equal to 0.175 per cent of such part of the NAV.

The Equity Element is calculated quarterly in advance and has a value as set out below:

- on that part of the then most recently announced NAV up to and including £500 million, 0.05 per cent; and
- on that part of the then most recently announced NAV over £500 million up to and including £1,000 million, 0.025 per cent.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

3. Investment management fees continued

The ordinary shares issued to the Investment Manager under the Equity Element are subject to a 3 year lock-up starting from the quarter in which they are due to be paid.

As at 31 December each year, the Cash Fee and Equity Element shall be subject to a true-up to the value that would have been deliverable had they been calculated quarterly in arrears.

Investment management fees paid or accrued in the year were as follows:

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Cash Fee	31,344	29,848
Equity Element	1,500	1,500
	32,844	**31,348**

The value of the Equity Element and the Cash Fee detailed in the table above include the true-up amount for the year calculated in accordance with the Investment Management Agreement.

The Cash Fee and Equity Element relating to the quarter ended 31 December 2023 were accrued at year end. This is further detailed in note 19.

4. Investment income

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Dividends received (note 19)	359,939	525,897
Interest on shareholder loan investment received (note 19)	62,785	51,259
	422,724	**577,156**

5. Operating expenses

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Management fees (note 3)	32,844	31,348
Group and SPV administration fees	1,231	1,000
Non-executive Directors' fees	385	338
Other expenses	2,895	2,469
Fees to the Company's Auditor:		
for audit of the statutory financial statements	248	187
for other audit related services	5	4
	37,608	**35,346**

Total fees payable to the Company's Auditor, BDO LLP, for non-audit services during the year ended 31 December 2023 were £4,800 (2022: £4,290), payable in relation to a limited review of the half year report.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

6. Taxation

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
UK Corporation Tax charge	392	—
	392	**—**

The corporation tax rate increased from 19 per cent to 25 per cent (for companies with profits over £250,000), from 1 April 2023.

The tax charge for the year shown in the Statement of Comprehensive Income is lower than the standard rate of corporation tax of 23.52 per cent (2022: 19 per cent). The differences are explained below.

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Profit for the year before taxation	126,580	953,863
Profit for the year multiplied by the standard rate of corporation tax of 23.52 per cent (2022: 19 per cent)	29,772	181,234
Fair value movements (not subject to taxation)	47,667	(83,484)
Dividends received (not subject to taxation)	(84,660)	(99,920)
Expenditure not deductible for tax purposes	658	603
Surrendering of tax losses to other group companies for nil consideration	5,042	819
Other net tax adjustments	1,521	748
Adjustment from previous period	392	—
Total tax charge	**392**	**—**

7. Earnings per share

	For the year ended 31 December 2023	For the year ended 31 December 2022
Profit attributable to equity holders of the Company – £'000	126,188	953,863
Weighted average number of ordinary shares in issue	2,317,758,378	2,317,629,517
Basic and diluted earnings from continuing operations in the year (pence)	**5.44**	**41.16**

Dilution of the earnings per share as a result of the Equity Element of the investment management fee as disclosed in note 3 does not have a significant impact on the basic earnings per share.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

8. Dividends declared with respect to the year

Interim dividends paid during the year ended 31 December 2023	Dividend per share pence	Total dividend £'000
With respect to the quarter ended 31 December 2022	1.93	44,742
With respect to the quarter ended 31 March 2023	2.19	50,775
With respect to the quarter ended 30 June 2023	2.19	50,780
With respect to the quarter ended 30 September 2023	2.19	50,746
	8.50	**197,043**

Interim dividends declared after 31 December 2023 and not accrued in the year	Dividend per share pence	Total dividend £'000
With respect to the quarter ended 31 December 2023	3.43	79,114
	3.43	**79,114**

On 29 January 2024, the Company announced a dividend of 3.43 pence per share with respect to the quarter ended 31 December 2023, bringing the total dividend declared with respect to the year to 31 December 2023 to £231.4 million, equivalent to 10 pence per share. The record date for the dividend is 16 February 2024 and the payment date is 29 February 2024.

The following table shows dividends paid in the prior year.

Interim dividends paid during the year ended 31 December 2022	Dividend per share pence	Total dividend £'000
With respect to the quarter ended 31 December 2021	1.795	41,597
With respect to the quarter ended 31 March 2022	1.930	44,730
With respect to the quarter ended 30 June 2022	1.930	44,734
With respect to the quarter ended 30 September 2022	1.930	44,739
	7.585	**175,800**

9. Investments at fair value through profit or loss

Group	31 December 2023 £'000	31 December 2022 £'000
Opening balance	4,959,312	4,042,545
Additions	820,925	484,153
Repayment of shareholder loan investments (note 19)	(50,199)	(13,482)
Unrealised movement in fair value of investments	(191,402)	446,096
	5,538,636	**4,959,312**

The investments made in underlying assets are carried at fair value through profit and loss. The investments are typically made through a combination of shareholder loans and equity into the SPVs which own the underlying asset. The nominal value of the shareholder loan investments as at 31 December 2023 was £1,484,003,180 (2022: £1,087,080,412).

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

9. Investments at fair value through profit or loss continued

The movement in investments of the Company during the year and the prior year was made up as follows:

Company	31 December 2023 £'000	31 December 2022 £'000
Opening balance	4,978,816	4,046,365
Loan advanced to Holdco (note 19)	680,800	260,811
Repayment of loan to Holdco (note 19)	(328,412)	(347,862)
Unrealised movement in fair value of investments	227,153	1,019,502
	5,558,357	**4,978,816**

The Company's shareholder loan investment in Holdco is repayable on demand.

Fair value measurements

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

- Level 1 – 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 determination of what constitutes 'observable' requires significant judgement by the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The only financial instruments held at fair value are the instruments held by the Group in the SPVs, which are fair valued at each reporting date. The Group's investments have been classified within Level 3 as the investments are not traded and contain unobservable inputs. The Company's investments are all considered to be Level 3 assets. As the fair value of the Company's equity and loan investments in Holdco is ultimately determined by the underlying fair values of the SPV investments, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same as for the Group.

Due to the nature of the investments, they are always expected to be classified as Level 3. There have been no transfers between levels during the year ended 31 December 2023.

Any transfers between the levels would be accounted for on the last day of each financial period.

Valuations are derived using a discounted cash flow methodology in line with IPEV Valuation Guidelines and take into account, inter alia, the following:

- due diligence findings where relevant;
- the terms of any material contracts including PPAs;
- asset performance;
- power price forecast from a leading market consultant; and
- the economic, taxation or regulatory environment.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

9. Investments at fair value through profit or loss continued

Sensitivity analysis

The fair value of the Group's investments is £5,538,635,628 (2022: £4,959,311,361). The analysis below is provided to illustrate the sensitivity of the fair value of investments to an individual input, while all other variables remain constant. The Board considers these changes in inputs to be within reasonable expected ranges. This is not intended to imply the likelihood of change or that possible changes in value would be restricted to this range.

31 December 2023

Input	Base case	Change in input	Change in fair value of investments £'000	Change in NAV per share pence
Discount rate	11 per cent levered portfolio IRR	+ 0.5 per cent - 0.5 per cent	(170,310) 179,963	(7.4) 7.8
Long term inflation rate	RPI: 3.5 per cent to 2030, 2.5 per cent thereafter CPI: 2.5 per cent	- 0.5 per cent + 0.5 per cent	(162,604) 170,870	(7.0) 7.4
Energy yield	P50	10 year P90 10 year P10	(352,901) 352,854	(15.3) 15.3
Power price	Forecast by leading consultant	- 10 per cent + 10 per cent	(335,334) 316,943	(14.5) 13.7
Asset life	30 years	- 5 years + 5 years	(313,935) 204,932	(13.6) 8.9

31 December 2022

Input	Base case	Change in input	Change in fair value of investments £'000	Change in NAV per share pence
Discount rate	10 per cent levered portfolio IRR	+ 0.5 per cent - 0.5 per cent	(155,166) 163,665	(6.7) 7.1
Long term inflation rate	RPI: 3.5 per cent to 2030, 2.5 per cent thereafter CPI: 2.5 per cent	- 0.5 per cent + 0.5 per cent	(144,045) 151,076	(6.2) 6.5
Energy yield	P50	10 year P90 10 year P10	(323,717) 323,657	(14.0) 14.0
Power price	Forecast by leading consultant	- 10 per cent + 10 per cent	(249,393) 236,130	(10.8) 10.2
Asset life	30 years	- 5 years + 5 years	(229,237) 148,321	(9.9) 6.4

The portfolio is valued on an unlevered basis using a lower discount rate for fixed cash flows and a higher discount rate for merchant cash flows. This results in a blended unlevered portfolio IRR. The equivalent levered portfolio IRR is calculated assuming 35 per cent gearing and an all-in interest cost of 5 per cent.

The sensitivities above are assumed to be independent of each other. Combined sensitivities are not presented. The sensitivity analysis shown above would be the same for the Company as for the Group. Also see the high transition risk scenario discussed on page 33.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

10. Unconsolidated subsidiaries, associates and joint ventures

The following table shows subsidiaries of the Group. As the Company is regarded as an Investment Entity as referred to in note 1, these subsidiaries have not been consolidated in the preparation of the financial statements:

Investment	Place of Business	Ownership Interest as at 31 December 2023	Ownership Interest as at 31 December 2022
Andershaw	Scotland[11]	100%	100%
Bin Mountain	Northern Ireland[10]	100%	100%
Bishopthorpe	England[11]	100%	100%
Braes of Doune	Scotland[12]	100%	100%
Breeze Bidco[1]	Scotland[11]	100%	100%
Brockaghboy	Northern Ireland[10]	100%	100%
Carcant	Scotland[12]	100%	100%
Church Hill	Northern Ireland[10]	100%	100%
Corriegarth	Scotland[12]	100%	100%
Cotton Farm	England[11]	100%	100%
Crighshane	Northern Ireland[10]	100%	100%
Dalquhandy	Scotland[12]	100%	—
Douglas West	Scotland[12]	100%	100%
Earl's Hall Farm	England[11]	100%	100%
Glen Kyllachy	Scotland[10]	100%	100%
Kildrummy	Scotland[11]	100%	100%
Langhope Rig	Scotland[11]	100%	100%
Maerdy	Wales[11]	100%	100%
North Hoyle	Wales[11]	100%	100%
Screggagh	Northern Ireland[10]	100%	100%
Slieve Divena	Northern Ireland[10]	100%	100%
Slieve Divena 2	Northern Ireland[10]	100%	100%
South Kyle	Scotland[12]	100%	—
Stroupster	Scotland[11]	100%	100%
Tappaghan	Northern Ireland[10]	100%	100%
Twentyshilling	Scotland[11]	100%	100%
Walney Holdco[2]	England[11]	100%	100%
Windy Rig	Scotland[11]	100%	100%
Bicker Fen	England[11]	80%	80%
Fenlands[3]	England[11]	80%	80%
Humber Holdco[4]	England[11]	77.2%	77.2%
Nanclach[1]	Scotland[12]	75%	75%
Dunmaglass Holdco[5]	Scotland[12]	71.2%	71.2%
Stronelairg Holdco[6]	Scotland[12]	71.2%	71.2%
Hoylake[7]	England[12]	63%	63%
London Array[8]	England[12]	54.9%	—
Drone Hill	Scotland[12]	51.6%	51.6%
North Rhins	Scotland[11]	51.6%	51.6%
Sixpenny Wood	England[11]	51.6%	51.6%
Yelvertoft	England[11]	51.6%	51.6%
SYND Holdco[9]	UK[11]	51.6%	51.6%

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

10. Unconsolidated subsidiaries, associates and joint ventures continued

(1) The Group's investment in Nanclach is held through Breeze Bidco.

(2) The Group holds 100 per cent of Walney Holdco, which owns 25.1 per cent of Walney Wind Farm, resulting in the Group holding a 25.1 per cent indirect investment in Walney Wind Farm.

(3) The Group's investments in Deeping St. Nicholas, Glass Moor, Red House and Red Tile are held through Fenlands.

(4) The Group holds 77.2 per cent of Humber Holdco, which owns 49 per cent of Humber Wind Farm, resulting in the Group holding a 37.8 per cent indirect investment in Humber Wind Farm.

(5) The Group holds 71.2 per cent of Dunmaglass Holdco, which owns 49.9 per cent of Dunmaglass Wind Farm, resulting in the Group holding a 35.5 per cent indirect investment in Dunmaglass Wind Farm.

(6) The Group holds 71.2 per cent of Stronelairg Holdco, which owns 49.9 per cent of Stronelairg Wind Farm, resulting in the Group holding a 35.5 per cent indirect investment in Stronelairg Wind Farm.

(7) The Group holds 62.7 per cent of Hoylake, which owns 25 per cent of Burbo Bank Extension, resulting in the Group holding a 15.7 per cent indirect investment in Burbo Bank Extension.

(8) The Group holds 54.9 per cent of London Array Holdco, which owns 25 per cent of London Array Limited, resulting in the Group holding a 13.7 per cent indirect investment in London Array Limited.

(9) The Group's investments in Drone Hill, North Rhins, Sixpenny Wood and Yelvertoft are held through SYND Holdco.

(10) The registered office address is The Legacy Building, Northern Ireland Science Park, Belfast, BT3 9DT.

(11) The registered office address is 5th Floor, 20 Fenchurch Street, London, EC3M 3BY.

(12) The registered office address is Collins House, Rutland Square, Edinburgh, EH1 2AA.

There are no significant restrictions on the ability of the Group's unconsolidated subsidiaries to transfer funds in the form of cash dividends.

The following table shows associates and joint ventures of the Group which have been recognised at fair value as permitted by IAS 28 "Investments in Associates and Joint Ventures":

Investment	Place of Business	Ownership Interest as at 31 December 2023	Ownership Interest as at 31 December 2022
Kype Muir Extension	Scotland[3]	49.9%	—
ML Wind[1]	England[4]	49%	49%
Little Cheyne Court	England[4]	41%	41%
Clyde	Scotland[5]	28.2%	28.2%
Hornsea 1 Holdco[2]	England[6]	25%	25%
Rhyl Flats	Wales[4]	24.95%	24.95%

(1) The Group's investments in Middlemoor and Lindhurst are 49 per cent (2022: 49 per cent). These are held through ML Wind.

(2) The Group holds 25 per cent of Hornsea 1 Holdco, which owns 50 per cent of Hornsea 1 Limited, resulting in the Group holding a 12.5 per cent indirect investment in Hornsea 1 Limited.

(3) The registered office address is Inkerman House St John's Road, Meadowfield, Durham, DH7 8XL.

(4) The registered office address is Windmill Hill Business Park, Whitehill Way, Swindon, Wiltshire, SN5 6PB.

(5) The registered office address is Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ.

(6) The registered office address is 1 Bartholomew Lane, London, England, EC2N 2AX.

Loans advanced by Holdco to the investments are disclosed in note 19.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

10. Unconsolidated subsidiaries, associates and joint ventures continued

Guarantees and counter-indemnities provided by the Group on behalf of its investments are as follows:

Provider of security	Investment	Beneficiary	Nature	Purpose	Amount £'000
The Company	Hornsea 1	National Westminster Bank	Letter of credit	Debt service reserve	65,300
The Company	London Array	Orsted	Guarantee	PPA	60,000
Holdco	Clyde	SSE	Counter-indemnity	Grid, radar, decommissioning	21,771
The Company	London Array	Shareholders	Guarantee	JOA participants guarantee	20,000
The Company	North Hoyle	The Crown Estate	Guarantee	Decommissioning, rent	14,744
The Company	Glen Kyllachy	RWE	Counter-indemnity	Decommissioning, grid	12,238
The Company	Burbo Bank Extension	Orsted	Counter-indemnity	Rent, radar	11,000
The Company	Twentyshilling	Whiteside Hill Wind Farm	Guarantee	Land access, cabling	10,000
The Company	Hornsea 1	Orsted	Letter of Credit	Lease obligations	8,410
The Company	London Array	Orsted	Counter-indemnity	OFTO, O&M	8,300
The Company	Dalquhandy	BT	Guarantee	PPA	5,897
The Company	South Kyle	Land owner	Guarantee	Decommissioning	5,332
The Company	South Kyle	East Ayrshire Council	Counter-indemnity	Decommissioning	5,000
The Company	Humber Gateway	RWE	Guarantee	Radar	4,900
The Company	South Kyle	Scottish Ministers	Counter-indemnity	Decommissioning	4,327
The Company	South Kyle	Dumfries and Galloway Council	Counter-indemnity	Decommissioning	3,748
The Company	Andershaw	Statkraft	Guarantee	Decommissioning	3,500
Holdco	Kype Muir Extension	Nordex	Guarantee	Turbine supply	3,185
Holdco	Dalquhandy	BayWa	Counter-indemnity	Decommissioning	2,525
The Company	Braes of Doune	Land owner	Guarantee	Decommissioning	2,000
The Company	Rhyl Flats	The Crown Estate	Guarantee	Decommissioning	1,829
The Company	Twentyshilling	Santander	Counter-indemnity	Decommissioning	1,807
The Company	Twentyshilling	Ministry of Defence	Guarantee	Seismic array equipment	1,800
The Company	Windy Rig	Santander	Counter-indemnity	Access rights, decommissioning, grid	1,409
The Company	Tom nan Clach	RBS	Unsecured guarantee	Decommissioning	1,348
The Company	Twentyshilling	NATS	Guarantee	Radar	1,244
The Company	Douglas West	Land owner	Guarantee	Decommissioning	1,200
The Company	Windy Rig	NATS	Guarantee	Radar	601
The Company	Stroupster	RBS	Unsecured guarantee	Decommissioning	366
Holdco	Stronelairg	SSE	Guarantee	Grid	301
The Company	South Kyle	NATS	Guarantee	Radar	285
Holdco	Dunmaglass	SSE	Guarantee	Grid	201
The Company	Cotton Farm	Land owner	Guarantee	Decommissioning	165
The Company	Sixpenny Wood	Land owner	Guarantee	Community fund	150
The Company	Twentyshilling	Santander	Counter-indemnity	Decommissioning	96
The Company	Yelvertoft	Daventry District Council	Guarantee	Decommissioning	82
The Company	Langhope Rig	Barclays	Counter-indemnity	Decommissioning	81
The Company	Maerdy	Natural Resource Wales	Guarantee	Access rights to neighbouring land	n/a
					285,142

The fair value of these guarantees and counter-indemnities provided by the Group are considered to be £nil (2022: £nil) as disclosed in note 2.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

11. Receivables

Group	31 December 2023 £'000	31 December 2022 £'000
Security cash deposits	40,119	—
VAT receivable	676	527
Interest income receivable	111	—
Prepayments	151	122
Other receivables	72	190
Amounts due from SPVs (note 19)	—	1,648
	41,129	**2,487**

Company	31 December 2023 £'000	31 December 2022 £'000
Security cash deposits	40,119	—
Prepayments	151	122
Interest income receivable	111	—
Other receivables	—	3
	40,381	**125**

12. Payables

Group	31 December 2023 £'000	31 December 2022 £'000
Investment management fee payable	8,090	1,364
Loan interest payable (note 13)	5,487	5,490
Commitment fee payable (note 13)	235	402
Letter of credit fees payable (note 13)	93	324
Amounts due to SPVs (note 19)	2,508	—
Acquisition costs payable	55	—
Other payables	1,105	774
	17,573	**8,354**

Company	31 December 2023 £'000	31 December 2022 £'000
Investment management fee payable	8,090	1,364
Loan interest payable (note 13)	5,487	5,490
Commitment fee payable (note 13)	235	402
Letter of credit fees payable (note 13)	93	324
Other payables	888	579
	14,793	**8,159**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

13. Loans and borrowings

Group and Company	31 December 2023 £'000	31 December 2022 £'000
Opening balance	1,100,000	950,000
Revolving credit facility		
Drawdowns	400,000	260,000
Repayments	(200,000)	(310,000)
Term debt facilities		
Drawdowns	640,000	200,000
Repayments	(150,000)	—
Closing balance	**1,790,000**	**1,100,000**
Reconciled as:		
Current liabilities	500,000	150,000
Non current liabilities	1,290,000	950,000

Group and Company	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Loan interest	58,787	27,489
Facility arrangement fees	4,350	500
Commitment fees	2,289	3,114
Letter of credit fees	1,137	324
Professional fees	589	1,163
Other facility fees	244	185
Finance expense	**67,396**	**32,775**

The loan balance as at 31 December 2023 has not been adjusted to reflect amortised cost, as the amounts are not materially different from the outstanding balances.

The terms of the revolving credit facility remain unchanged and comprise a margin of 1.75 per cent per annum and a commitment fee of 0.65 per cent per annum of any undrawn facility.

As at 31 December 2023, the Company has a total revolving credit facility of £600 million (2022: £600 million), of which amounts drawn were £400 million (2022: £200 million), accrued interest payable was £228,404 (2022: £52,675) and the outstanding commitment fee payable was £235,068 (2022: £401,753). The facility has a maturity date of 29 October 2024 and is classified as a current liability.

In the prior year, the Company placed a letter of credit facility provided by Lloyds. The fee for this facility is 1.25 per cent and the fee payable, as at 31 December 2023, was £93,400 (2022: £324,221).

On 31 August 2023, the Company placed a letter of credit facility provided by ANZ. The fee for this facility is 0.24 per cent per annum.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

13. Loans and borrowings continued

The Company's term debt facilities and associated interest rate swaps have various maturity dates, as set out in the below table.

Provider	Maturity date	Loan margin %	Swap rate/SONIA %	All-in rate %	Loan principal £'000	Accrued interest at 31 December 2023 £'000
NAB	4 Nov 2024	1.15	1.06	2.21	50,000	179
CBA	14 Nov 2024	1.35	0.81	2.16	50,000	166
CBA	6 Mar 2025	1.55	1.53	3.08	50,000	236
CIBC	3 Nov 2025	1.50	1.51	3.01	100,000	454
ANZ	3 May 2026	1.45	5.92	7.37	75,000	45
NAB	1 Nov 2026	1.50	1.60	3.10	75,000	376
NAB	1 Nov 2026	1.50	0.84	2.34	25,000	95
CIBC	14 Nov 2026	1.40	0.81	2.21	100,000	334
Lloyds	9 May 2027	1.60	5.65	7.25	150,000	89
CBA	4 Nov 2027	1.60	1.37	2.97	100,000	455
ABN AMRO	2 May 2028	1.75	5.04	6.79	100,000	57
ANZ	3 May 2028	1.75	5.38	7.13	75,000	44
Barclays	3 May 2028	1.75	4.99	6.74	100,000	57
AXA	31 Jan 2030	—	—	3.03	125,000	1,598
AXA	31 Jan 2030	1.70	1.45	3.15	75,000	995
AXA	28 Apr 2031	—	—	6.43	25,000	13
AXA	28 Apr 2031	1.80	5.20[1]	7.00	115,000	66
					1,390,000	**5,259**

(1) Facility pays SONIA as variable rate.

Loans with maturity dates of less than 12 months amount to £100 million and are classified as current liabilities. The remaining term debt of £1,290 million is classified as non current liabilities.

£1,125 million of these term loans contain swaps. £1,050 million of these instruments have been treated as a single fixed rate loan agreement, which effectively set interest rates payable at fixed rates as:

- the contractual agreements for the loan and swap are directly linked, were executed at the same time and are not independently transferable;
- there is a common counterparty for loan and swap instruments; and
- all loan and swap instruments are co terminus and their commercial and financial terms reflect each other.

The £75 million term loan with AXA is hedged with an interest rate swap with NAB, which demonstrates consistent characteristics with the other term loans and swaps other than the common counterparty. Similarly, the £150 million term loan with Lloyds is hedged with an interest rate swap with a different Lloyds counterparty. In such cases, the interest rate swaps have not been recognised as separate instruments at fair value and the Board is of the view that their fair values are not sufficiently material to be separately recognised.

The £115 million term loan tranche with AXA has not been hedged with an interest rate swap and so the loan will be fully variable until maturity of the loan.

£150 million term loan tranches with AXA have fixed all-in rates and have not been hedged by interest rate swaps.

All borrowing ranks pari passu and is secured by a debenture over the assets of the Company, including its shares in Holdco, and a floating charge over Holdco's bank accounts.

14. Contingencies and commitments

The Group had no contingencies and commitments for the year ended 31 December 2023.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

15. Share capital – ordinary shares of £0.01

Date	Authorised, issued and fully paid	Number of shares issued	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Total £'000
1 January 2023		**2,318,089,989**	**23,181**	**2,470,396**	**—**	**2,493,577**
Shares issued to the Investment Manager						
3 February 2023	True-up of 2022 and Q1 2023 Equity Element	167,923	2	373	—	**375**
5 May 2023	Q2 2023 Equity Element	225,441	2	373	—	**375**
4 August 2023	Q3 2023 Equity Element	226,182	2	373	—	**375**
		619,546	6	1,119	—	**1,125**
Share buybacks		(6,577,736)	(66)	—	66	**—**
31 December 2023		**2,312,131,799**	**23,121**	**2,471,515**	**66**	**2,494,702**

Date	Authorised, issued and fully paid	Number of shares issued	Share capital £'000	Share premium £'000	Total £'000
1 January 2022		**2,317,097,822**	**23,171**	**2,468,940**	**2,492,111**
Shares issued to the Investment Manager					
4 February 2022	True-up of 2021 and Q1 2022 Equity Element	254,855	3	372	**375**
6 May 2022	Q2 2022 Equity Element	251,219	3	372	**375**
5 August 2022	Q3 2022 Equity Element	244,151	2	373	**375**
4 November 2022	Q4 2022 Equity Element	241,942	2	373	**375**
		992,167	10	1,490	**1,500**
Other					
1 January 2022	Less costs relating to 29 November 2021 share issue	—	—	(34)	**(34)**
31 December 2022		**2,318,089,989**	**23,181**	**2,470,396**	**2,493,577**

Shareholders are entitled to all dividends paid by the Company and, on a winding up, provided the Company has satisfied all of its liabilities, the shareholders are entitled to all of the residual assets of the Company.

Pursuant to the terms of the Investment Management Agreement, the Investment Manager receives an Equity Element as part payment of its investment management fee as disclosed in note 3. The figures given in the table in note 3 include the true-up amount of the investment management fee for the periods calculated in accordance with the Investment Management Agreement and issued subsequent to 31 December 2023.

Following the commencement of the share buyback programme at the end of October 2023, the Company repurchased and cancelled 6.6 million shares in the final 2 months of the year. Further details regarding the Company's purchase of its own shares are included in the Chairman's Statement on page 3.

16. Net assets per share

Group and Company	31 December 2023	31 December 2022
Net assets – £'000	3,793,997	3,873,228
Number of ordinary shares issued	2,312,131,799	2,318,089,989
Total net assets – pence	**164.1**	**167.1**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

17. Reconciliation of operating profit for the year to net cash from operating activities

Group	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Operating profit for the year	193,976	986,638
Adjustments for:		
Unrealised movement in fair value of investments (note 9)	191,402	(446,096)
Investment acquisition costs	2,797	3,146
(Increase)/decrease in receivables	(38,639)	144
Increase in payables	9,157	519
Equity Element of Investment Manager's fee (note 3)	1,500	1,500
Tax paid	(392)	—
Net cash flows from operating activities	**359,801**	**545,851**

Company	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Operating profit for the year	193,976	986,638
Adjustments for:		
Unrealised movement in fair value of investments (note 9)	(227,153)	(1,019,502)
Increase in receivables	(40,253)	(19)
Increase in payables	6,627	434
Equity Element of Investment Manager's fee (note 3)	1,500	1,500
Tax paid	(392)	—
Net cash flows from operating activities	**(65,695)**	**(30,949)**

Reconciliation of cash flows and non-cash flow changes in liabilities arising from financing activities

Group and Company	Loans and borrowings £'000	Other liabilities £'000
As at 1 January 2023	**1,100,000**	**6,168**
Cash flows (net)	690,000	(67,773)
Movements in Statement of Comprehensive Income	—	67,396
As at 31 December 2023	**1,790,000**	**5,791**

Group and Company	Loans and borrowings £'000	Other liabilities £'000
As at 1 January 2022	**950,000**	**3,082**
Cash flows (net)	150,000	(29,689)
Movements in Statement of Comprehensive Income	—	32,775
As at 31 December 2022	**1,100,000**	**6,168**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

18. Financial risk management

The Investment Manager and the Administrator report to the Board on a quarterly basis and provide information to the Board which allows it to monitor and manage financial risks relating to its operations. The Group's activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk.

The Group's market risk is managed by the Investment Manager in accordance with the policies and procedures in place. The Group's overall market positions are monitored on a quarterly basis by the Board.

Price risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Group will fluctuate. Investments are measured at fair value through profit or loss and are valued on a discounted cash flow basis. Therefore, the value of these investments will be (amongst other risk factors) a function of the discounted value of their expected cash flows and, as such, will vary with movements in interest rates and competition for such assets. As disclosed in note 9, the key assumptions determining fair value of investments are subjective and therefore it is feasible that a reasonable alternative assumption may be used resulting in a different valuation for these investments.

Interest rate risk

The Group's interest rate risk on interest bearing financial assets is limited to interest earned on security cash deposits. The Group also has exposure to interest rate risk due to floating interest rates required to service external borrowings through the revolving credit facility and the unhedged £115 million term loan tranche with AXA. An increase of 1 per cent (2022: 3 per cent) represents the Investment Manager's assessment of a reasonably possible change in interest rates. Should the SONIA rate increase by 1 per cent, the annual interest due on the facility and term loan would increase by £5,150,000 (2022: £6,000,000) on the basis that the revolving credit facility is £400 million drawn (2022: £200 million). The Group's only other exposure to interest rate risk is due to the £75 million term loan with AXA and £150 million term loan with Lloyds that are hedged by different counterparties. No material impact is expected for these swaps. The Investment Manager regularly monitors interest rates to ensure the Group has adequate provisions in place in the event of significant fluctuations.

The associated interest rate swaps on amounts drawn under the other term debt facilities detailed in note 13, effectively set interest payable at a fixed rate for the full term of the loans, thereby mitigating the risks associated with the variability of cash flows arising from interest rate fluctuations.

The Board considers that, as shareholder loan investments bear interest at a fixed rate, they do not carry any interest rate risk.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

18. Financial risk management continued

Interest rate risk continued

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

Group	Fixed rate £'000	Floating rate £'000
Assets		
Security cash deposits (note 11)	—	40,119
Other receivables (note 11)	—	111
Investments	1,484,003	—
	1,484,003	**40,230**
Liabilities		
Loans and borrowings (note 13)	(1,275,000)	(515,000)
	(1,275,000)	**(515,000)**

The Group's interest bearing assets and liabilities as at 31 December 2022 are summarised below:

Group	Fixed rate £'000	Floating rate £'000
Assets		
Investments	1,087,081	—
	1,087,081	**—**
Liabilities		
Loans and borrowings (note 13)	(900,000)	(200,000)
	(900,000)	**(200,000)**

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

Company	Fixed rate £'000	Floating rate £'000
Assets		
Security cash deposits (note 11)	—	40,119
Other receivables (note 11)	—	111
	—	**40,230**
Liabilities		
Loans and borrowings (note 13)	(1,275,000)	(515,000)
	(1,275,000)	**(515,000)**

The Company's interest bearing assets and liabilities as at 31 December 2022 are summarised below:

Company	Fixed rate £'000	Floating rate £'000
Liabilities		
Loans and borrowings (note 13)	(900,000)	(200,000)
	(900,000)	**(200,000)**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

18. Financial risk management continued

Foreign currency risk

Foreign currency risk is defined as the risk that the fair values of future cash flows will fluctuate because of changes in foreign exchange rates. The Group's financial assets and liabilities are denominated in GBP and substantially all of its revenues and expenses are in GBP. The Group is not considered to be materially exposed to foreign currency risk.

Credit risk

Credit risk is the risk of loss due to the failure of a borrower or counterparty to fulfil its contractual obligations. The Group is exposed to credit risk in respect of other receivables, cash at bank, security cash deposits, loan investments and loan advances. The Group's credit risk exposure is minimised by dealing with financial institutions with investment grade credit ratings and making loan investments which are equity in nature. As loan investments are carried at fair value, any credit risk movement is reflected in the fair value. The Investment Manager regularly reviews the future cash flows and valuations of the investee companies, to gain comfort as to the recoverability of the loans. No balances are past due or impaired.

The table below details the Group's maximum exposure to credit risk:

Group	31 December 2023 £'000	31 December 2022 £'000
Other receivables (note 11)	859	717
Cash at bank	21,805	19,783
Security cash deposits (note 11)	40,119	—
Loan investments	1,484,003	1,087,081
	1,546,786	**1,107,581**

The table below details the Company's maximum exposure to credit risk:

Company	31 December 2023 £'000	31 December 2022 £'000
Other receivables (note 11)	111	3
Cash at bank	52	2,446
Security cash deposits (note 11)	40,119	—
Loan investments	2,696,103	2,343,715
	2,736,385	**2,346,164**

The table below shows the cash balances of the Group and the credit rating for each counterparty:

Group	Rating	31 December 2023 £'000	31 December 2022 £'000
RBS International	A	21,805	17,505
The Crown Estate	n/a	—	2,278
		21,805	**19,783**

The table below shows the cash balances of the Company and the credit rating for each counterparty:

Company	Rating	31 December 2023 £'000	31 December 2022 £'000
RBS International	A	52	168
The Crown Estate	n/a	—	2,278
		52	**2,446**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

18. Financial risk management continued

Liquidity risk

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

The significant net current liabilities position of the Group at 31 December 2023 is due to both the Company's revolving credit facility and two of the Company's term debt tranches with NAB and CBA maturing within 12 months of the year end and therefore being classified as current liabilities. The Company expects to refinance the maturing term debt during 2024.

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

Group – 31 December 2023	Less than 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Assets				
Other receivables (note 11)	859	—	—	**859**
Cash at bank	21,805	—	—	**21,805**
Security cash deposits (note 11)	40,119	—	—	**40,119**
Loan investments	—	—	1,484,003	**1,484,003**
Liabilities				
Other payables (note 12)	(17,573)	—	—	**(17,573)**
Loans and borrowings	(589,744)	(1,129,977)	(369,089)	**(2,088,810)**
	(544,534)	**(1,129,977)**	**1,114,914**	**(559,597)**

Group – 31 December 2022	Less than 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Assets				
Other receivables (note 11)	717	—	—	**717**
Cash at bank	19,783	—	—	**19,783**
Loan investments	—	—	1,087,081	**1,087,081**
Liabilities				
Other payables (note 12)	(8,354)	—	—	**(8,354)**
Loans and borrowings	(185,768)	(819,975)	(212,815)	**(1,218,558)**
	(173,622)	**(819,975)**	**874,266**	**(119,331)**

The shareholder loan investments are repayable on demand.

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

Company – 31 December 2023	Less than 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Assets				
Other receivables (note 11)	111	—	—	**111**
Cash at bank	52	—	—	**52**
Security cash deposits (note 11)	40,119	—	—	**40,119**
Loan investments	—	—	2,696,103	**2,696,103**
Liabilities				
Other payables (note 12)	(14,793)	—	—	**(14,793)**
Loans and borrowings	(589,744)	(1,129,977)	(369,089)	**(2,088,810)**
	(564,255)	**(1,129,977)**	**2,327,014**	**632,782**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

18. Financial risk management continued

Liquidity risk continued

Company – 31 December 2022	Less than 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Assets				
Other receivables (note 11)	3	—	—	**3**
Cash at bank	2,446	—	—	**2,446**
Loan investments	—	—	2,343,715	**2,343,715**
Liabilities				
Other payables (note 12)	(8,159)	—	—	**(8,159)**
Loans and borrowings	(185,768)	(819,975)	(212,815)	**(1,218,558)**
	(191,478)	**(819,975)**	**2,130,900**	**1,119,447**

The Group and Company will use cash flow generation, equity placings, debt refinancing or disposal of assets to manage liabilities as they fall due in the longer term.

Capital risk management

The Company considers its capital to comprise ordinary share capital, distributable reserves and retained earnings. The Company is not subject to any externally imposed capital requirements.

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

19. Related party transactions

Amounts paid to the Directors during the year are as outlined in the Directors' Remuneration Report on pages 45 to 48. £46,461 (2022: £39,927) of employer's national insurance was paid on non-executive Directors' fees during the year.

During the year, the Company increased its loan to Holdco by £680,800,000 (2022: £260,811,425) and Holdco settled amounts of £328,411,737 (2022: £347,862,031). The amount outstanding at the year end was £2,696,103,477 (31 December 2022: £2,343,715,214).

Under the terms of a Management Services Agreement with Holdco, the Company receives £800,000 per annum in relation to management and administration services. During the year, £800,000 (2022: £800,000) was paid from Holdco to the Company under this agreement and amounts due to the Company at the year end were £nil (2022: £nil).

Holdco has Management Service Agreements in place with various wind farms. Total amounts received by Holdco, amounts paid to the Investment Manager and amounts paid to the Administrator during the year, are outlined in the table below.

During the year, Holdco received £1,861,994 (2022: £2,847,873) in relation to renewables obligation proceeds on behalf of Bin Mountain, Carcant and Tappaghan. Amounts due to these investee companies as at 31 December 2023 were £3,246 (2022: £nil).

As at 31 December 2023, £182,698 was due to Bicker Fen (2022: £230,214 due from Bicker Fen), £834,064 was due to Fenlands (2022: £120,135 due from Fenlands), £924,611 was due to North Hoyle (2022: £869,799 due from North Hoyle), £147,295 was due to Nanclach (2022: £nil), £51,783 was due to Langhope Rig (2022: £nil), £27,133 was due to Douglas West (2022: £nil) and £1,017,709 was due from Burbo (2022: £nil) in respect of tax payments/rebates paid/received by Holdco.

As at 31 December 2023, under the terms of Management Services Agreements with the SPVs, Holdco was due to receive £982 from Fenlands (2022: £899 from Bicker Fen, £899 from Fenlands and £32,588 from Windy Rig).

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

19. Related party transactions continued

As at 31 December 2023, under the terms of the Investment Management Agreement, the Company owed the Investment Manager a Cash Fee of £7,715,319 and an Equity Element of £375,000, relating to the final quarter of the year and a 2023 true-up.

As at 31 December 2023, an amount of £1,539,501 (2022: £nil) was payable from the Group to Douglas West, being a return of a dividend received during the year.

	For the year ended 31 December 2023		
	Income received £	Expenses paid to the Investment Manager £	Expenses paid to the Administrator £
Andershaw, Bin Mountain, Bishopthorpe, Brockaghboy, Carcant, Church Hill, Cotton Farm, Corriegarth, Crighshane, Douglas West, Earl's Hall Farm, Glen Kyllachy, Kildrummy, Langhope Rig, Maerdy, North Hoyle, Screggagh, Slieve Divena, Slieve Divena 2, Stroupster, Tappaghan, Tom nan Clach, Twentyshilling, Windy Rig: £56,918 income receivable per wind farm per annum £28,459 expenses payable to the Investment Manager per wind farm per annum £28,459 expenses payable to the Administrator per wind farm per annum	1,366,019	683,010	683,010
Braes of Doune, Drone Hill, North Rhins, Sixpenny Wood, Yelvertoft: £42,688 income receivable per wind farm per annum £14,229 expenses payable to the Investment Manager per wind farm per annum £28,459 expenses payable to the Administrator per wind farm per annum	213,440	71,147	142,293
Dalquhandy: £32,200 income receivable per annum £16,100 expenses payable to the Investment Manager per annum £16,100 expenses payable to the Administrator per annum	32,200	16,100	16,100
Dunmaglass Holdco, Stronelairg Holdco: £8,574 income receivable per wind farm per annum £nil expenses payable to the Investment Manager per wind farm per annum £8,574 expenses payable to the Administrator per wind farm per annum	17,148	—	17,148
Bicker Fen, Fenlands: £3,274 income receivable per wind farm per annum £3,274 expenses payable to the Investment Manager per wind farm per annum £nil expenses payable to the Administrator per wind farm per annum	6,548	6,548	—
Walney Holdco: £21,570 income receivable per annum £10,785 expenses payable to the Investment Manager per annum £10,785 expenses payable to the Administrator per annum	21,570	10,785	10,785
Humber Holdco: £8,459 income receivable per annum £nil expenses payable to the Investment Manager per annum £8,459 expenses payable to the Administrator per annum	8,459	—	8,459
Burbo Bank Extension: £6,740 income receivable per annum £6,740 expenses payable to the Investment Manager per annum £nil expenses payable to the Administrator per wind farm per annum	6,740	6,740	—
Total	**1,672,124**	**794,329**	**877,795**

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

19. Related party transactions continued

	For the year ended 31 December 2022		
	Income received £	Expenses paid to the Investment Manager £	Expenses paid to the Administrator £
Andershaw, Bishopthorpe, Brockaghboy, Church Hill, Corriegarth, Crighshane, Douglas West, Glen Kyllachy[(1)], Langhope Rig, North Hoyle, Screggagh, Slieve Divena, Slieve Divena 2, Stroupster, Tom nan Clach, Twentyshilling[(2)], Windy Rig[(3)]: £52,102 income receivable per wind farm per annum £26,051 expenses payable to the Investment Manager per wind farm per annum £26,051 expenses payable to the Administrator per wind farm per annum	864,312	432,156	432,156
Bin Mountain, Braes of Doune, Carcant, Cotton Farm, Drone Hill, Earl's Hall Farm, Kildrummy, Maerdy, North Rhins, Sixpenny Wood, Tappaghan, Yelvertoft: £39,077 income receivable per wind farm per annum £13,026 expenses payable to the Investment Manager per wind farm per annum £26,051 expenses payable to the Administrator per wind farm per annum	468,922	156,307	312,615
Dunmaglass Holdco, Stronelairg Holdco: £7,848 income receivable per wind farm per annum £nil expenses payable to the Investment Manager per wind farm per annum £7,848 expenses payable to the Administrator per wind farm per annum	15,697	—	15,697
Bicker Fen, Fenlands: £2,997 income receivable per wind farm per annum £2,997 expenses payable to the Investment Manager per wind farm per annum £nil expenses payable to the Administrator per wind farm per annum	5,994	5,994	—
Walney Holdco: £19,746 income receivable per annum £9,873 expenses payable to the Investment Manager per annum £9,873 expenses payable to the Administrator per annum	19,746	9,873	9,873
Humber Holdco: £7,744 income receivable per wind farm per annum £nil expenses payable to the Investment Manager per wind farm per annum £7,744 expenses payable to the Administrator per wind farm per annum	7,744	—	7,744
Total	**1,382,415**	**604,330**	**778,085**

(1) Acquired in December 2021. £53,396 income received and £26,698 paid to the Investment Manager during the year.

(2) Acquired in June 2022. £27,157 income received and £13,579 paid to the Investment Manager during the year.

(3) Acquired in December 2021. £54,326 income received and £27,163 paid to the Investment Manager during the year.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

19. Related party transactions continued

The table below shows dividends received in the year from the Group's investments.

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Humber Holdco[1]	53,436	53,017
Clyde	46,776	51,055
Stronelairg Holdco[2]	26,154	33,733
Walney Holdco[3]	25,298	28,890
Hornsea 1 Holdco[4]	16,842	—
North Hoyle	14,412	27,730
Braes of Doune	14,361	28,724
Brockaghboy	13,804	18,763
Corriegarth	13,097	32,463
Hoylake[5]	12,583	7,342
Dunmaglass Holdco[6]	11,298	13,177
ML Wind[7]	10,143	16,317
Fenlands[8]	9,515	16,937
SYND Holdco[9]	9,430	18,695
Rhyl Flats	8,258	13,099
Stroupster	6,610	3,021
Little Cheyne Court	6,437	9,184
Windy Rig	5,277	14,942
Tappaghan	5,017	9,221
Andershaw	4,417	15,599
Slieve Divena	4,345	7,951
Maerdy	4,318	9,038
Twentyshilling	4,046	8,384
Bishopthorpe	3,944	7,952
Bicker Fen	3,770	6,382
Langhope Rig	3,475	9,287
Screggagh	3,404	6,477
Cotton Farm	2,960	4,467
Slieve Divena 2	2,732	5,490
Kildrummy	2,359	4,614
Crighshane	2,201	5,677
Glen Kyllachy	2,131	11,300
Earl's Hall Farm	1,788	2,264
Douglas West	1,500	14,250
Carcant	1,340	3,237
Bin Mountain	1,260	3,168
Church Hill	1,201	4,050
	359,939	**525,897**

(1) The Group's investment in Humber Gateway is held through Humber Holdco.
(2) The Group's investment in Stronelairg is held through Stronelairg Holdco.
(3) The Group's investment in Walney is held through Walney Holdco.
(4) The Group's investment in Hornsea 1 is held through Hornsea 1 Holdco.
(5) The Group's investment in Burbo Bank Extension is held through Hoylake.
(6) The Group's investment in Dunmaglass is held through Dunmaglass Holdco.
(7) The Group's investments in Middlemoor and Lindhurst are held through ML Wind.
(8) The Group's investments in Deeping St. Nicholas, Glass Moor, Red House and Red Tile are held through Fenlands.
(9) The Group's investments in Drone Hill, North Rhins, Sixpenny Wood and Yelvertoft are held through SYND Holdco.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

19. Related party transactions continued

The table below shows interest received in the year from the Group's shareholder loan investments.

	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Hoylake[(1)]	10,662	6,706
Walney Holdco[(2)]	9,994	11,244
Stronelairg Holdco[(3)]	5,197	5,197
Clyde	4,283	4,206
South Kyle	4,239	—
Dunmaglass Holdco[(4)]	3,412	3,412
Tom nan Clach	2,890	2,809
Glen Kyllachy	2,886	3,085
Corriegarth	2,805	2,658
London Array[(5)]	2,605	—
Douglas West	2,532	2,947
Hornsea 1 Holdco[(6)]	2,206	—
Andershaw	1,894	2,125
Windy Rig	1,850	2,309
Twentyshilling	1,473	1,005
Slieve Divena 2	1,340	1,329
Crighshane	1,257	1,283
Church Hill	843	944
Dalquhandy	417	—
	62,785	**51,259**

(1) The Group's investment in Burbo Bank Extension is held through Hoylake.

(2) The Group's investment in Walney is held through Walney Holdco.

(3) The Group's investment in Stronelairg is held through Stronelairg Holdco.

(4) The Group's investment in Dunmaglass is held through Dunmaglass Holdco.

(5) The Group's investment in London Array is held through London Array Holdco.

(6) The Group's investment in Hornsea 1 is held through Hornsea 1 Holdco.

Notes to the Consolidated Financial Statements continued

For the year ended 31 December 2023

19. Related party transactions continued

The table below shows the Group's shareholder loans with the wind farm investments.

	Loans at 1 January 2023[1] £'000	Loans advanced in the year[2] £'000	Loans restructured in the year £'000	Loan repayments in the year £'000	Loans at 31 December 2023 £'000	Accrued interest at 31 December 2023 £'000	Total £'000
Andershaw	32,641	—	—	(2,695)	29,946	135	**30,081**
Church Hill	13,830	—	—	(1,176)	12,654	2	**12,656**
Clyde	71,503	—	—	—	71,503	1,022	**72,525**
Corriegarth	42,553	—	—	—	42,553	70	**42,623**
Crighshane	20,497	—	—	(1,970)	18,527	—	**18,527**
Dalquhandy	—	40,878	—	—	40,878	987	**41,865**
Douglas West	43,248	—	—	(3,139)	40,109	—	**40,109**
Dunmaglass Holdco[3]	56,864	—	—	—	56,864	860	**57,724**
Glen Kyllachy	48,776	—	—	(2,146)	46,630	—	**46,630**
Hornsea 1 Holdco[4]	109,475	6,906	—	(15,050)	101,331	34	**101,365**
Hoylake[5]	178,120	1,239	—	—	179,359	—	**179,359**
Kype Muir Extension	39,415	6,553	(15,809)	—	30,159	152	**30,311**
London Array[6]	—	146,987	—	(13,718)	133,269	1,542	**134,811**
Slieve Divena 2	21,378	—	—	(706)	20,672	—	**20,672**
South Kyle	—	208,505	—	(1,714)	206,791	—	**206,791**
Stronelairg	86,619	—	—	—	86,619	1,310	**87,929**
Tom nan Clach	73,709	—	—	(7,885)	65,824	11	**65,835**
Twentyshilling	32,190	—	—	—	32,190	464	**32,654**
Walney Holdco[7]	172,727	—	—	—	172,727	369	**173,096**
Windy Rig	36,772	—	—	—	36,772	369	**37,141**
	1,080,317	**411,068**	**(15,809)**	**(50,199)**	**1,425,377**	**7,327**	**1,432,704**

(1) Excludes accrued interest at 31 December 2022 of £6,763,541.

(2) Includes capitalised interest of £2,074,396 for Kype Muir Extension, £1,239,406 for Hoylake and £5,070,644 for Hornsea 1, plus a true-up of £1,835,512 relating to the Hornsea 1 loan.

(3) The Group's investment in Dunmaglass is held through Dunmaglass Holdco.

(4) The Group's investment in Hornsea 1 is held through Hornsea 1 Holdco.

(5) The Group's investment in Burbo Bank Extension is held through Hoylake.

(6) The Group's investment in London Array is held through London Array Holdco.

(7) The Group's investment in Walney is held through Walney Holdco.

20. 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.

21. Subsequent events

On 29 January 2024, the Company announced a dividend of £79.1 million, equivalent to 3.43 pence per share with respect to the quarter ended 31 December 2023, bringing the total dividend declared with respect to the year to 31 December 2023 to 10 pence per share. The record date for the dividend was 16 February 2024 and the payment date is 29 February 2024.

On 30 January 2024, the Company announced that Abigail Rotheroe will join the Board, effective from 1 March 2024.

Post year end, the Company had announced cumulative buybacks of 14 million shares between 1 January and 27 February 2024.

Company Information

Directors (all non-executive)
Lucinda Riches C.B.E (Chairman)
Martin McAdam
Caoimhe Giblin
Nick Winser C.B.E.
Jim Smith[1]
Shonaid Jemmett-Page[2]

Investment Manager
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5 Wilton Road
London
SW1V 1AN

Administrator and Company Secretary
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Belfast
BT3 9DT

Depositary
Ocorian Depositary (UK) Limited
Unit 4, The Legacy Building
Northern Ireland Science Park
Queen's Road
Belfast
BT3 9DT

Registrar
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The Pavilions
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BS99 6ZZ

Registered Company Number
08318092

Registered Office
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20 Fenchurch Street
London
EC3M 3BY

Registered Auditor
BDO LLP
55 Baker Street
London
W1U 7EU

Joint Broker
RBC Capital Markets
100 Bishopsgate
London
EC2N 4AA

Joint Broker
Jefferies International Limited
100 Bishopsgate
London
EC2N 4JL

(1) Appointed to the Board with effect from 1 May 2023.
(2) Retired from the Board with effect from 28 April 2023.

Supplementary Information (unaudited)

Under the Alternative Investment Fund Manager Regulations 2013 (as amended) the Company is a UK AIF and the Investment Manager is a full scope UK AIFM.

Ocorian Depositary (UK) Limited provides depositary services under the AIFMD.

The AIFMD outlines the required information which has to be made available to investors prior to investing in an AIF and directs that material changes to this information be disclosed in the Annual Report of the AIF. There were no material changes in the year.

All information required to be disclosed under the AIFMD is either disclosed in this Annual Report or is detailed within a schedule of disclosures on the Company's website at www.greencoat-ukwind.com.

The Investment Manager covers the potential professional liability risks resulting from its activities by holding professional indemnity insurance in accordance with Article 9(7)(b) of AIFMD.

The information in this paragraph relates to the Investment Manager, the AIFM, and its subsidiary company providing services to the AIFM and it does not relate to the Company. The total amount of remuneration paid by the Investment Manager, in its capacity as AIFM, to its 118 staff for the financial year ending 31 December 2023 was £29.4 million, consisting of £19.1 million fixed and £10.3 million variable remuneration. The aggregate amount of remuneration for the 14 staff members of the Investment Manager constituting senior management and those staff whose actions have a material impact on the risk profile of the Company was £5.3 million. These figures relate to the Investment Manager's entire AIFM business and not to the Company.

EU SFDR Disclosures (unaudited)

Annex V

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

Product name: Greencoat UK Wind PLC (the "**Company**")

Legal entity identifier: 213800ZPBBK8H51RX165

Sustainable investment objective

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

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

Did this financial product have a sustainable investment objective? ***(tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments)***

☑ **YES**	☐ **NO**
☑ It made **sustainable investments with an environmental objective**: 99%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investmentss
☑ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective**: ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

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

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

The Company invests in operating UK wind farms, supporting the transition to Net Zero. The Company's aim is to provide investors with an annual dividend per Ordinary Share that increases in line with RPI inflation while preserving the capital value of its investment portfolio on a real basis over the long term, through re-investment of excess cashflow.

The Company has sustainable investment as its objective within the meaning of Article 9 SFDR. More specifically, the Company is intended to contribute to the environmental objective of climate change mitigation on the basis of the activities of the assets targeted by the Company, which are wind power generation assets that help to facilitate the transition to a low-carbon economy.

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

As at 31 December 2023, the Company's portfolio comprises interests in 49 operating wind farms totalling 2,007MW capacity.

EU SFDR Disclosures (unaudited) continued

These sustainable investments contribute to the Company's sustainable investment objective as the electricity generated from wind farms can be used in place of non-renewable energy sources, thereby helping to stabilise greenhouse gas concentrations in the atmosphere and contributing to climate change mitigation. These investments are considered environmentally sustainable in accordance with the technical screening criteria of the EU Taxonomy relating to the environmental objective of climate change mitigation and electricity generation from wind power.

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

The sustainability indicators used to measure attainment of the sustainable investment objective of the Company performed as follows in the reporting period:

- Renewable energy generated: 4,743GWh
- Greenhouse gas emissions[(1)] avoided: 1.9 million tonnes CO_2e
- Equivalent number of homes powered[(2)]: 1.8 million

Carbon footprint indicators are measured in line with the industry standard Greenhouse Gas Protocol based on an equity control approach, meaning emissions from the Group's operations are weighted according to the Group's proportionate ownership in its SPV investments.

Scope emissions calculations are verified by third party consultants.

Scope 3 emissions are the result of activities from assets not owned or controlled by the Group, but that the Group indirectly impacts in its value chain. Scope 3 emissions include all sources not within the Group's Scope 1 and 2 boundary and include, inter alia, emissions arising from the construction of each wind farm acquired in 2023, including those emissions associated with the manufacturing and transport of all equipment and material, before the wind farm was commissioned as well as the expected spare part provision throughout its lifetime.

- ***…and compared to previous periods?***

Sustainability Indicator	2023	2022
Renewable electricity generated (GWh)	4,743	4,362
Greenhouse gas emissions avoided (tCO_2)	1.9 million	1.7 million
Equivalent number of homes powered	1.8 million	1.5 million

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

All indicators increased year-on-year reflecting the increase in operating capacity of the Group resulting from new investments in the year. Relative to its MW capacity, homes powered by the Group decreased as the annual average household consumption in the UK fell from 2.9MWh to 2.7MWh per annum.

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

The Investment Manager has sought to ensure that the Company's sustainable investments cause no significant harm to any sustainable investment objective by predominately investing in operating wind farms and by actively engaging and managing sustainability risks and opportunities for the Company and its investments prior to investment and on an ongoing basis once an investment has been made.

Prior to each investment, the Investment Manager's Investment Committee, responsible for the Company, considered the Company's investment policy, investment restrictions and the Company's ESG Policy (a copy of which can be found on the Company's website, as well as the sustainability risks and opportunities identified during due diligence (including by means of an ESG checklist).

(1) This reflects CO_2e savings calculated based on the thermal generation displaced. In the UK, this assumes the displacement of CCGT generation at a carbon intensity factor of 0.4 $kgCO_2e$/KWh (IEA).

(2) Calculated based on average household consumption estimates. In the UK, this was 2.7MWh/annum (Ofgem).

EU SFDR Disclosures (unaudited) continued

Each investment made is held through SPVs and the Investment Manager has appointed senior representatives to each of the boards of those SPVs to oversee all major strategic and operational decisions.

Sustainability risks and opportunities have been fully embedded into the risk management framework at both Company and asset SPV level. A risk matrix has been set up for each new SPV, which includes sustainability risks, and assesses risks (in respect of the likelihood of its occurrence and the impact of its occurrence) on a numerical scale.

Ongoing sustainability risks for the portfolio were monitored, managed and reported on by the Investment Manager to the Company's Board of Directors which has overall responsibility for the activities of the Company and its investments.

During 2023, there were no material incidents across the portfolio. Specifically with regards to health and safety, there were 30 workdays lost to injuries (based on 2 reportable lost time incidents). The Investment Manager continues its focus on managing health and safety risks including regular training for asset managers and Operations & Maintenance teams to promote a culture of reporting to improve awareness and openness on the management of health and safety at sites. The Investment Manager will continue to monitor health and safety performance of all sites closely, in line with its ESG Policy commitments.

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

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

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

As the Company predominantly targets investments in operating UK wind farms, the PAIs that are most relevant to the Company include (but are not limited to):

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

The Investment Manager sought to mitigate the impact of the PAIs and other indicators considered in relation to the Company firstly by implementing the Company's ESG Policy, which has been developed in line with the Investment Manager's own ESG Policy. This sets guidance and principles for integrating sustainability across the Company's business and looks to establish best practice in climate related risk management, reporting and transparency. It outlines areas of focus for wind power generation assets including environment, workplace standards, health and safety practices, governance (including compliance with applicable laws and regulations) and local community engagements. It also includes a list of key performance indicators that are monitored and reported on (as appropriate). Sustainability factors were considered prior to investment as part of early stage screening, detailed due diligence and the Investment Committee's decision making, and are managed post acquisition in accordance with the Investment Manager's wider asset management practices.

A statement on principal adverse impacts on sustainability factors (the "**PAI Statement**"), including the list of PAI indicators and associated metrics considered in relation to the Company, can be found on the Company's website.

The Investment Manager considers the impacts reported within the PAI Statement do not constitute significant harm to any sustainable investment objective, as further described in the PAI Statement.

EU SFDR Disclosures (unaudited) continued

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

  Yes – the Investment Manager believes that the Company's sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (the "**Minimum Safeguards**").

  During 2023, the Investment Manager conducted initial due diligence (for new investments) and ongoing monitoring (for existing investments) of the SPVs in which the underlying wind assets are held to ensure their alignment with the Minimum Safeguards.

  Further, the Investment Manager ensured that the key service providers involved in the operations, maintenance and management of the SPVs acquired in 2023 comply with all applicable laws, rules, regulations and overarching principles in the countries where they operate. This covers anti bribery and corruption, financial crime, data protection and employment and health and safety laws (including those relating to human rights, human trafficking, modern slavery, and public safety). This was achieved, where possible, through the application of the Investment Manager's 'Code of Conduct' Side Letter or otherwise provided for in the key service provider contracts, and monitoring by the Investment Manager's risk function.

  There has been no material change to any existing service providers, or any reports by the SPVs of any misalignment to the Minimum Safeguards.

  For more information on how the sustainable investment objective of this financial product was met, please refer to the Company's ESG Report which can be found on the Company's website.

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

See the response to the question above "How were the indicators for adverse impacts on sustainability factors taken into account."

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period:

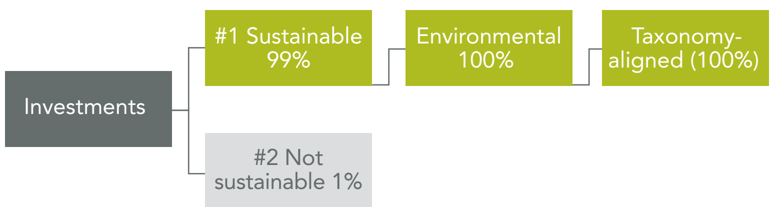
What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Hornsea 1	Wind	16%	UK
Humber Gateway	Wind	9%	UK
London Array	Wind	8%	UK
Walney	Wind	7%	UK
Clyde	Wind	7%	UK
South Kyle	Wind	6%	UK
Stronelairg	Wind	5%	UK
Corriegarth	Wind	4%	UK
Burbo Bank Extension	Wind	3%	UK
Brockaghboy	Wind	3%	UK

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

- ***What was the asset allocation?***



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

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

EU SFDR Disclosures (unaudited) continued

- ***In which economic sectors were the investments made?***

  All of the Company's investments are in the economic sector "electricity generation from wind power" (activity 4.3 of the Climate Change Mitigation Technical Screening Criteria).

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

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?***

  The Company did not make any investments in fossil gas or nuclear energy activities. In line with its Investment Policy, the Company will only invest in UK wind farms.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*

2. Taxonomy-alignment of investments excluding sovereign bonds*

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

- ***What was the share of investments made in transitional and enabling activities?***

  All activities of the Company are low carbon activities so the share of investments in transitional and enabling activities is zero.

- ***How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?***

  Not applicable as this is the Company's first report produced with respect to the EU Taxonomy alignment of the Company's investments.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in the Commission Delegated Regulation (EU) 2022/1214

EU SFDR Disclosures (unaudited) continued

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy

There was no share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy. 100 per cent of the Company's sustainable investments are in wind generation assets which are considered aligned with the EU Taxonomy in accordance with the relevant Technical Screening Criteria for climate change mitigation (activity 4.3).

What was the share of socially sustainable investments?

0 per cent of the Company's investments are socially sustainable investments. The Company does not target sustainable investments with a social objective.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The investments included under "#2 Not sustainable" comprise cash collateral reserves (to the extent not generated from sustainable investments).

In 2023, "not sustainable" assets were 1 per cent of the Company's NAV and reflected cash collateral reserves. Given the purpose of these investments, there were no minimum environmental and social safeguards applied to such investments.

What actions have been taken to attain the sustainable investment objective during the reference period?

The Investment Manager sought to attain the Company's sustainable investment objective by implementing the binding elements described in the Company's pre contractual disclosures (Annex 3 RTS) on a continuous basis, and by integrating sustainability risks in its investment decision making as described above: "*How did the sustainable investments not cause significant harm to any sustainable investment objective?*".

The Company continues to invest in further operating wind farms and in construction projects to increase its renewable energy generation capacity.

In 2023, the Investment Manager continued to enhance its processes to measure and monitor the application of the binding elements. For example, the Investment Manager's ESG Policy, upon which the Company's ESG Policy has been developed, was updated again in Q4 2023 to incorporate the Investment Manager's approach to good governance and minimum safeguards.

Further, the Investment Manager continued to engage with stakeholders relevant to the Group's portfolio to ensure its renewable investments positively impact the local communities in which they operate. Sustainability related risks and challenges were regularly discussed within the Investment Manager's asset management teams, which were also reported to and discussed with the Board through regular meetings and specific risk register review discussions. Key sustainability factors such as those relating to health and safety, compliance with environmental standards and stakeholder relations were regularly discussed and documented.

EU SFDR Disclosures (unaudited) continued

How did this financial product perform compared to the reference sustainable benchmark?

Not applicable (N/A) as the Company does not have a carbon reduction objective and is not managed against a reference benchmark

- ***How did the reference benchmark differ from a broad market index?***

  N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?***

  N/A

- ***How did this financial product perform compared with the reference benchmark?***

  N/A

- ***How did this financial product perform compared with the broad market index?***

  N/A

EU SFDR Disclosures (unaudited) continued

Statement on principal adverse impacts "PAIs" of investment decisions on sustainability factors

Financial Product:

Greencoat UK Wind PLC (LEI: 213800ZPBBK8H51RX165) (the "**Company**"), managed by Schroders Greencoat LLP (the "**Investment Manager**")

1. Summary

The Investment Manager considers PAIs of its investment decisions on sustainability factors in relation to the Company. The present statement is the consolidated statement on PAIs on sustainability factors of the Company. This statement on principal adverse impacts on sustainability factors of the Company covers the reference period from 1 January to 31 December 2023.

The adverse sustainability indicators applicable to investee companies considered by the Investment Manager are summarised in the table below (including the relevant table and number associated with the adverse sustainability indicators listed in Annex I of the RTS[(1)]).

Theme	Adverse Sustainability Indicator	RTS Annex I Table	RTS Annex I Number
Climate and other environment-related indicators	Greenhouse gas ("GHG") emissions	1	1
	Carbon footprint	1	2
	GHG intensity of investee companies	1	3
	Exposure to companies active in the fossil fuel sector	1	4
	Share of non-renewable energy consumption and production	1	5
	Energy consumption intensity per high impact climate sector	1	6
	Emissions to water	1	8
	Hazardous waste and radioactive waste ratio	1	9
	Natural species and protected areas	2	14
Social and employee, respect for human rights, anti corruption and anti bribery matters	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	1	10
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	1	11
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	1	14
	Number of days lost to injuries, accidents, fatalities or illness	3	3
	Lack of a supplier code of conduct	3	4
	Lack of anti corruption and anti-bribery policies	3	15

(1) The Regulatory Technical Standards accompanying the EU Sustainable Finance Disclosure Regulation.

EU SFDR Disclosures (unaudited) continued

2. Description of the PAIs on sustainability factors

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	13 tonnes of CO_2	149 tonnes of CO_2	Carbon footprint indicators are measured in line with the industry standard GHG Protocol based on an equity control approach, meaning emissions from the Group's operations are weighted according to the Group's SPV ownership interest. Scope emissions calculations are verified by third party consultants. Scope 3 emissions are the result of activities from assets not owned or controlled by the Group, but that the Group indirectly impacts in its value chain. Scope 3 emissions include all sources not within the Company's Scope 1 and 2 boundary and include, inter alia, emissions arising from the construction of each wind farm acquired in 2023, including those emissions associated with the manufacturing and transport of all equipment and material, before the wind farm was commissioned as well as the expected spare part provision throughout its lifetime.	The GHG emissions of the Company increased year on year. This was mostly driven by Scope 3 emissions which reflects the purchase of new assets for which carbon emissions reflect those associated with the original construction (embodied emissions) of those assets. More detail on the drivers of emissions can be found in the historical comparison section on pages 120 to 121. In 2023, the Investment Manager worked to reduce GHG emissions associated with Scope 2 by switching import electricity consumption for 16% of the assets in its portfolio to fully renewable tariffs. Based on the switching of tariffs for these assets, using 2022 reported Scope 2 carbon emissions for the Group's portfolio, this initiative resulted in a reduction of 227tCO_2, a 16% reduction from the total portfolio Scope 2 emissions on a like-for-like basis. The asset management team will continue to work with the Investment Manager to switch import electricity tariffs to fully renewable as contracts come up for renewal in 2024. The team will also consider engaging with co-investors for joint venture investments to try to switch tariffs and consider opportunities to reduce Scope 1 emissions.
		Scope 2 GHG emissions	1,485 tonnes of CO_2 (market-based)	1,422 tonnes of CO_2 (market-based)		
			2,162 tonnes of CO_2 (location-based)	1,731 tonnes of CO_2 (location-based)		
		Scope 3 GHG emissions	261,138 tonnes of CO_2	136,161 tonnes of CO_2		
		Total GHG emissions	262,637 tonnes of CO_2	137,732 tonnes of CO_2		
	2. Carbon footprint	Carbon footprint	42.9 tonnes of CO_2	24.6 tonnes of CO_2		
	3. GHG intensity of investee companies	GHG intensity of investee companies	1,193 tonnes of CO_2	535 tonnes of CO_2/ £ million revenue		

EU SFDR Disclosures (unaudited) continued

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Greenhouse gas emissions continued	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	The Group does not have any exposure to the fossil fuel sector and will only invest in UK wind farms in accordance with its Investment Objective and Investment Policy.	The Investment Manager continues to screen all investments against this exclusion list as part of initial investment screening. With regards to non-renewable energy consumption, see the comment in relation to PAIs 1-3 above
	5. Share of non renewable energy consumption and production	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 of total energy sources	Production share: 0% non renewable. Consumption share: 41.9% non renewable.	Production share: 0% non renewable. Consumption share: 38% non renewable.	The Group's wind farm portfolio generates renewable electricity that avoids the carbon emissions and air pollution that would have otherwise been generated using fossil fuels. These assets consume electricity in the generation of renewable electricity.	
	6. Energy consumption intensity per high impact climate sector	Energy consumption in MWh per million GBP of revenue of investee companies, per high impact climate sector	N/A	N/A		PAI 6 is considered not relevant for the portfolio as the investment assets are in high impact climate sectors.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million GBP invested, expressed as a weighted average	N/A	N/A		PAI 8 is considered not relevant for the porfolio as the investments do not produce emissions to water.
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million GBP invested, expressed as a weighted average	N/A	N/A		There was a very minor spill of oil at a wind turbine site in 2023 of 0.045 tonnes which was reported to SEPA. Remediation actions were implemented immediately by the Operations Manager on site and the incident has been closed. Learnings were identified by the Investment Manager to prevent similar incidents at other sites. On a tonnes per million invested basis this has been considered not material enough to report.

EU SFDR Disclosures (unaudited) continued

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
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	Data not available	Data not available	The Company invests in UK wind farms which are held through special purpose vehicles ("SPVs"), which are standalone legal entities that typically do not have any employees. The SPVs outsource all operations, maintenance and management activities to third parties, through long term contracts. The Investment Manager conducts initial due diligence and provides ongoing monitoring of SPVs to ensure their alignment with the Minimum Safeguards. Where possible, the Investment Manager imposed obligations on the key service providers involved in the operations and management of the SPVs to ensure their ongoing compliance. In most instances, this was achieved by the Investment Manager's 'Code of Conduct Side Letter' (or an equivalent standard) which requires key service providers to comply with all applicable laws, rules, regulations and overarching principles in the countries where they operate (which includes the Minimum Safeguards). This covers anti bribery and corruption, financial crime, data protection and employment and health and safety laws (including those relating to human rights, human trafficking, modern slavery, and public safety).	In 2023, the Investment Manager adopted the Schroders Group's Global Norms Framework to support in the identification of companies and investments deemed in breach of OECD and UNGC principles and updated the Investment Manager's Greencoat ESG Policy to reflect this. The ultimate output of this framework is the Global Norms list which comprises a list of companies that have: been identified as causing significant damage; not sufficiently addressed the issue in question through transparent communication and action; and not provided sufficient remedy for affected stakeholders. This list is then applied as an exclusion criteria for Article 9 funds to ensure that investments in scope adhere to the 'Do No Significant Harm' element of SFDR. In addition to the Global Norms process noted above, the Investment Manager is working to develop a standard methodology to assess the alignment of the key service providers with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This commenced in 2023 and the Investment Manager expects the methodology to be completed and implemented in 2024.

EU SFDR Disclosures (unaudited) continued

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Social and employee matters (continued)	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and 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	Data not available	Data not available		The Investment Manager is currently enhancing its processes to monitor service provider's adherence to compliance with UNGC principles and OECD Guidelines through updates to the Code of Conduct. The Investment Manager commenced this project in 2023, including external legal guidance, and will finalise the updated Code of Conduct in 2024 before working to roll out the updated version to all service providers.
	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%	Exposure to controversial weapons is not within the Company's Investment Objective and not permissible within its Investment Policy.	The Investment Manager continues to screen all investments against this exclusion list as part of initial investment screening.
Water, waste and material emissions	14. Natural species and protected areas	Share of investments in investee companies whose operations affect threatened species	N/A	N/A	All habitat management plans are agreed for relevant sites to ensure that the environment in and surrounding each wind farm is carefully protected.	Wind farms have the potential to have a negative environmental impact through the manufacturing and supply chain process or locally through the ongoing management of the projects. The Company's ESG policy helps to mitigate against these risks. The policies in place outline the environmental standards the Company aims to meet. The Investment Manager continues to carry out due diligence on new investments relating to environmental and biodiversity-related risks and is committed to implementing any regulatory obligations regarding habitat and environmental management. There was and continues to be a strong commitment to continuous improvement of environmental management.
		Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in a protected area or an area of high biodiversity value outside protected areas	Percentage of SPV investments without habitat management plans , or any environmental planning requirements, in place: 0%	Percentage of SPV investments without habitat management plans, or any environmental planning requirements, in place: 0%		

EU SFDR Disclosures (unaudited) continued

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Social and employee matters	3. Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, or illness in investee companies	Number of workdays lost: 30	Number of workdays lost: 41 This figure is restated.	A set of KPIs to improve health and safety management and performance is monitored continuously. These are reported at least on a monthly basis directly to the Investment Manager, the Directors of the SPVs, and the Board.	The Investment Manager has stringent health and safety policies and processes in place, which include safety statements, a Schroders Capital Health and Safety Forum, incidents/developing trends reports, site visits, onboarding and training, and audits by both operating managers and accredited professionals. There is a nominated health and safety director for each fully owned wind farm SPV. The Investment Manager's asset management teams are responsible for the day to day implementation and monitoring of health and safety audits and initiatives. The Board also reviews health and safety matters at each of its scheduled meetings. The Investment Manager continued to apply the policies and processes referenced above in 2023 and will continue to apply these in 2024, using learnings from audits and trend reports to continue to enhance its approach. In 2023, the Company began vertical audits to its contractors (the Investment Manager's asset management team and O&M partners) with Quadriga to ensure that all elements of their health and safety management systems remain fit for purpose. The Investment Manager audited 16 service providers in total. Similarly, HV management systems of 5 of our HV operators were audited by a specialist HV auditor.

EU SFDR Disclosures (unaudited) continued

Adverse sustainability indicator		Metric	Impact 2023	Impact 2022	Explanation	Actions taken, and actions planned and targets set for the next reference period
Social and employee matters (continued)	4. Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	Data not available	Data not available	Upon acquisition, all wholly owned SPV's adopt the policies of the Company including the ESG Policy which states expectations regarding service providers in relation to legal and regulatory obligations related to ESG matters. Where possible, the Investment Manager imposes obligations on the key service providers involved in the operations and management of the portfolio to ensure their ongoing compliance. In most instances, this was achieved by the Investment Manager's 'Code of Conduct Side Letter' (or an equivalent standard) which requires key service providers to comply with all applicable laws, rules, regulations and overarching principles in the countries where they operate (which includes the Minimum Safeguards). This covers anti bribery and corruption, financial crime, data protection and employment and health and safety laws (including those relating to human rights, human trafficking, modern slavery, and public safety).	The Investment Manager is currently enhancing its processes to monitor service provider's adherence to compliance with UNGC principles and OECD Guidelines through updates to the Code of Conduct. The Investment Manager commenced this project in 2023, including external legal counsel guidance, and will finalise the updated Code of Conduct in 2024. The Manager will work to roll out the updated version to all service providers.
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%	Upon acquisition, all wholly owned SPV's adopt the policies of the Company including anti-corruption and anti-bribery. These policies are regularly reviewed by legal experts, and are updated for new legislation and new geographies.	

EU SFDR Disclosures (unaudited) continued

3. Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The Investment Manager seeks to mitigate the impact of PAIs and other indicators considered in relation to the Company initially by implementing the Company's ESG Policy. The Company's ESG Policy, which has been developed in line with the Investment Manager's ESG Policy (a copy of which can be found on the Investment Manager's website), sets guidance and principles for integrating sustainability across the Company's business and looks to establish best practice in climate related risk management, reporting and transparency. It outlines areas of focus for wind farms including environment, workplace standards, health and safety practices, governance (including compliance with applicable laws and regulations) and local community engagement. It also includes a list of KPIs that are monitored and reported on as appropriate. Sustainability factors are considered prior to investment as part of early stage screening, detailed due diligence and the Investment Manager's Investment Committee's decision making, and managed, post acquisition, in accordance with the Investment Manager's wider asset management practices.

The Company's ESG Policy is reviewed at least annually by the Investment Manager's ESG Committee and approved by the Board. It was last approved in November 2023.

In implementing its approach to integrating sustainability and the consideration of PAIs on sustainability factors, the Investment Manager does not rely on a dedicated team, but rather responsibilities are shared on a holistic basis:

- the investment and asset management team (as the first line of defence) who embed sustainability practices (including the consideration of PAIs on sustainability factors) into their investment decision making and ongoing management of the assets;
- a dedicated ESG Committee focused on developing the ESG Policy with support from the sustainability team;
- the Investment Committees; and
- a Valuation Committee independent of portfolio management and the Investment Manager's Risk Management Committee (as overseen by the AIFM).

Sustainability related risks and challenges are regularly discussed within the Investment Manager's asset management team and are also reported to and discussed with the Board at quarterly meetings. A specific risk matrix is also reviewed and approved on an annual basis by the Board. Key sustainability factors such as those relating to health and safety, compliance with environmental standards and stakeholder relations are regularly discussed and documented.

The boards of each SPV are responsible for ensuring sustainability factors are considered in the context of the operational performance, business objectives and broader stakeholder relationships. During the holding period, representatives of the Investment Manager will take one or more seats on the board of each SPV and will oversee all major strategic and operational decisions. Given this structure, outside health and safety risks and organisational (including governance) risks within the SPVs are limited. None of the SPVs have employees or management teams and therefore any employee related social factors are focused on the third party service providers.

The Investment Manager's ESG Committee is responsible for (i) determining the ESG Policy and reviewing it regularly to ensure it remains relevant to evolving conditions, (ii) developing and evolving sustainability integration practices for material sustainability factors within the different businesses and assets, (iii) leveraging existing resources and research capabilities on sustainability related topics for the benefit of the investment management team, and (iv) promoting education and awareness of sustainability trends and developments and sharing best practice.

The Investment Manager uses information provided directly from wind farm SPVs in relation to the PAIs. In order to ensure data quality, the Investment Manager works with specialist external advisers, such as environmental consultants. These advisers review the Investment Manager's methodologies for identifying and prioritising PAIs and advise on industry best practices.

EU SFDR Disclosures (unaudited) continued

The data collected as described above is processed as follows:

- KPI data is sourced directly from SPVs and supplemented by specialist external advisers such as environmental consultants, as required;
- operations and maintenance service providers used by the SPVs report to the Investment Manager, on a monthly basis, on a standard set of KPIs and qualitative factors, such as health and safety, compliance with relevant laws and regulations, local community engagement and habitat management, where relevant; and
- carbon footprint indicators are measured in line with the industry standard GHG Protocol based on an equity control approach, meaning emissions from the Company's operations are weighted according to the Company or its SPV's ownership interest. Scope emissions calculations will be verified by third party consultants.

In some instances, the Company may need to use estimates or proxy data. Where estimated data is used it will typically represent the minority of data used and will be based upon reasonable assumptions and appropriate comparators. The Board and the Investment Manager will act reasonably in using estimated or proxy data. As the use of such data will vary on a case by case basis, it is not possible to provide a proportion of estimated data.

Engagement policies

The Company is committed to engaging with all stakeholders relevant to its portfolio to ensure its renewable investments positively impact the communities in which they operate. The Board and Investment Manager recognise that engagement is critical to long term sustainable investment and seek to build strong, long term relationships with high quality, experienced counterparties to give consistency of service and standards.

References to international standards

The Company proactively engages with the following responsible business codes and/or internationally recognised standards to promote sustainable investment practices, as discussed in the Company's ESG report available on its website:

1. Task Force on Climate Related Financial Disclosures ("TCFD")

Relevant for Table 1, PAI 1-5 (Greenhouse gas emissions)

The Company aligns with the TCFD recommendations and makes disclosures in the Strategic Report on pages 29 to 36. These disclosures report on climate change related impacts, opportunities and risks to the Company. Given the Company's long term investment perspective, the Board and the Investment Manager constantly assess the risks its portfolio might be exposed to and factors them into decision making and risk monitoring.

Historical comparison

Please refer to Table 1 for historical data comparison.

Specifically in relation to health and safety, in 2023 there were 30 workdays lost to injuries (based on 2 reportable lost time incidents) in 2023. This decreased from 2022, with 41 workdays lost to injuries (based on 6 reportable lost time incidents). The Investment Manager continues its focus on managing health and safety risks including regular training for asset managers and Operations & Maintenance teams to promote a culture of reporting to improve awareness and openness on the management of health and safety at sites. The Manager will continue to monitor health and safety performance of all sites closely, in line with its ESG Policy commitments.

In 2023, the Company began vertical audits to its contractors (Asset managers and O&M) with Quadriga at a corporate level, to ensure that all elements of their health and safety management systems remain fit for purpose. The Investment Manager audited 16 service providers in total. Similarly, the HV management systems of 5 HV operators were audited by a specialist HV auditor.

EU SFDR Disclosures (unaudited) continued

The Company had a 91 per cent increase in total scope 1-3 emissions in 2023, compared with the previous reporting year. The largest increase was due to a 108 per cent increase in scope 3 embodied carbon emissions, the indirect emissions associated with the construction phase of infrastructure investments. Scope 3 embodied carbon emissions must be accounted for in the year an asset is acquired, and are not amortised for the year the asset is bought, under GHG Protocol guidance. The Company has concerns that this leads to double counting across the wind industry supply chain.

Scope 1 emissions decreased by 92 per cent as a result of a reduction in SF6 leakages. Scope 2 emissions increased by 29 per cent due to an increase in electricity imported as a result of growth in the portfolio's operating capacity. In 2023, the Company worked to switch electricity consumption for 16 per cent of the assets in its portfolio to fully renewable tariffs. The asset management team will continue to work to switch electricity tariffs to fully renewable as contracts come up for renewal, including for new assets purchased. The team will also consider engaging with co-investors for JV assets to try to switch tariffs.

EU SFDR Disclosures (unaudited) continued

Annex

Defined terms used in this statement

For the purposes of this statement, the following definitions shall apply:

(1) **Scope 1, 2 and 3 GHG emissions** means the scope of greenhouse gas emissions referred to in points (1)(e)(i) to (iii) of Annex III to Regulation (EU) 2016/1011 of the European Parliament and of the Council[2];

(2) **Greenhouse gas ("GHG") emissions** means greenhouse gas emissions as defined in Article 3, point (1), of Regulation (EU) 2018/842 of the European Parliament and of the Council[3];

(3) **Weighted average** means a ratio of the weight of the investment by the financial market participant in a investee company in relation to the GAV of the investee company;

(4) **Companies active in the fossil fuel sector** means companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council[4];

(5) **Renewable energy sources** means renewable non fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas;

(6) **Non renewable energy sources** means energy sources other than those referred to in point (5);

(7) **Energy consumption intensity** means the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company;

(8) **Protected area** means designated areas in the European Environment Agency's Common Database on Designated Areas (CDDA);

(9) **High impact climate sectors** means the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council[5];

(10) **Area of high biodiversity value outside protected areas** means land with high biodiversity value as referred to in Article 7b(3) of Directive 98/70/EC of the European Parliament and of the Council[6];

(11) **Emissions to water** means direct emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council[7] and direct emissions of nitrates, phosphates and pesticides;

(12) **Hazardous waste** means hazardous waste as defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council[8];

[2] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

[3] Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2022 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

[4] Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

[5] Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains Text with EEA relevance (OJ L 393, 30.12.2006, p. 1–39).

[6] Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).

[7] Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

[8] Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

EU SFDR Disclosures (unaudited) continued

(13) **Radioactive waste** means radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom[9];

(14) **Threatened species** means endangered species, including flora and fauna, listed in the European Red List or the IUCN Red List, as referred to in Section 7 of Annex II to Delegated Regulation (EU) 2022/2139;

(15) **UN Global Compact principles** means the ten Principles of the United Nations Global Compact; and

(16) **Board** means the Directors of the Company.

For the purposes of this Annex, the following formulas shall apply:

(1) 'GHG emissions' shall be calculated in accordance with the following formula:

$$\sum_{n}^{i}\left(\frac{current\ value\ of\ wind\ farm\ SPV_i}{fair\ value\ of\ wind\ farm\ SPV_i}\times investee\ company's\ Scope(x)\ GHG\ emissions_i\right)$$

(2) 'carbon footprint' shall be calculated in accordance with the following formula:

$$\frac{\sum_{n}^{i}\left(\frac{current\ value\ of\ wind\ farm\ SPV_i}{fair\ value\ of\ wind\ farm\ SPV_i}\times investee\ company's\ Scope\ 1,2\ and\ 3\ GHG\ emissions_i\right)}{current\ value\ of\ all\ investments\ (€m)}$$

(3) 'GHG intensity of investee companies' shall be calculated in accordance with the following formula:

$$\sum_{n}^{i}\left(\frac{current\ value\ of\ investment_i}{current\ value\ of\ all\ investments\ (€m)}\times\frac{investee\ company's\ Scope\ 1,2\ and\ 3\ GHG\ emissions_i}{investee\ company's\ €m\ revenue_i}\right)$$

(4) 'GHG intensity of sovereigns' shall be calculated in accordance with the following formula:

$$\sum_{n}^{i}\left(\frac{current\ value\ of\ investment_i}{current\ value\ of\ all\ investments\ (€m)}\times\frac{The\ country's\ Scope\ 1,2\ and\ 3\ GHG\ emissions_i}{Gross\ Domestic\ Product_i(€m)}\right)$$

(5) 'inefficient real estate assets' shall be calculated in accordance with the following formula:

$$\frac{((Value\ of\ real\ estate\ assets\ built\ before\ 31/12/2020\ with\ EPC\ of\ C\ or\ below) + (Value\ of\ real\ estate\ assets\ built\ after\ 31/12/2020\ with\ PED\ below\ NZEB\ in\ Directive\ 2010/31/EU))}{Value\ of\ real\ estate\ assets\ required\ to\ abide\ by\ EPC\ and\ NZEB\ rules}$$

For the purposes of the formulas, the following definitions shall apply:

(1) **Current value of investment** means the value in EUR of the investment by the financial market participant in the investee company;

(2) **Current value of all investments** means the value in EUR of all investments by the financial market participant;

(3) **Nearly zero energy building (NZEB), primary energy demand (PED) and energy performance certificate (EPC)** shall have the meanings given to them in paragraphs 2, 5 and 12 of Article 2 of Directive 2010/31/EU of the European Parliament and of the Council[10].

[9] Council Directive 2011/70/Euratom of 19 July 2011 establishing a Community framework for the responsible and safe management of spent fuel and radioactive waste (OJ L 199, 2.8.2011, p. 48).

[10] Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (recast) (OJ L 153, 18.6.2010, p. 13)

Defined Terms

ABN AMRO means ABN AMO Bank N.V.

Aggregate Group Debt means the Group's proportionate share of outstanding third party borrowings, including its share of limited recourse debt in Hornsea 1

AGM means Annual General Meeting of the Company

AIC means the Association of Investment Companies

AIC Code means the AIC's Code of Corporate Governance

AIF means an Alternative Investment Fund as defined under the AIFMD

AIFM means an Alternative Investment Fund Manager as defined under the AIFMD

AIFMD means the Alternative Investment Fund Managers Directive

Alternative Performance Measure means a financial measure other than those defined or specified in the applicable financial reporting framework

Andershaw means Andershaw Wind Power Limited

ANZ means Australia and New Zealand Banking Group Limited

AXA means funds managed by AXA Investment Managers UK Limited

Barclays means Barclays Bank PLC

BDO LLP means the Company's Auditor as at the reporting date

Bicker Fen means Bicker Fen Windfarm Limited

Bin Mountain means Bin Mountain Wind Farm (NI) Limited

Bishopthorpe means Bishopthorpe Wind Farm Limited

Board means the Directors of the Company

Braes of Doune means Braes of Doune Wind Farm (Scotland) Limited

Breeze Bidco means Breeze Bidco (TNC) Limited

Brockaghboy means Brockaghboy Windfarm Limited

Burbo Bank Extension means Hoylake Wind Limited, Greencoat Burbo Extension Holding (UK) Limited, Burbo Extension Holding Limited and Burbo Extension Limited

Carbon Footprint means the calculation per TCFD guidance $_{ni}$*outstanding amount invested*$_i$ *total investee debt+equity*$_i$ **investee scope 1 and 2 GHG emissions*$_i$ *Company market value*

Carcant means Carcant Wind Farm (Scotland) Limited

Cash Fee means the cash fee that the Investment Manager is entitled to under the Investment Management Agreement

CBA means Commonwealth Bank of Australia

CCGT means combined cycle gas turbine

CFD means Contract For Difference

Church Hill means Church Hill Wind Farm Limited

CIBC means Canadian Imperial Bank of Commerce

Clyde means Clyde Wind Farm (Scotland) Limited

CO_2 means carbon dioxide

Company means Greencoat UK Wind PLC

Corriegarth means Corriegarth Wind Energy Limited

Cotton Farm means Cotton Farm Wind Farm Limited

CPI means the Consumer Price Index

Crighshane means Crighshane Wind Farm Limited

Dalquhandy means Dalquhandy Wind Farm Limited

DCF means Discounted Cash Flow

Deeping St. Nicholas means Deeping St. Nicholas wind farm

Depreciation means the unwinding of the discount rate assumptions

Douglas West means Douglas West Wind Farm Limited

Drone Hill means Drone Hill Wind Farm Limited

DTR means the Disclosure Guidance and Transparency Rules sourcebook issued by the Financial Conduct Authority

Dunmaglass means Dunmaglass Holdco and Dunmaglass Wind Farm

Dunmaglass Holdco means Greencoat Dunmaglass Holdco Limited

Dunmaglass Wind Farm means Dunmaglass Wind Farm Limited

Defined Terms continued

Earl's Hall Farm means Earl's Hall Farm Wind Farm Limited

Equity Element means the ordinary shares issued to the Investment Manager under the Investment Management Agreement

ESG means Environmental, Social and Governance

EU means European Union

EU SFDR means EU Sustainable Financial Disclosure Regulation

FCA means Financial Conduct Authority

Fenlands means Fenland Windfarms Limited

FRC means the Financial Reporting Council

GAV means Gross Asset Value

GB means Great Britain consisting of England, Scotland and Wales

Glass Moor means Glass Moor wind farm

Glen Kyllachy means Glen Kyllachy Wind Farm Limited

Group means Greencoat UK Wind PLC and Greencoat UK Wind Holdco Limited

Holdco means Greencoat UK Wind Holdco Limited

Hornsea 1 means Hornsea 1 Holdco and Hornsea 1 Limited

Hornsea 1 Holdco means Jupiter Investor TopCo Limited

Hoylake means Hoylake Wind Limited

Humber Gateway means Humber Holdco and Humber Wind Farm

Humber Holdco means Greencoat Humber Limited

Humber Wind Farm means RWE Renewables UK Humber Wind Limited

HV means high voltage

IAS means International Accounting Standards

IFRS means International Financial Reporting Standards

Investment Management Agreement means the agreement between the Company and the Investment Manager

Investment Manager means Schroders Greencoat LLP

IPEV Valuation Guidelines means the International Private Equity and Venture Capital Valuation Guidelines

IPO mean Initial Public Offering

IRR means Internal Rate of Return

Kildrummy means Kildrummy Wind Farm Limited

KPI means Key Performance Indicator

Kype Muir Extension means Kype Extension Wind Farm Limited

Langhope Rig means Langhope Rig Wind Farm Limited

Levered portfolio IRR means the Internal Rate of Return with an assumed level of gearing

Lindhurst means Lindhurst Wind Farm

Listing Rules means the listing rules made by the UK Listing Authority under Section 73A of the Financial Services and Markets Act 2000

Little Cheyne Court means Little Cheyne Court Wind Farm Limited

Lloyds means Lloyds Bank PLC and Lloyds Bank Corporate Markets PLC

London Array means London Array Holdco and London Array Limited

London Array Holdco means Greencoat London Array Holdco Limited

Maerdy means Maerdy Wind Farm Limited

Middlemoor means Middlemoor Wind Farm

ML Wind means ML Wind LLP

NAB means National Australia Bank

Nanclach means Nanclach Limited

NAV means Net Asset Value

NAV per Share means the Net Asset Value per Ordinary Share

Net Zero means the UK Government's strategy to decarbonise all sectors of the UK economy

North Hoyle means North Hoyle Wind Farm Limited

North Rhins means North Rhins Wind Farm Limited

Defined Terms continued

O&M means operations and maintenance

PPA means Power Purchase Agreement entered into by the Group's wind farms

RBC means the Royal Bank of Canada

RBS International means the Royal Bank of Scotland International Limited

RCF means revolving credit facility

Red House means Red House wind farm

Red Tile means Red Tile wind farm

REGO means Renewable Energy Guarantee of Origin

REMA means Government's Review of Electricity Market Arrangements

Review Section means the front end review section of this report (including but not limited to the Chairman's Statement, and Investment Manager's Report)

Rhyl Flats means Rhyl Flats Wind Farm Limited

ROC means Renewable Obligation Certificate

RPI means the Retail Price Index

Santander means Santander Global Banking and Markets

Screggagh means Screggagh Wind Farm Limited

SDG means Sustainable Development Goal

Sixpenny Wood means Sixpenny Wood Wind Farm Limited

Slieve Divena means Slieve Divena Wind Farm Limited

Slieve Divena 2 means Slieve Divena Wind Farm No. 2 Limited

SONIA means the Sterling Overnight Index Average

South Kyle means South Kyle Wind Farm Limited

SPVs means the Special Purpose Vehicles which hold the Group's investment portfolio of underlying wind farms

Stronelairg means Stronelairg Holdco and Stronelairg Wind Farm

Stronelairg Holdco means Greencoat Stronelairg Holdco Limited

Stronelairg Wind Farm means Stronelairg Wind Farm Limited

Stroupster means Stroupster Caithness Wind Farm Limited

SYND Holdco means SYND Holdco Limited

Tappaghan means Tappaghan Wind Farm (NI) Limited

TCFD means Task Force on Climate-Related Financial Disclosures

Tom nan Clach means Breeze Bidco and Nanclach

TSR means Total Shareholder Return

Twentyshilling means Twentyshilling Limited

UK means the United Kingdom of Great Britain and Northern Ireland

UK Code means the UK Corporate Governance Code issued by the FRC

UREGNI means the Utility Regulator in Northern Ireland

WACI (revenue) means Weighted Average Carbon Intensity calculated per TCFD guidance $_{ni}$*outstanding amount invested*$_i$ *total investee debt+equity*$_i$ **investee scope 1 and 2 GHG emissions*$_i$ *investee revenue*$_i$

WACI (activity) means the metric applies to the same approach as revenue based WACI, however replaces an asset's revenue with MWh energy generation and covers only Scope 1 and 2 emissions

Walney means Walney Holdco and Walney Wind Farm

Walney Holdco means Greencoat Walney Holdco Limited

Walney Wind Farm means Walney (UK) Offshore Windfarms Limited

Windy Rig means Windy Rig Wind Farm Limited

Yelvertoft means Yelvertoft Wind Farm Limited

Alternative Performance Measures

Performance Measure	Definition	2023	2022
Aggregate Group Debt	The Group's proportionate share of outstanding third party borrowings of £1,790 million per note 13 to the financial statements plus limited recourse debt of £585 million at Hornsea 1, not included in the Consolidated Statement of Financial Position	£2,375 million	£1,780 million
CO_2 emissions avoided per annum	The estimate of the portfolio's annual CO_2 emissions avoided through the displacement of thermal generation, based on the portfolio's estimated generation as at the relevant reporting date	2.5 million tonnes	2.0 million tonnes
GAV	Gross Asset Value	£6,169.0 million	£5,652.7 million
Homes powered per annum	The estimate of the number of homes powered by electricity generated by the portfolio, based on the portfolio's estimated generation as at the relevant reporting date	2.3 million homes	1.8 million homes
NAV	Net Asset Value	£3,794.0 million	£3,873.2 million
NAV per share	The Net Asset Value per ordinary share per note 16 to the financial statements	164.1 pence	167.1 pence
Net cash generation	The operating cash flow of the Group and wind farm SPVs as broken down below	£405.5 million	£560.1 million
Total Shareholder Return	The theoretical return to a shareholder on a closing market basis, assuming that all dividends received were reinvested without transaction costs into the Ordinary Shares of the Company at the close of business on the day the shares were quoted ex dividend	5.4 per cent	13.5 per cent

Alternative Performance Measures continued

Group and wind farm SPV cash flows	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Net cash generation	405,510	560,077
Dividends paid	(197,043)	(175,800)
Acquisitions	(820,925)	(484,153)
Acquisition costs	(2,742)	(4,667)
Share buybacks/equity issuance	(9,439)	—
Share buyback/equity issuance costs	(56)	(42)
Net amounts drawn under debt facilities	690,000	150,000
Upfront finance costs	(4,939)	(1,663)
Movement in cash (Group and wind farm SPVs)	**60,366**	**43,752**
Opening cash balance (Group and wind farm SPVs)	160,851	117,099
Closing cash balance (Group and wind farm SPVs)	**221,217**	**160,851**
Net cash generation	405,510	560,077
Dividends	197,043	175,800
Dividend cover	2.1x	3.2x

Net Cash Generation – Breakdown	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Revenue	785,608	981,752
Operating expenses	(198,611)	(234,439)
Tax	(62,661)	(122,910)
SPV level debt interest	(20,044)	(9,948)
SPV level debt amortisation	(47,129)	(19,947)
Other	28,133	21,838
Wind farm cash flow	**485,296**	**616,446**
Management fee	(24,993)	(29,556)
Operating expenses	(2,564)	(2,141)
Ongoing finance costs	(62,834)	(28,026)
Other	5,013	2,507
Group cash flow	**(85,378)**	**(57,216)**
VAT (Group and wind farm SPVs)	5,592	847
Net cash generation	**405,510**	**560,077**

Net Cash Generation – Reconciliation to Net Cash Flows from Operating Activities	For the year ended 31 December 2023 £'000	For the year ended 31 December 2022 £'000
Net cash flows from operating activities	359,801	545,851
Movement in cash balances of wind farm SPVs	18,225	28,770
Repayment of shareholder loan investment	50,199	13,482
Finance costs	(67,773)	(29,689)
Upfront finance costs	4,939	1,663
Placing of security cash deposits	40,119	—
Net cash generation	**405,510**	**560,077**

Cautionary Statement

The Review Section of this report has been prepared solely 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 distribution policy 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 and the Investment Manager 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 Greencoat UK Wind PLC and its subsidiary undertakings when viewed as a whole.