

2021 Sustainability Report

Generating
Sustainable Value.

01 Introduction



Helen Mahy CBE, Chairman

I am pleased to present TRIG's latest Sustainability Report. The Board and our Managers, InfraRed and RES, are proud of TRIG's long-standing contribution towards lowering global carbon emissions, as with a portfolio of 1.9GW we are the largest renewables investment company listed on the London Stock Exchange.

Today, TRIG's portfolio has the capacity to power 1.5 million homes with clean energy and displace over 1.3 million tonnes of carbon emissions a year. TRIG is a Guernsey Green Fund and retains the London Stock Exchange's Green Economy Mark, which recognises companies that make a significant contribution to the transition to a low carbon economy.

Whilst TRIG's core business of generating renewable electricity is central to a positive sustainability contribution, we recognise that TRIG's responsibility goes beyond environmental considerations alone. The Board, InfraRed and RES are committed to delivering all our sustainability goals, which include positively impacting the communities we work in and maintaining ethics and integrity in governance.

At the start of 2020, it would have been difficult to envisage all the effects a global pandemic could have on society and the economy. During this challenging time, the physical and mental health, safety and welfare of the workforce of our site personnel, supply chain, Managers and the Board has been of utmost importance. Our rapid implementation of Covid-informed practices is testament to the strong governance frameworks embedded into TRIG's processes and those of our Managers. These frameworks include TRIG's Sustainability Policy, which is available on the Company's website¹.

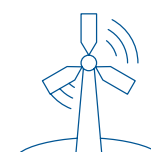
The importance of addressing climate change has not disappeared and awareness of the matter will only continue to intensify. The decarbonisation agenda remains a core focus of government policy across Europe. It has been brought into sharper focus by the US-led virtual climate summit, coinciding with the 2021 Earth Day, and the

build-up to the 26th United Nations Climate Change conference (COP26), that will be held in Glasgow in November 2021. TRIG supports the Task Force on Climate-Related Financial Disclosures ("TCFD") and extended its capturing of the potential impact, including opportunities and risks, of climate change on TRIG ("the Company") and its portfolio, in its 2020 Annual Report. We are committed to developing this assessment further.

We are pleased to present this Sustainability Report as a record of our progress since our last report in 2019, whilst recognising that there is more reporting to be done. We firmly believe that, when environmental, social and economic sustainability come together in a strong governance framework, they create the foundations for a sustainable, long-term investment proposition, and provide the bedrock for your company's future success.

Helen Mahy CBE
Chairman

The current operational portfolio is capable of producing:



1.5 million
homes (equivalent) powered
by clean energy



1.3 million
tonnes of carbon emissions
avoided



£1.3 million
community investment

¹ Found on the reports and publications section of TRIG's website: <https://www.trig-ltd.com/investors/reports-and-publications/>

² <https://www.res-group.com/media/342866/power-for-good-report-fy2020.pdf>

³ Principles for Responsible Investment ("PRI") ratings are based on following a set of Principles, including incorporating ESG issues into investment analysis, decision-making processes and ownership policies. More information is available at <https://www.unpri.org/>



InfraRed
Capital Partners
Investment Manager

Richard Crawford,
InfraRed

Our long-term investment horizon means that acting responsibly towards stakeholders is crucial to maintaining a sustainable business model as well as delivering strong operational and financial performance.

Sustainability considerations are integrated throughout InfraRed's investment process, as per the diagram on page 27, from initial negative screening of opportunities through to decommissioning of assets at their end of life. We have maintained our "A+" rating in our Principles for Responsible Investment ("PRI")³ assessment for the sixth consecutive year.

In 2020, InfraRed introduced ESG metrics into TRIG's revolving credit facility ("RCF"), with reduced facility margin and commitment fees when TRIG meets defined sustainability targets. This year, TRIG's FX hedging cost will also be linked to sustainability targets, further integrating sustainability into our operations.



res
power for good
Operations Manager

Jaz Bains,
RES

Owning renewables assets comes with the opportunity to work in close partnership with local communities.

We are acutely aware of the impact that Covid-19 is having on society. TRIG has allocated an additional £500,000 to support the local population near our sites in response to the pandemic. This is in addition to the c.£1m that our portfolio companies collectively contribute to their local communities each year.

At RES, we consistently maintain our strong ESG credentials as set out within our recent Power for Good report² and commitment to the Science Based Targets Initiative ("SBTi"). In 2021, TRIG will also be committing to the SBTi, recognising the alignment with our overall sustainability goals and purpose.

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Our 2020 sustainability highlights

TCFD reporting

The Task Force on Climate-Related Financial Disclosures (“TCFD”) is an international initiative focused on reporting on the impact an organisation has on the global climate. We began voluntarily reporting against the TCFD recommendations in 2019. In 2020, the analysis underpinning this disclosure was enhanced to include scenario modelling and financial impact analysis.

ESG-linked revolving credit facility and foreign exchange hedging

We refinanced and expanded our revolving credit facility, negotiating for the lenders to vary the cost of the facility depending on TRIG’s sustainability performance. Since the year end, foreign exchange hedging has also been linked to ESG performance.





TRIG Covid-19 community fund

On top of existing community contributions of c.£1m per annum, TRIG allocated an additional £500,000 to help address the impact of Covid-19 on many of the local communities where TRIG’s sites are located.¹

Enhanced sustainability screening

InfraRed’s investment processes have been further refined, including the introduction of early sustainability screening. This ensures that only opportunities aligned with the Company’s Sustainability Policy are taken forward. Key risks and opportunities are identified at the outset and are integrated into the investment decision making process.

TRIG’s four sustainability goals


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

TRIG’s core SDG contributions²



Affordable and Clean Energy

Our business is focused on owning and operating renewable energy assets. By investing in renewables, TRIG is helping to provide clean energy for all, as developers recycle capital into the build-out of more renewables. TRIG’s portfolio is capable of powering the equivalent of 1.5 million homes with clean energy and in 2020 generated 3,953GWh of renewable electricity.



Climate Action

TRIG’s portfolio contributes towards a zero-carbon future and is currently capable of offsetting more than 1.3 million tonnes of CO₂ emissions annually. Climate change measures are integrated into TRIG’s policies and planning as the Company seeks to raise awareness of how to mitigate climate change. We are assessing and reporting the climate-related risks and opportunities associated with our assets, as well as taking steps to reduce the carbon footprint of our portfolio.

¹ A full breakdown of TRIG’s Covid-19 Community Fund donations made can be found in Appendix B.
² <https://www.un.org/sustainabledevelopment>



Merkur, Germany

02 About TRIG and our approach to sustainability

Purpose: To generate sustainable returns from a diversified portfolio of renewables infrastructure that contribute towards a zero-carbon future.

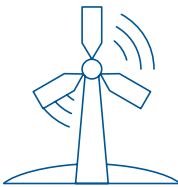
Our business

TRIG was the first geographically and technologically diversified investment company investing in renewable energy infrastructure listed on the London Stock Exchange, completing its IPO in 2013. The Company was the first of its kind to become a member of the FTSE-250 index in 2015, has been accredited as a Guernsey Green Fund since 2019 and retains the London Stock Exchange's Green Economy Mark.

With the support of shareholders, TRIG's growth since IPO has enabled the Investment Manager, InfraRed, to diversify the investment portfolio across technologies (onshore wind, offshore wind, solar PV and battery storage) and geographies (UK, Ireland, France, Germany and Sweden), with other geographies such as the Iberian and wider Nordic regions being actively considered. We operate the largest portfolio of renewable energy investments within our sector.

RES, TRIG's Operations Manager, was already active in each of the countries that TRIG has invested in, with local employees providing country-specific input and support to the acquisition and subsequent operational activities.

TRIG aims to provide its shareholders with long-term, sustainable returns in accordance with the Company's purpose, whilst protecting the capital value of its investment portfolio through the re-investment of surplus cash flows after the payment of dividends.

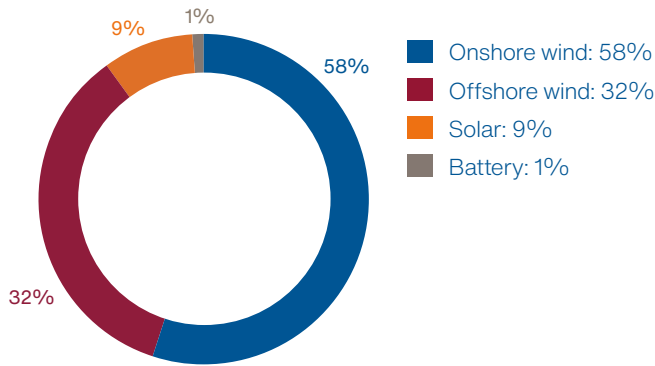


79 projects¹

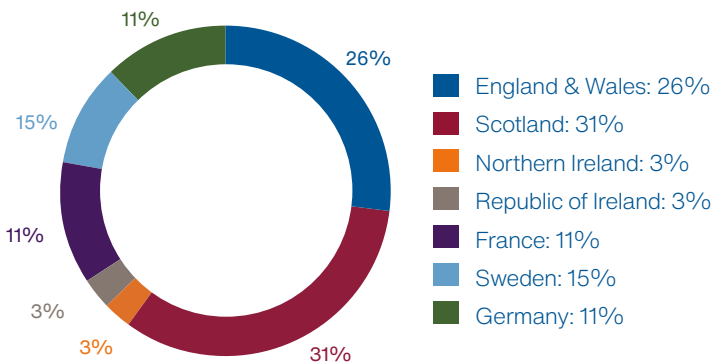


1,941MW²
net portfolio generation capacity

Split by technology:



Split by jurisdiction / power market:

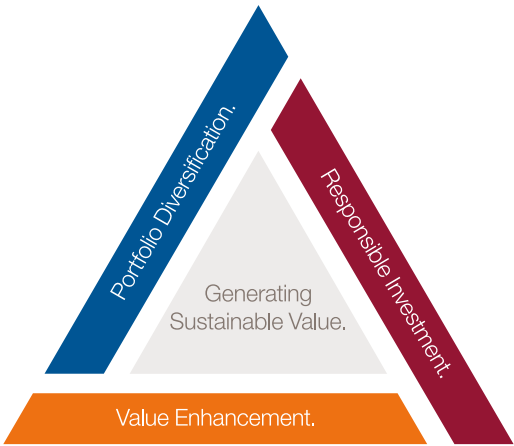


¹ Segmentation by portfolio value as at 31 March 2021 including Twin Peaks acquired post March 31 2021. Assets under construction are included on a fully committed basis including construction costs.

² Includes 265.6MW net generation capacity in construction.

Our strategy

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



Responsible investment

Our investments, many of which have asset lives of 30 years or more, require a long-term view to be taken and sustainable business practices applied, both in the initial investment decisions and the subsequent asset management. Our Sustainability Policy³, aligned to the United Nations Sustainable Development Goals and our own sustainability goals, places great importance on InfraRed's and RES' responsible and sustainable approach to delivering the Company's investment objective and the attainment of sustainable outcomes.

Portfolio diversification

A key element of TRIG's strategy is to reduce the risk of concentration of assets in single power markets, regulatory frameworks, weather patterns and technology classes. A well-diversified portfolio helps improve the resilience of the Company's ongoing financial performance and valuation, contributing to the sustainability of returns to shareholders.

Value enhancement

Extracting the most value from our portfolio includes action by InfraRed, the Investment Manager, and RES, the Operations Manager, targeted at both the preservation and the enhancement of investment value, whilst being mindful of sustainability opportunities and risks. Proactive asset management is undertaken to optimise generation and minimise equipment downtime whilst operating safely with a prudent approach to risk and a disciplined approach to construction opportunities. Long-term value maximisation underpins the generation of shareholders returns.

³ Found on the reports and publications section of TRIG's website: <https://www.trig-ltd.com/investors/reports-and-publications/>

Our managers

TRIG is supported by its Managers in seeking to fulfil its sustainability goals. The way in which our Managers operate directly influences TRIG’s own operations. In 2020, InfraRed and RES made further progress in enhancing and delivering their sustainability programme:



InfraRed is TRIG’s Investment Manager, responsible for day-to-day investment management and strategy, financial management and origination of new investments for TRIG.

InfraRed sustainability highlights of 2020

- ▲ InfraRed strives to make a positive contribution to society by generating value for its investors and the communities who use their assets. They are committed to investing actively, responsibly and from a long-term perspective.¹
- ▲ 25+ years of experience across over 200 infrastructure investments.
- ▲ Assessment of sustainability risks integrated into each stage of the investment decision-making process.
- ▲ Authorised and regulated by the Financial Conduct Authority, and strives to exceed compliance and governance expectations.
- ▲ Strict anti-bribery and anti-corruption policies in place, with compulsory anti-bribery and anti-corruption training for all employees.
- ▲ Has attained the highest score of A+ from the Principles for Responsible Investment for six consecutive years.
- ▲ Established several positive wellbeing and mental health initiatives, including the creation of a ‘go-to’ team for mental health and staff wellbeing surveys. Details of further initiatives can be found in Appendix C.



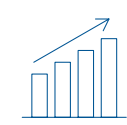
Refined investment processes to include early sustainability screening ensuring that InfraRed only pursues opportunities that align with its Sustainability Policy.² While TRIG has its own Sustainability Policy, InfraRed’s policy is also applied to the management of TRIG and its portfolio.



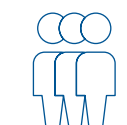
Introduced a new sustainability reporting framework across InfraRed’s portfolio of assets to measure performance against a wider base of Sustainability KPIs.



Firm-wide sector exclusion list introduced, which excludes activities that lead to significant carbon emissions or pollution. As a result, four opportunities were declined in 2020.



All InfraRed partners and employees have been set sustainability objectives reflective of their role, which directly impacts their performance assessment.



Appointment of a full-time Sustainability Manager to oversee the wider sustainability programme at InfraRed, and foremost to ensure investment and asset management processes comprehensively incorporate sustainability risks and considerations.



£1m allocated to promoting social inclusion, health and well-being through the recently established InfraRed Charitable Foundation.



Became a Supporter of the recommendations of the Task Force on Climate-related Financial Disclosures.



Became a certified CarbonNeutral® company and will remain carbon neutral as they firstly reduce, then offset, future carbon emissions.³

¹ InfraRed’s 2021 Sustainability Report can be accessed at: <https://www.ircp.com/sites/default/files/2021-05/InfraRed%20Sustainability%20Report.pdf>
² Found on the reports and publications section of TRIG’s website: <https://www.trig-ltd.com/investors/reports-and-publications/>
³ In accordance with The CarbonNeutral Protocol. Further information is available at <https://carbonneutral.com/the-carbonneutral-protocol>



RES is TRIG’s Operations Manager, responsible for the operations of the portfolio and ensuring TRIG’s assets are run properly, efficiently, and safely.

RES sustainability highlights of 2020

- ▲ RES’ vision is a future where everyone has access to affordable zero carbon energy.
- ▲ As a pure-play renewable energy company, RES has been at the forefront of renewables industry innovation with a 35-year track record.
- ▲ 20GW renewable power project portfolio with over 7GW of operational assets supported.
- ▲ Track record for active community engagement at the asset level, supported more broadly by four paid volunteering days per employee per annum.
- ▲ Thought leader with steering roles in key renewable energy trade associations globally.
- ▲ Maintains an equal opportunity and diversity policy for its employees.
- ▲ Maintains a Sustainability Policy which applies to the operational management of TRIG’s assets.³
- ▲ Compulsory anti-bribery and anti-corruption training for all employees.
- ▲ Strong safety culture with continuous measuring of safety performance.



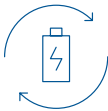
Committed to the Science Based Targets Initiative (SBTi), which champions the adoption of “science-based” GHG emission reduction targets in-line with what the latest climate science says is necessary to meet the goals of the Paris Agreement.



RES UK & Ireland achieved a new accreditation under ISO 55001, a framework which focuses on providing end-to-end lifecycle asset management and improving sustainability performance.



Developed and produced its annual Power for Good Report.⁴



Continued efforts to improve processes, led by its Technology Recycling TaskForce, to maximise recycling in multiple technologies from turbine blades and PV modules to batteries.



Signed the New Plastics Economy Global Commitment, led by the Ellen MacArthur Foundation. As a signatory, RES will continue its efforts to eliminate unnecessary plastic.



Developed Sustainable Procurement policies which consider relevant global initiatives including the UN Global Compact and Ethical Trading Initiative Base Code.



Since 2019 RES have been net-zero in their business operations, including direct emissions, indirect emissions associated with electricity use, and employee business travel.

³ Found on the reports and publications section of TRIG’s website: <https://www.trig-ltd.com/investors/reports-and-publications/>
⁴ <https://www.res-group.com/media/342866/power-for-good-report-fy2020.pdf>

Our sustainability approach and commitments

For TRIG, investing responsibly is essential for us to maintain a sustainable business model over the long term. Our commitment to reducing carbon emissions through investing in renewables is at the core of what we do and is supported by wider ESG considerations. This Sustainability Report aims to provide enhanced disclosure on the way in which TRIG manages its sustainability impact through its performance, key policies and processes.

By taking responsibility for our impact, we will achieve positive outcomes for all our stakeholders.

TRIG has four sustainability goals, highlighted on page 4, which are at the heart of every investment we make and the way in which our Managers conduct themselves on a day-to-day basis.

Our sustainability reporting journey



Sustainable Development Goals

The SDGs¹ were adopted by all United Nations member states in 2015. They are an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

A broader reach
TRIG's efforts are focused on the goals which align with our sustainability goals, SDG contributions are made through our investments and our impact on the local communities around our assets. Primarily, the Company contributes towards SDG 7 *Affordable and clean energy*, and SDG 13 *Climate action*. Our ESG commitments have a broader reach, and overall TRIG actively contributes to 10 out of the 17 SDGs, either at an asset level or by the Company.

The broader SDG contributions of TRIG

	Good Health and Well Being: Our Operations Manager oversees Health and Safety standards at project level, reporting on a quarterly basis, including trends in performance and ensuring asset managers and operations and maintenance contractors have appropriate procedures in place. Health and Safety KPIs are monitored on an on-going basis, including 'Reportable Lost Time Accidents per 100,000 Hours', which was 0.49 in 2020. Any RIDDORs or equivalent reportable events are reported promptly to the Board.
	Quality Education: Our projects and Managers implement initiatives which educate young people about job opportunities in renewables and key environmental issues such as climate change. Prior to the Covid-19 pandemic, TRIG's assets frequently hosted site visits for local children, more details on this can be found in our 2019 Sustainability Report.
	Gender Equality: TRIG is committed to promoting gender equality and the Board has policies with quantitative targets for Board Diversity. Since March 2014, the Board has had equal gender representation, with the Board now 60% female. The Managers also report progress on inclusion and diversity in the workplace.
	Decent Work and Economic Growth: TRIG seeks to engage with contractors local to our sites to maximise the local economic impact of investments. At Solwaybank Wind Farm in Scotland, our Operations Manager awarded over £1.5m of contracts to firms within 30km of the site. For construction projects which require high value contractors, it is encouraged to include local providers in the tender process.
	Industry, Innovation, and Infrastructure: TRIG is responsible for maintaining a reliable, sustainable, and resilient portfolio of over 75 renewable infrastructure assets. These assets make renewable energy more affordable for all and support increased renewables generation.
	Sustainable Cities and Communities: We implement measures to improve the quality of life for the local communities in which our assets are located, for example, through hiring local contractors to improve local employment or donating to community funds. In 2020, TRIG made over £1.2m of community investment.
	Responsible Consumption and Production: TRIG uses materials in a sustainable and efficient way where possible when managing assets. Site managers collaborate across the supply chain to manage materials used to improve waste management, recycling and innovation in construction. When managing TRIG's assets, consideration is given to limit waste through prevention, reduction, re-use and recycling.
	Life on Land: Many of our assets have implemented measures to reduce the degradation of natural habitats and to protect local flora and fauna, including endangered species. As an example, at Freasdale Wind Farm over 400,000 trees have been planted in the Argyll area.

¹ <https://www.un.org/sustainabledevelopment>

03 Environment

Mitigating climate change

TRIG's primary sustainability goal is to mitigate climate change, and all investments in the portfolio contribute towards this. TRIG's Investment Policy only permits investment in renewables and other forms of infrastructure that is complementary to, or supports the roll-out of, renewable energy generation.

The use of wind and solar power to generate electricity not only leads to a reduction in carbon emissions compared to the use of fossil fuels, but also avoids the significant air pollution associated with fossil fuel electricity generation, which can have a major impact upon health. Details on TRIG's Scope 1 and Scope 2 greenhouse gas emissions (GHG) can be found in Appendix A.

Reducing carbon emissions is core to TRIG and its Managers. InfraRed is a certified CarbonNeutral® company and RES have been net-zero in their business operations since 2019. In addition, emissions are offset for business travel of the TRIG Board.

RES has committed to the Science Based Targets Initiative (SBTi), the leading standard for corporate emissions reduction targets. The SBTi net-zero strategy aligns with both Managers' vision and TRIG's purpose. TRIG will also be committing to the SBTi in 2021, furthering our alignment.



Hill of Towie, Scotland

2020 performance



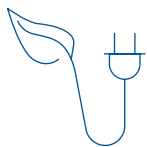
1.2 million

tonnes of carbon emissions avoided¹ (2019: 800,000 tonnes)



1.1 million

homes (equivalent) powered by clean energy (2019: 720,000 homes)



3,953 GWh

of renewable electricity generated in the year (2019: 3,036GWh)



72%

portfolio sourcing electricity under Renewable Electricity Supply Contracts (2019: 52%)²

SDG alignment⁴



¹ Actual values calculated in accordance with the IFI Approach to GHG Accounting for Renewable Energy. Portfolio at year end is capable of mitigating 1.3m tonnes of carbon emissions p.a.

² This relates to electricity on site

³ UN Environment Programme Emissions Gap Report 2020

⁴ <https://www.un.org/sustainabledevelopment>

The threat of climate change³

The global effects of climate change are widely held to be the defining issue of our time. These effects have led to global the prospect of a climate crisis, in which rising temperatures fuel the degradation of our environment, a rise in natural disasters, weather extremes, insecurity of food and water and displacement of people. Research has shown that despite a brief dip in carbon dioxide emissions caused by the Covid-19 pandemic, the world is still heading for a temperature rise in excess of 3°C this century – far beyond the Paris Agreement goals of maintaining within 1.5°C.

A growing number of countries, covering 51% of global GHG emissions, have formally adopted goals committing them to achieving net-zero emissions by the mid-century. This comes with an emphasis on ambitious short-term measures to secure a pathway to net-zero. In this context, it is clear that policy decisions relating to renewable energy are going to play an important role in mitigating climate change.

TRIG's assets inherently support climate action through the provision of clean energy and offsetting of carbon emissions. Through assessing and reporting the climate-related risks and opportunities associated with our assets, we are committed to reducing our overall carbon footprint.

CASE STUDY

Project: ESG-linked Revolving Credit Facility (RCF) and Foreign Exchange Hedging

Credit facility linked to ESG performance

In December 2020, InfraRed refinanced and expanded TRIG's RCF. This new loan is one of the first ESG-linked SONIA loans of its kind and sets TRIG ambitious but achievable ESG sustainability targets, noted below. This underlines our commitment to sustainability and helps align this with financial outcomes for our equity investors. More generally, sustainability-linked debt instruments incentivise businesses to lower their own environmental impact and are an important tool in financing the transition to a low carbon economy.

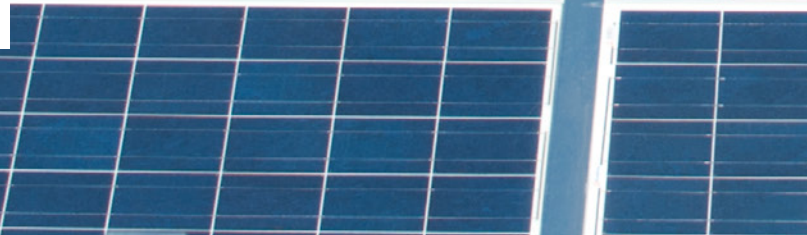
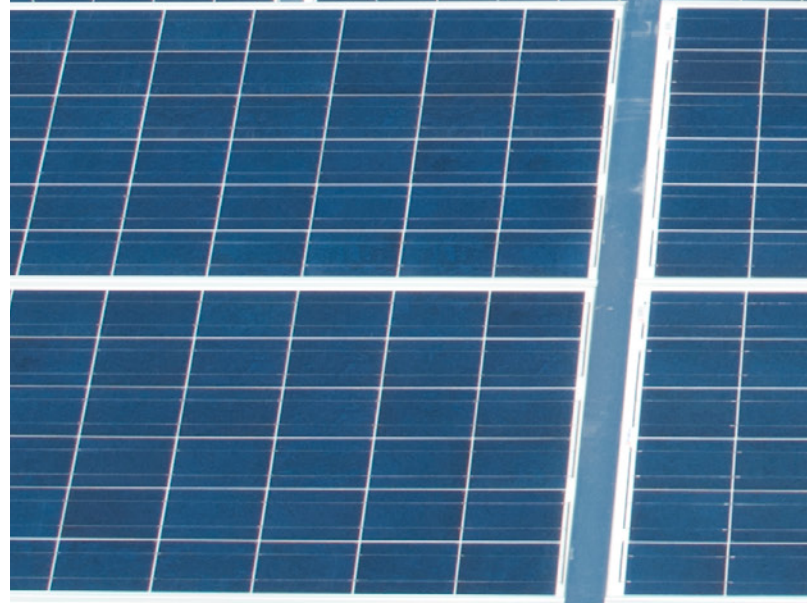
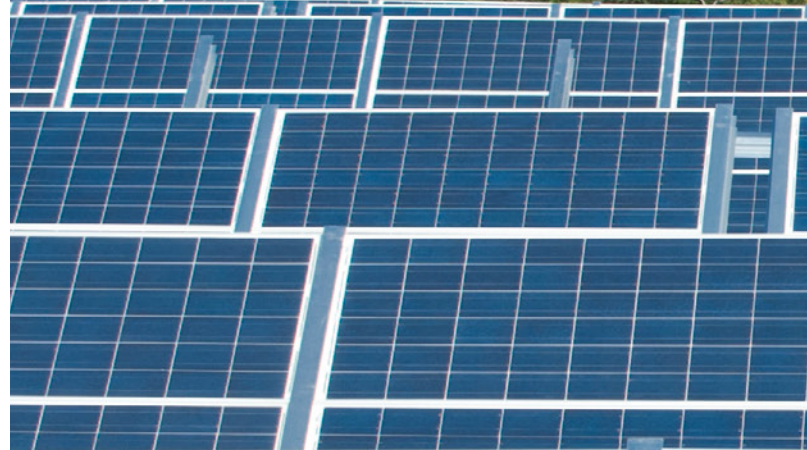
The interest charged in respect of the renewed RCF is linked to the Company's ESG performance. TRIG will incur a premium or reduction to its margin and commitment fee based on performance against defined sustainability targets.

ESG performance targets

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

Performance against these targets will be measured each year, with the cost of the RCF being amended in the following year. The RCF has also been established using the new SONIA basis, ahead of the wider banking market transition from LIBOR, reflecting the forward-looking approach to good governance of TRIG's Board and its Managers.

Building on TRIG's ESG-linked revolving credit facility, in 2021 InfraRed has also worked with NatWest Capital Markets for TRIG to link its key sustainability measures to its FX hedging cost. As part of the agreement, TRIG will receive a sustainability payment when it delivers against its established ESG targets as defined above.



CASE STUDY

The carbon payback of wind farms

Elements of a renewable energy project's lifecycle result in carbon emissions, most notably during construction. Nonetheless, renewable energy projects make a positive contribution towards decarbonisation and reducing global warming by offsetting significantly more carbon emissions than they create.

The carbon payback period of onshore wind farms ranges from six to 12 months. This includes the carbon associated with decommissioning the site, such as machinery for dismantling on site or transportation of people and waste to and from site. As such, with an expected lifetime often in excess of 30 years, carbon emissions are offset in a small fraction of their operation.

The carbon payback range for different wind farms depends on the location and environment in which the wind farm has been built. For instance, the carbon payback period of wind farms in the UK is expected to lengthen as the electricity mix continues to decarbonise, thereby



reducing the amount of carbon available to be displaced. Site windiness or the disturbance of peat on site also have a major influence on the carbon payback period.

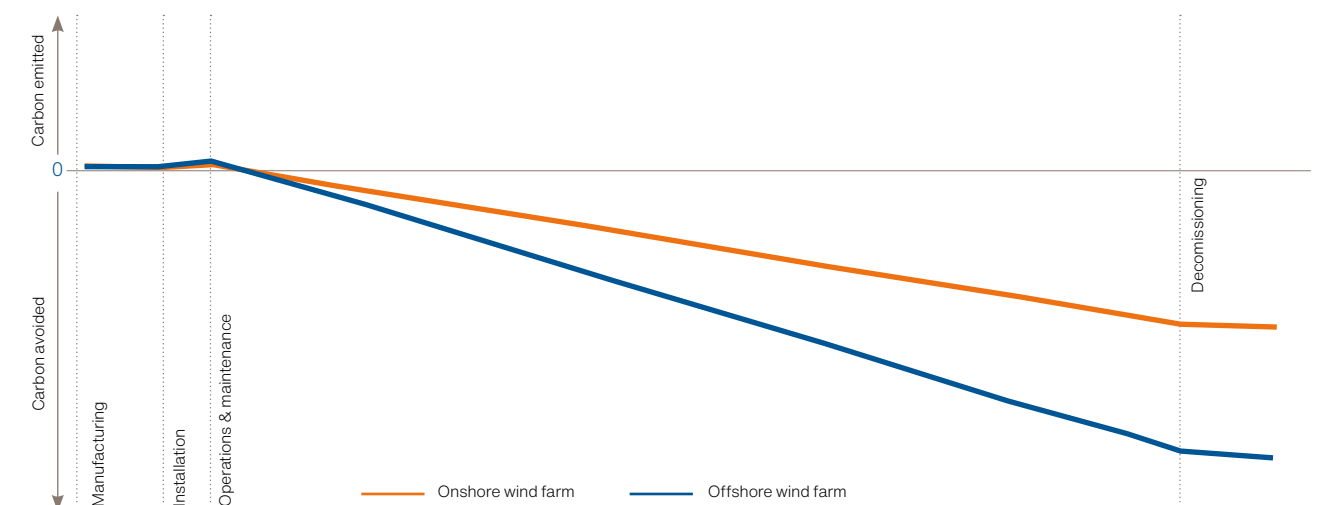
Offshore wind farms have a slightly longer payback period, due to the use of vessels throughout the life cycle of the project, where distance to shore is a major influence. Over their life cycle, however, offshore wind farms avoid more carbon emissions than onshore wind wind farms.

Material extraction for the manufacture of wind turbines is one of the most carbon intensive activities within the industry. Whilst there is more work to be done by the industry to improve the position further, particularly in respect of blades, overall, the materials remain highly recyclable, providing an offset to the emissions at end-of-life if the carbon value of the materials is considered.

Overall, with wind farms expected to have an operational life often 30 years or more, the carbon payback ensures turbines deliver a net reduction in carbon emissions over the vast majority of their operating lives.



Cumulative carbon impact across the life cycle of a wind turbine¹



¹ <https://www.siemensgamesa.com/-/media/siemensgamesa/downloads/en/sustainability/environment/siemens-gamesa-environmental-product-declaration-epd-sg-8-0-167.pdf> and <https://orsted.com/sustainability2020>

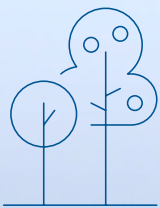
Preserving the natural environment

RES, as Operations Manager, works with portfolio company managers to preserve the natural environment by executing environmental management plans agreed with the authorities during the project consenting process, undertaking vegetation surveys, preventing biodiversity loss, recycling where possible and careful usage of materials. Further opportunities with landowners and other stakeholders are also sought. These activities are carried out in accordance with site specific Construction Method Statements and Habitat Management plans where applicable.

SDG alignment¹



2020 performance



14
active environmental
management projects²
(2019: 12)



¹ <https://www.un.org/sustainabledevelopment>
² Number of operational TRIG sites engaged in pro-active habitat management plans that exceed standard environmental maintenance.

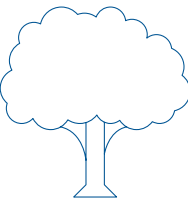
Egmore Airfield, England

CASE STUDY

Project: Tree planting at Solwaybank

Supporting forestation

Following construction at Solwaybank, compensatory planting has meant that more than 90,000 trees of varying varieties have been planted, including 14,000 native non-commercial broadleaf trees. Careful consideration and management of the environment has resulted in positive planting growth. It is expected that native broadleaves will flourish across the site and establish quickly, with many reaching heights of 3ft-4ft within the year. RDS Forestry, who specialise in forest management and consultancy, help monitor and maintain the area. This project will help increase biodiversity, providing a scenic location of natural beauty for people and local wildlife.



90,000+
trees of varying varieties
have been planted



CASE STUDY

Project: Habitat management at The Grange

Conserving wildlife

Active habitat management continues onsite at the Grange wind farm for local wildlife conservation. Suitably licensed ecologists carried out an inspection of the existing bird and bat boxes and installed additional boxes.

A specialist contractor installed barn owl boxes, which the latest inspection shows to still be fully functional with two of the boxes showing signs of regular use by local barn owls. Other boxes were partially filled with sticks from Jackdaws which were removed as this can discourage barn owls from breeding.

Further environmental consideration was taken by the site team when the onsite roads required repair following sugar beet harvesting. The team engaged with a firm who recently invested in new and innovative machinery to repair the roads using reduced volumes of stone.

Other ongoing environmental work at the Grange includes planting of native hedgerows to enhance wildlife corridors and planting new low shrubland areas to provide ecological habitats.



04 Social

Positively impacting the communities in which TRIG works

We are sensitive to the impact that a large renewables asset can have on its local community. It is important that our assets make a positive contribution both to the environment and local communities. TRIG's assets are often in rural areas where communities may experience limited employment options or unemployment and limited social and health facilities. Tangible local benefits can be generated through initiatives such as:

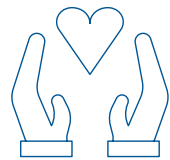
- ▲ Using local employment and sourcing materials locally where possible.
- ▲ The Local Electricity Discount Scheme (LEDS), whereby properties closest to certain wind farms are eligible for a discount on their electricity bills.
- ▲ Educating the next generation about sustainability and renewable energy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

SDG alignment¹



TRIG has no direct employees, but actively engages with its Managers in respect of their employee engagement programmes. Both Managers look to support their staff, with neither InfraRed nor RES placing any employees on furlough nor seeking other government support during the pandemic. Alongside this, both InfraRed and RES look to give back to wider society through various social initiatives.

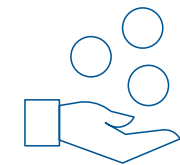
2020 performance



£1.2 million
community investment²
(2019: £950,000)²



1,116
properties supported by
Local Electricity Discount
Schemes (2019: 1,125)



33
community funds (2019: 32)

¹ <https://www.un.org/sustainabledevelopment>
² Including amount distributed so far via additional TRIG Covid funding. A full breakdown of TRIG's Covid-19 Community Fund donations made can be found in Appendix B.



Solar panels mounted on agricultural greenhouses have helped support organic farming practices in line with Agrinergie principles, developed by TRIG's business partner, Akuo Energy

InfraRed's social initiatives

InfraRed Capital Partners
InfraRed's Community Engagement Committee oversees the firm's community engagement activities and charitable initiatives.

The committee consists of a multi-disciplined team who represent a cross-section of staff, taking a genuine, hands-on role in promoting community engagement initiatives. Where possible, the committee looks to either to work collaboratively with, or leverage support from, business partners to maximise the outcomes generated from the initiatives undertaken.

In 2020, the committee implemented several initiatives which included:

▲ **The LifeCycle Project:** In collaboration with InfraRed's business partners, Vercity, Bouygues Energies and Service as well as the Department of Work & Pensions and HM Prison Service, InfraRed launched the Lifecycle Project – a social initiative to up-cycle unwanted bicycles for key workers and others in need, whilst providing training and employment opportunities for prison leavers. As of April 2021, 64 bikes had been donated from InfraRed, Bouygues Energies and Service and Vercity staff and partners and 30 bikes had been donated to NHS key workers at West Middlesex Hospital, Southmead Hospital and Peterborough City Hospital.

- ▲ **Donation of £100,000 worth of furniture to in-need stakeholders in six projects:** Following the relocation of InfraRed's London office last year, the firm donated furniture – including lockers, booths, pods, chairs, and soft furnishings – to enhance the working environment of stakeholder groups in several schools as well as the Metropolitan Police and West Middlesex University Hospital.
- ▲ **A virtual London to Sydney race:** InfraRed staff walked or ran from their London office, across the world to colleagues in Sydney, raising over £160,000 for charities targeting those whose lives have been severely impacted by Covid-19.
- ▲ **Laptops Initiative:** InfraRed donated their own surplus corporate laptops to Da Vinci Academy, Derby; Glan Usk Primary School, Newport; and Forest Hill School, Lewisham; to support students to study from home during the lockdown period.



Over £160,000 was raised for charities by InfraRed staff in a virtual London to Sydney race

Donate your old bike to a key worker using the QR code



▲ **Wellbeing of staff:** During the Covid-19 Pandemic, InfraRed established several initiatives to further improve the wellbeing of staff, including employee engagement surveys, development programmes and a 'Go-To Team' for staff to contact when needing additional support. Further examples can be found in Appendix C.

£1 million InfraRed Charitable Foundation

To further support the firm's community engagement initiatives InfraRed has also established the £1 million InfraRed Charitable Foundation, which is an independent charity promoting SDG 3 *Good Health and Well-Being*, SDG 4 *Quality Education* and SDG 13 *Climate Action*. The trustees, a mixture of senior executives and individuals from wider industry, are responsible for distribution of the Foundation's funds, engaging with staff to identify good causes and helping to maximise the charitable impact. The InfraRed Charitable Foundation is targeting to make its first charitable donation in 2021.

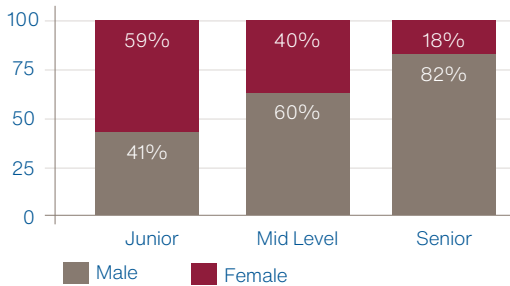
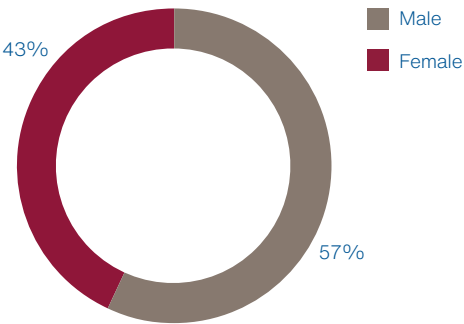
People

To prosper as a global business, InfraRed understands that their workforce should reflect the same international horizons as well as a fair representation of people of different genders. InfraRed believes that only a rich and diverse variety of viewpoints, personal experiences and professional expertise can lead to the better decisions and innovative thinking that drive success.

InfraRed recognises that further progress is needed to change the composition of management and investment committees. This starts with improving diversity amongst the management and junior grades, who rise into leadership positions over time.

InfraRed value every member of staff and support everyone in reaching their full potential regardless of age, race, gender or personal beliefs and preferences. This equal and fair approach has been a key contributor to the inclusive culture fostered at InfraRed.

Staff profile by gender¹



¹ Results reflect the self-assessment made by staff. We had a total of 184 staff as of 31 December 2020.

RES social initiatives

res power for good

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

The social initiatives implemented by RES include:

- ▲ **The launch of five, employee-led global Affinity Networks:** An Affinity Network is a group formed around a shared experience or concern for a given issue (e.g. racial equality, sexual identity). RES’ five Affinity Networks each have their own distinct committee and executive sponsor. This is an evolution of RES’ Diversity and Inclusion strategy, ensuring teams receive the support required in their aim to build a common understanding of the different challenges and barriers experienced by under-represented groups, while working to address these issues and improve inclusivity.
- ▲ **Volunteering days:** A continuation in offering all staff four days paid leave a year to participate in charity and non-profit initiatives, supporting their RES national charity. Despite the pandemic, in 2020 there were 435 hours of volunteering recorded within office hours.
- ▲ **Family leave provision increased:** Family leave provision for all employees with a new child was increased, enabling all employees to take 13 weeks of paid family leave on full pay.

- ▲ **Donation matching:** Matching by RES of up to £500 a year per person for staff fundraising activities and personal donations.
- ▲ **RES Covid-19 Fund:** In 2020, RES were able to support over 40 charities and community groups, thanks to the nominations of employees across the globe. The fund was also used to support RES staff facing hardship, helping to reduce stress and anxiety by creating a safety net for anyone who needed it during a difficult time.
- ▲ **Wellbeing Week:** At the end of 2020, RES launched the ‘Reach the Moon’ initiative as part of the Wellbeing Week, a challenge to encourage staff members across the globe to collectively log 384,400km in distance through exercise.
- ▲ **Mental Health Awareness Week:** In 2020, mental health awareness revolved around connecting with nature, and experiencing the mental and physical benefits of being outdoors. The week also provided further support activities such as access to private financial coaching and a cook-along virtual lunch.



Developing RESpect is a commitment by RES to embrace diversity and create an inclusive culture that is fair to all



RES employees receive four days paid leave to participate in charity initiatives



Family leave has been increased enabling all employees with a new child to take 13 weeks fully paid leave

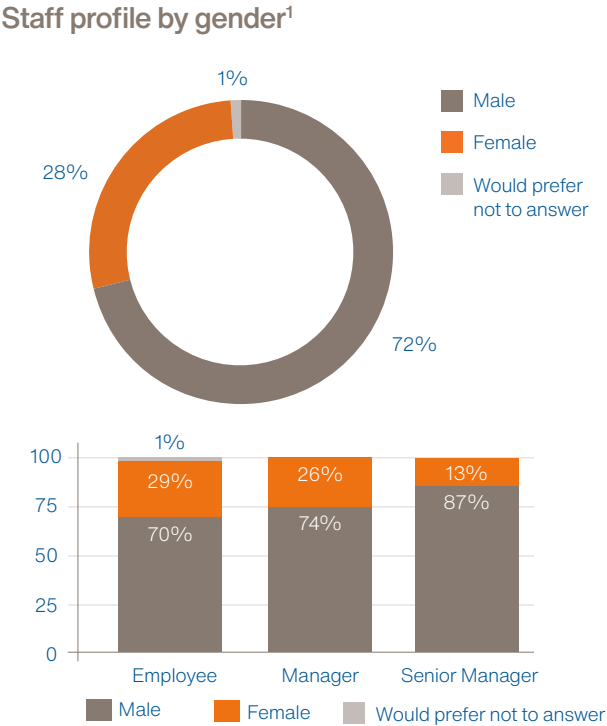


People

RES believes that a diverse and inclusive culture has significant positive benefits, for RES, for individuals, and for society. A productive workplace is where everyone feels heard and respected and extends a culture of care so that every individual at RES can reach their full potential.

This can be seen in action globally: from outreach programs led by RES STEM Ambassadors inspiring the next generation, to inclusion workshops on “Psychological Safety” in the Americas which broaden perspectives and build leadership capacity.

Further information on RES’ workforce, diversity commitments and Gender Pay Gap reporting can be found on pages 34-35 of their 2021 Power for Good Report.



¹ RES Great Britain Workforce Diversity: Gender split includes all permanent salaried staff where gender is known/declared.

The TRIG Covid-19 Community Fund

The TRIG Covid-19 Community Fund continues to provide important financial support to charities, not-for-profit and voluntary organisations, impacted by Covid-19.

Over £350k has now been distributed across 58 different organisations providing an array of services which positively impact the local community, support active citizenship, community spirit and cohesion and/or assist with mitigating climate change and preserving the natural environment. The funding process has been managed on behalf of TRIG by RES' Community Relations Teams, who identified relevant organisations and uses of funds.

Recent recipients of grants from the TRIG Covid-19 Community Fund are profiled in these case studies

CASE STUDY

Project: Fife College, supported by Earlseat

Learning online at home

Due to the pandemic, students at Fife College in Scotland were receiving most of their learning online. Many students did not have the appropriate equipment for this and were at a disadvantage. In October 2020, the college opened up an online application process which gave students the option to receive £500 to pay for a laptop/tablet device, or the opportunity to receive a high specification laptop at a reduced rate.

“I don’t feel helpless when it comes to my studies, and the only thing limiting me now is myself.”

Raheem, 18, Laptop Recipient



CASE STUDY

Project: Cornwall Solar rainwater harvesting project

Recycling rainwater

TRIG contributes annually to the Gwinear-Gwithian Sustainable Community Fund, which allocates grants to local not-for-profit organisations that focus on social inclusion and best sustainability practices.

A grant for the Friends of Connor Downs Academy Rainwater Harvesting and Distribution System was completed in 2020. The project aims to provide facilities and resources to enhance the education and wellbeing of the children at the Academy.

Recycling rainwater has benefited the school immensely by reducing the need to use mains water, while demonstrating to the students how rainwater is collected and then distributed within the area. Students are also educated in subjects relating to the weather, sustainability, and protection of the environment. A timed irrigation system ensures plants are watered when required, allowing the children more time to nurture their growing areas and the plants and vegetables they grow.



CASE STUDY

Project: The Footprint Trust, supported by Marvel Farm

Keeping warm at home

The Footprint Trust, located on the Isle of Wight, aims to provide impartial and free advice on domestic energy conservation, helping people use resources wisely and keep warm and well.



Given the significant impact of Covid-19 on the income of households across the island, fuel poor households were identified and provided with education, guidance, and support to beat their winter bills and stay warm in their homes. The grant from Marvel Farm was added to funding from other sources as part of £19,000 worth of support provided to over 200 households in the six months from September 2020. This included 89 top-up vouchers, 62 cheques for struggling households, new energy efficient appliances including 12 cookers, 10 washing machines and 12 fridge freezers.



05 Governance

Maintaining ethics and integrity in governance

To be successful over the longer term, it is essential that TRIG is run responsibly and that the highest standards of ethics and integrity in governance are maintained across all areas including health and safety, managing conflicts of interests, and maintaining policies.

The Board has overall responsibility for TRIG's Sustainability Policy¹ and its application, whilst the day-to-day management of the portfolio is delegated to its Managers.

TRIG enhances alignment with its Managers through agreements in place by which 0.2% of the management fee is paid in TRIG Shares. In aggregate, InfraRed and its employees hold approximately 3.5m TRIG shares. Further details on remuneration policies and provisions can be found in Appendix D.

The Company currently has a board of five independent non-executive Directors.² The Board's role is to manage the governance of the Company in the interests of shareholders and other stakeholders. In particular, the Board monitors adherence to the Investment Policy, determines the risk appetite of the Group, sets Group policies and monitors the performance of the Investment Manager, the Operations Manager and other key service providers. The Nomination Committee has established a recruitment and orderly succession plan, which incorporates the principles and provisions of the AIC Code³, appropriate handover periods, and the recommendations of the Hampton-Alexander Review and the Parker Review into the Ethnic Diversity of UK Boards.

Outside of TRIG, the Chairman, Helen Mahy, is a member of the steering committee of the Parker Review. In addition, she is a patron of a charity, the Social Mobility Business Partnership, co-chair of the Employers Social Mobility Alliance and an Equality and Human Rights Commissioner.

“RES’ vision is to create ‘a future where everyone has access to affordable zero carbon energy.’ The pursuit of our vision and sustainability goals is enhanced by our collaborative culture, values and strong sense of purpose.”
Ivor Catto, Chief Executive Officer, RES

The Board meets a minimum of four times per year for regular Board meetings and there are several ad hoc meetings dependent upon the requirements of the business. In addition, the Board has five committees covering the areas of Audit, Nominations, Remuneration, Management Engagement and Market Disclosure, chaired by respective members of the Board, which receive and consider specialist independent advisor reports and presentations.

“InfraRed impacts the lives of millions of people around the world who use and interact with our assets daily. With this comes not only the responsibility to set a high bar for behaviour and conduct, but also the responsibility to deliver positive outcomes for all stakeholders”
Werner von Guionneau, Chief Executive Officer, InfraRed

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

SDG alignment⁴



¹ Found on the reports and publications section of TRIG's website: <https://www.trig-ltd.com/investors/reports-and-publications/>
² Details of whom can be found in Section 3 of the 2021 Annual Report and Financial Statements
³ The AIC Code of Corporate Governance (the AIC Code) sets out a framework of best practice in respect of the governance of investment companies
⁴ <https://www.un.org/sustainabledevelopment>

A sustainable investment process

InfraRed, the Investment Manager, publishes its own sustainability report and sustainability policy, including its approach to the integration of sustainability considerations into the investment cycle, on its website.⁵

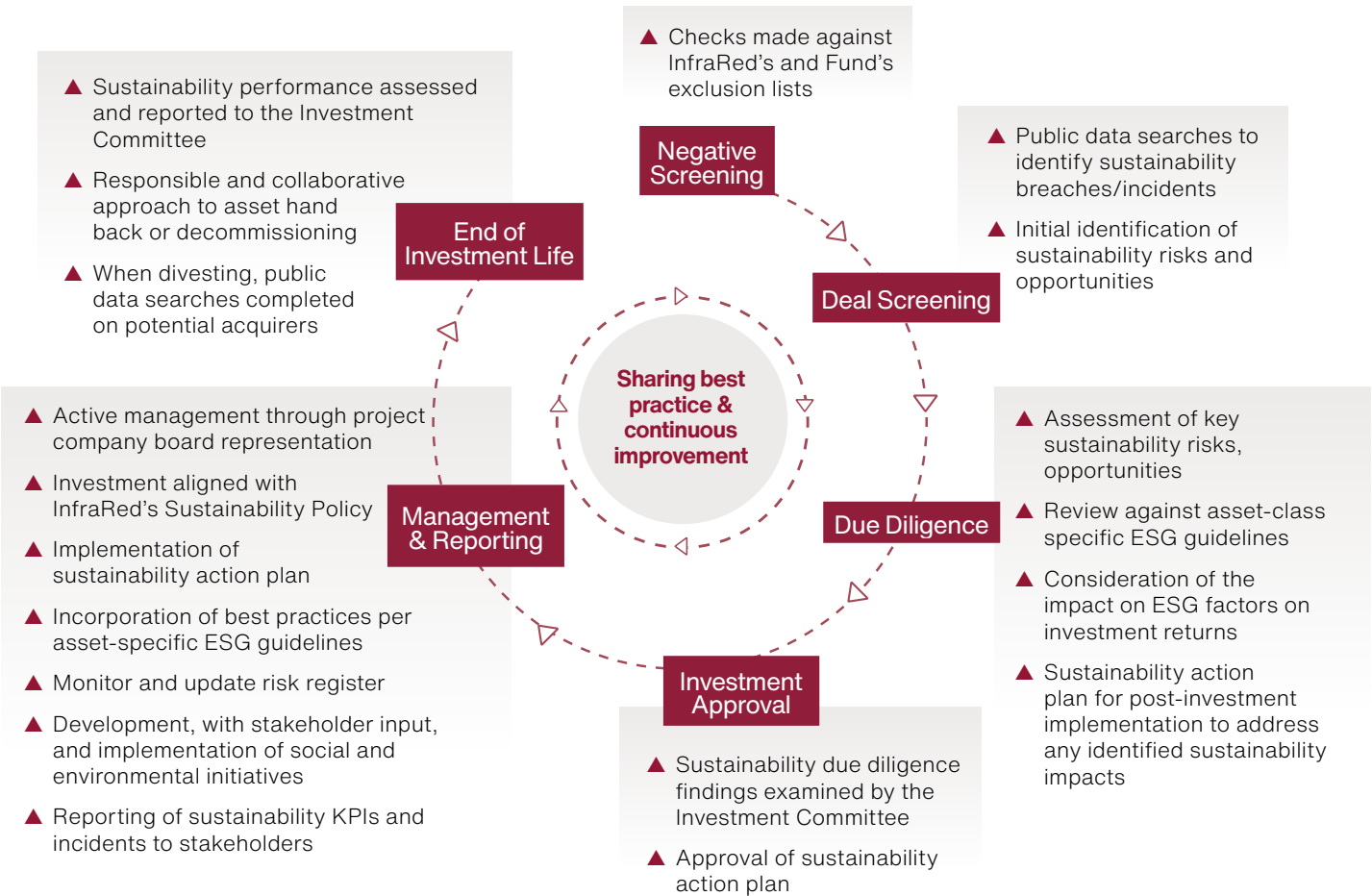
InfraRed maintains a comprehensive sustainability management system which integrates sustainability into each stage of TRIG's investment process – from the initial assessment of an investment opportunity, during the on-going management of the portfolio and through to divestment, or decommissioning of an asset. InfraRed's sustainability programme is aligned with the Principles for Responsible Investment, which InfraRed has been a signatory of since 2011, and the United Nations SDGs.

All InfraRed partners and employees have been set a sustainability objective reflective of their role, which directly impacts their performance assessment.

As part of the due diligence process, InfraRed explores counterparty due diligence and sustainability considerations. Deal teams are required to complete public data searches on key counterparties to identify the existence of any sustainability breaches or incidents as well as responding to mandatory sustainability questions on relevant sustainability risks and opportunities, such as climate change impact and positive contribution to the UN SDGs.

The deal teams also screen for adherence to the investment strategy and portfolio construction as well as any relevant policies and restrictions subject to the negative screening process. The negative screening process involves a firm-wide sector exclusion list which prohibits InfraRed from investing in assets that support or facilitate activities which lead to significant carbon emissions or pollution.

InfraRed's approach is to fully integrate sustainability into the investment life cycle



⁵ <https://www.ircp.com/sustainability/>

Management and reporting

RES, the Operations Manager, works together with InfraRed to ensure that Sustainability considerations are also prioritised in the ongoing management and reporting of the assets throughout the ownership period. The project company boards maintain a responsibility to review and update portfolio company policies on an annual basis. This includes HSQE, tax, sustainability, and cybersecurity.

RES leads management of project level sustainability policies and activities, whilst actively overseeing the ESG KPIs, community outreach activities, and health and safety standards. As an example, reportable incidents and accidents are tracked and accident frequency rates are calculated so that trends in performance can be seen.

Quality management systems

In 2020, RES UK & Ireland achieved a new accreditation under ISO 55001. ISO (International Organisation for Standardization) accreditation is an independently recognised standard for quality management systems. Certification to ISO 55001 provides a tangible measure of the capability and approach of RES as an asset manager, providing assurance to stakeholders through on-going validation of the value improvement process through external audits. RES is one of the first renewables asset managers in the UK and Ireland to achieve this standard, and already holds accreditation to various ISO management standards, including:

- ▲ ISO 9001 – Quality Management
- ▲ ISO 14001 – Environmental Management
- ▲ ISO 45001 – Health & Safety Management

A high standard of Health and Safety (“H&S”) remains a focus in the operational management of the portfolio. Covid-19 management, response and mitigation plans were developed at the start of the pandemic for both construction sites and operational sites; these plans were reviewed and updated through the year.

Sharing experiences and knowledge

The different portfolio company management personnel across the portfolio meet twice a year to share experiences on their sites, discuss matters impacting the industry and promote best practices. Additionally, many of the Asset Managers have run their own initiatives such as the ‘Don’t Risk It’ campaign by RES, which involved a global H&S day across all departments to educate on H&S practices.

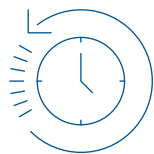
Site specific H&S activities have also been undertaken, such as a helicopter emergency rescue drill at the

Merkur offshore wind project. Offshore projects include additional provisional equipment, in line with the maritime SOLAS requirements. All relevant personnel are trained and instructed on sea survival and use of emergency equipment.

In 2020, the annual quality assurance audits were undertaken remotely but still provided an opportunity to ensure that adequate emphasis, support and resources were given to H&S administration of TRIG assets, ensuring compliance with current legislation and guidelines in the area of operation.

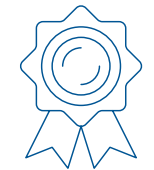
Both Managers stress ethics and integrity in their own governance and believe it is vital to consider the needs of all stakeholders. They maintain policies on Sustainability, Modern Slavery, and Whistleblowing and publish their own Sustainability Reports. Please refer to Appendix E for more information on the policies held by TRIG and its Managers.

2020 performance



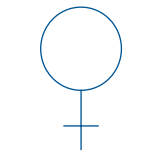
0.49

reportable lost time accidents per 100,000 hours¹ (2019: 0)



A+

PRI rating achieved by InfraRed’s Infrastructure division for the sixth consecutive year



60%

female board (2019: 50%)

Ethical governance

An investment opportunity was declined by InfraRed during the year, following due diligence findings in respect of birdlife protection. The findings meant that it was not clear whether the investment economics, particularly in respect of environmental permitting, could be maintained. Therefore, the opportunity did not present appropriate risk-reward dynamics for TRIG.

¹ The LTAFR is calculated on the basis of the number of accidents which have occurred in the period divided by the number of hours worked multiplied by 100,000 to give a rate for every 100,000 hours worked. Whilst all accidents are recorded by RES, only accidents that have resulted in a worker being unable to perform their normal duties for more than seven days are included in this calculation in line with reportable accidents as defined by UK HSE RIDDOR regulation. The UK renewables industry is working to create industry specific benchmarks to compare with moving forward.

CASE STUDY

Project: Beatrice Offshore Wind Farm

Beatrice acquisition

Located around 13.5km from the Caithness coastline in Scotland, Beatrice Offshore Wind Farm has been fully operational since summer 2019, with the capability of generating enough wind powered electricity for up to 450,000 homes. TRIG announced an investment in Beatrice in January 2021, with an awareness that the partners we would be joining share our ambitions when it comes to sustainability. TRIG is looking forward to actively contributing to the continuing benefits this project brings to the local communities.

Operations at Beatrice, managed by SSE Renewables, have resulted in the employment of thousands over the 10-year development and construction period, with 90 operatives required to safely maintain and operate the wind farm.

In addition to being the largest single source of renewable energy generation in Scotland, Beatrice has also established three Community Investment Funds, worth a total of £6m, to benefit groups and organisations in the Highlands and Moray. The funds are maintained by SSE Renewables’ Community Investment Team across two elements, a Partnership fund and two Local Funds:

- ▲ **Beatrice Partnership Fund** A £3m fund split between Highland (£2m) and Moray (£1m) which supports projects in northern Scotland which create opportunities for skills and employment; empower communities to be more resilient through long term social, environmental or economic improvements; or encourage meaningful regeneration to improve local infrastructure, landscape or heritage.
- ▲ **Beatrice Caithness Local Fund** A £2m fund supporting projects which encourage community activity and promote community spirit; improve local infrastructure and connectivity; build community capacity and cohesion between groups; or develop or maintain community assets.
- ▲ **Beatrice Moray Local Fund** A £1m fund established for investment in projects in four Moray community council areas: Buckie and District, Keith, Lennox, and Strathisla. Project eligibility within these regions is the same as the Caithness Local Fund.



Task Force on Climate-related Financial Disclosures ('TCFD')



During 2020 TRIG and InfraRed became supporters of the recommendations of the TCFD, the established framework for consistent, comparable and clear reporting on a company's approach to climate change and assessing its potential impact on the company.

TRIG first began voluntarily reporting against the TCFD recommendations in its 2019 Annual Report & Financial Statements, acknowledging that compliance with all 11 disclosure recommendations would be progressed over time.

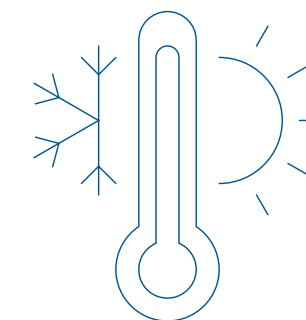
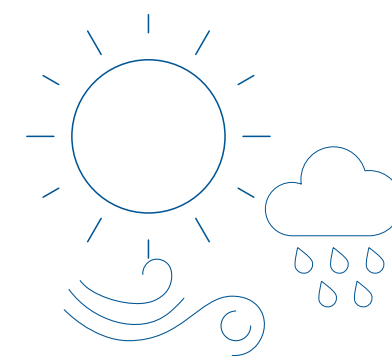
TCFD disclosure was advanced further in the 2020 Annual Report & Financial statements, published in February 2021, by analysing the potential financial impact of reaching net-zero by 2050. This work was a detailed project undertaken with a leading power price forecaster to assess the impact on power price projections from the increased roll out of renewables required to reach net-zero by 2050.

On the back of our publication of the impact of a net-zero scenario, the major power price forecasters have now released their own net-zero scenarios with broadly similar outlooks. There are a number of key drivers that form

the final forecast including renewables deployment, commodity prices and electricity demand. Electricity demand could be greater than is currently forecasted, which would result in higher power price forecasts, all else being equal. For instance, this could be achieved if there is quicker than expected adoption of electric vehicles, greater electrification of household heating and significant deployment of green hydrogen beyond current expectations.

Our net zero scenario assumed subsidy driven decarbonisation. However, there is no single route to net-zero – a carbon price driven decarbonisation could lead to significantly different outcomes, for instance, with potentially a far less significant impact on power price projects.

Our full TCFD disclosure is provided in Appendix F.



Impact of different climate related scenarios

TRIG's portfolio returns and potential to grow the portfolio are subject to both transition risks and physical risks.

Transition risks: Risks related to the transition to a lower-carbon economy. The risks can be grouped into four categories: policy and legal risk; technological risk; market risk; and reputational risk.

Physical risks: Risks associated with physical impacts from climate change that could affect energy assets and operating companies. These impacts may include "acute" physical damage from variations in weather patterns (such as severe storms, floods, and drought) and "chronic" impacts (such as sea level rise, and desertification).

The Board and the Managers have identified three key factors that will be impacted by the transition and physical risks of climate change:

- ▲ Power price forecasts, which are impacted by renewables build-out assumptions and the extent to which renewable electricity can be utilised when it is generated. This risk is most likely to manifest in a 2 degrees Celsius or lower scenario, where transition risks are greatest. The Investment Manager's analysis, having taken input from a leading third-party power forecaster, is set out below.
- ▲ Energy yield, which could be impacted by changes to weather patterns. Weather models are not able to forecast the impact of climate change scenarios on site-by-site weather patterns.
- ▲ Asset availability, maintenance costs and replacement costs will be impacted by changes in weather patterns that result in more severe events such as lightning strikes, hail and wind storms, floods and wildfires. This risk is most likely to manifest in a higher temperature scenario, where physical risks are greatest.

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

Under this scenario, we assume that policy measures are put in place that accelerate the decarbonisation of energy production, including higher than expected levels of renewables deployment, and each country where TRIG invests achieving their contribution to net-zero carbon by 2050. Physical risks from extreme weather events are less frequent and effective insurance coverage remains generally available.

In a high transition risk scenario:

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

Although these scenarios are very difficult to quantify, modelling undertaken suggests a possible impact of this scenario being a c. 11% reduction in the forecast portfolio power curve. If no mitigating action is taken then there could be a potential £120m to £220m (or 5p/share to 10p/share) reduction compared to the NAV published on 17 February 2021 in respect of 31 December 2020. This impact could be reduced as a result of industry efficiencies, such as lower operating costs arising from greater competition between sub-contractors as the sector continues to scale up, or increased efficiencies and performance.

One of the challenges to achieving more renewables build-out than assumed in current power price forecasts, and therefore decarbonisation, is that as long-term power price falls, a feedback loop of making fewer new projects financially viable is created. This in turn reduces the rollout rate and therefore reduces the downward pressure on forecast power prices. Governments across TRIG's target markets are beginning to set out detailed policies in relation to both supply and demand for renewable electricity, which may address this feedback loop, provide support to the power price and achieve the levels of renewables rollout required for net-zero carbon by 2050.

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

This is a climate change scenario that results in a temperature change of greater than 3 degrees celsius, resulting in extreme weather events that could threaten the successful operation of assets within the portfolio. We assume that under this scenario, renewables build-out lags expectations and energy is not decarbonised to an extent consistent with a lower impact from climate change and that insurance for damages may become unavailable or very expensive.

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

RES is undertaking a review of the portfolio for assets that may be at greater risk of extreme weather events such as storms, floods and wildfire. Projects at higher risk will be examined to identify the potential cost associated with these events and to mitigate their impact. We expect to provide an estimated financial impact in the 2021 Annual Report & Financial Statements.

A key mitigant to the portfolio as a whole suffering from a material event at any one asset is the portfolio's asset diversification including the geographic spread across five European countries, which helps to reduce the impact of localised weather events.

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

At the end of 2020 RES commenced a review of the portfolio for physical risks resulting from climate change. On the back of this we will undertake a deep-dive assessment of the portfolio. Currently, RES have engaged with all asset managers across the portfolio to help identify key physical risks faced by projects, which will be collated to determine the core risks faced by the portfolio.

Science Based Targets initiative (SBTi) and the Business Ambition for 1.5°C

The SBTi is a leading standard for corporate emissions reduction targets in agreement with the latest climate science and global climate goals. Through the SBTi, the Business Ambition for 1.5°C is a call to action for companies to commit to emissions reductions targets at the most ambitious level, restricting warming to 1.5°C. As part of this ambition, all targets must meet the criteria and recommendations of the SBTi. This initiative focuses on the identification of practical steps for businesses to take to positively reduce their carbon impact, thereby being an active part of the solution to the climate challenge.

In 2021, TRIG will be committing to both the SBTi and the Business Ambition for 1.5°C, recognising the alignment with our overall sustainability goals and purpose. This commitment will also assist in advancing our TCFD reporting, alongside the further benefits of reducing emissions across our value chain. Our Operations Manager, RES, has already committed to the SBTi and will be able to use their experience to help inform TRIG's approach.



EU Taxonomy

EU Taxonomy is a classification system, which confirms a list of environmentally sustainable economic activities, designed to protect investors from greenwashing, mitigate market fragmentation and help to move investments in line with the objectives of the European Green Deal.

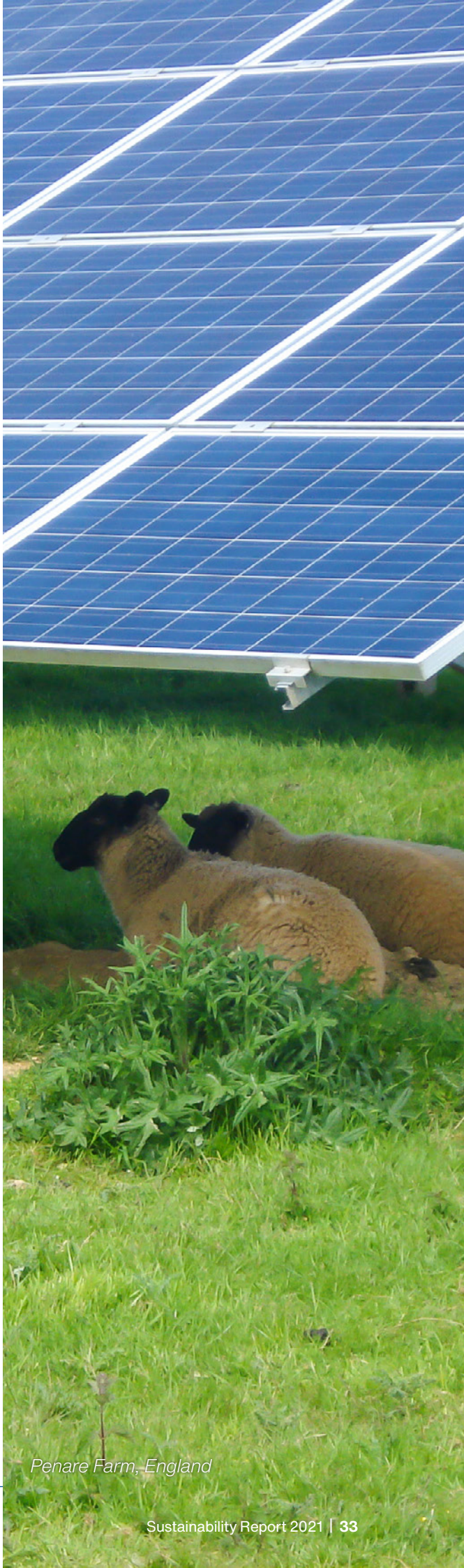
The regulation was published in June 2020 but will not apply in practice until January 2022. TRIG will be aligning itself with the requirements of the EU Taxonomy Regulations.

Sustainable Finance Disclosure Regulation ('SFDR')

Introduced by the European Commission, SFDR imposes mandatory ESG disclosure obligations for asset managers and other financial markets participants to make it easier to distinguish and compare between available strategies.

Investing sustainably is central to TRIG's business model and the Company intends to embrace the new requirements of the EU SFDR regime.

Over the course of the coming year, the Investment Manager will work closely with the Operations Manager to ensure that all necessary processes and data collection are in place during 2022, which will in turn enable fully compliant Level 2 reporting in 2023, in line with SFDR requirements.



06 Looking forward



Minesh Shah
InfraRed



Chris Sweetman
RES

A key tenet of sustainability is progress – for TRIG, this means evolving our approach to environmental, social and governance considerations to improve economic outcomes for shareholders, whilst being mindful of the consequences for stakeholders. We already see the benefits from the integration of sustainability matters into InfraRed’s investment process, which will be developed further, understanding the need for continual improvement.

We recognise that TRIG’s investments are embedded with communities and the environment. RES’ approach to operations management works towards TRIG’s sustainability goals to positively impact the communities in which TRIG works and to preserve the natural environment, alongside TRIG’s like-minded partners. In the year ahead, we will continue to look for opportunities to deepen and enhance our relationships with our supply chains and communities.

Both Managers understand the importance of the fair treatment of those involved in the delivery of TRIG’s projects. We recognise that there is an increasing awareness of not just our own sustainability practices, but also those of our supply chain and that our responsibilities should extend beyond the parties whom we have a direct contractual relationship with.

This process can be challenging. Nonetheless, in the coming year, InfraRed will take guidance from PRI recommendations and refine our investment processes further, remaining cognizant of the UN Guiding Principles on Business and Human Rights. RES will engage with project stakeholders to promote positive behaviours within their supply chain. In addition to this, RES will work alongside equipment manufacturers and industry bodies to maximise recycling and refurbishment in their technologies, such as turbine blades, batteries and PV modules.

InfraRed, responsible for TRIG’s sustainability-related disclosures, have increased disclosure significantly over the last two years. TRIG’s TCFD disclosure will once again be enhanced in our 2021 Annual Report to include a comprehensive, risk-based assessment of the physical consequences of climate change on TRIG’s portfolio.

In 2021, TRIG will join the Science Based Targets initiative (SBTi) and the Business Ambition for 1.5°C. As TRIG’s Managers, we will work to develop emissions reduction and net-zero targets for the Company to align with a ‘1.5°C future’. This is in conjunction with our ongoing efforts to reduce resource use and waste across the portfolio.

We are proud of TRIG’s sustainability achievements to date. Nonetheless, we recognise that investing and operating responsibly as a business requires us to continually strive to improve. We firmly believe that our commitment to responsible investment practices underpins the delivery of long-term and resilient returns to TRIG’s shareholders and positive outcomes for TRIG’s stakeholders.



Appendix

Appendix A: Greenhouse gas (GHG) emissions

TRIG’s Scope 1 and Scope 2 greenhouse gas emissions are disclosed below. TRIG has adopted the operational control boundary approach for the measurement of energy emissions for TRIG projects, as the Directors believe this reflects the level of emissions that can be actively controlled and reduced.

TRIG will provide reporting on Scope 3 emissions, and other greenhouse gases where relevant, from the 2021 Annual Report & Financial Statements.

Emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. UK Government Conversion Factors have been utilised for UK investments and the latest EU RE-DISS values to calculate emissions for non-UK investments.

Targets

The Company’s annual budgeting and semi-annual valuation process includes forecasts that may be influenced by the transition and physical impacts of climate change. These include expectations in respect of variables, in particular:

- ▲ Percentage of revenues with fixed power prices, which impacts the extent to which fluctuations in power price forecasts affects the portfolio valuation and forecast cash flows
- ▲ Energy yield, where deviations from expectations are examined for climate-related risk factors, including those arising from asset availability

Deviations of these variables from budgets and changes to the variables in forecasts may serve as leading indicators of changes to climate-related opportunities, risks and performance.

As noted above, further scenario analysis is underway, which may lead to further relevant metrics and targets being identified.

Disclosure	Year ended 31 December 2019	Year ended 31 December 2020
Scope 1 – direct emissions (tCO ₂ e)	0	0
Scope 2 – indirect emissions, location based (tCO ₂ e)	1,481	1,489
Total Scope 1 and 2 emissions (tCO ₂ e)	1,481	1,489
Intensity ratio (tCO ₂ e per MWh)	0.07%	0.06%
Scope 2 – indirect emissions, market based (tCO ₂ e)	646	666

Appendix B: TRIG Covid-19 Community Fund Impact

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
Argyll and the Isles Coast and Countryside Trust	Sustainably maintaining, enhancing and promoting the coast and countryside of Argyll and the Isles	Blary Hill, Freasdail	Towards woodland officer post	£10,200
Acorn Village	Care and accommodation to adults with learning disabilities	Stour Fields	Towards operational costs	£10,000
Age Scotland	National charity for older people, working to improve the lives of everyone over the age of 50 so they can love later life	Broxburn	Towards re-opening charity shop/helpline	£10,000
Alienergy	NPO promoting sustainable energy use and renewable energy generation, to address fuel poverty and reduce carbon emissions, across Argyll and Bute	Blary Hill	Extension of STEM education programme and home warmth/ power cut toolkit roll-out	£15,000
Ardfert Community Centre CLG	Working with the community to provide a range of services which are affordable, of good quality, accessible and available to all	Pallas	Towards multi-purpose community sports facility	£4,400
Autism Assistance Dogs Ireland	Supporting children with autism through assistance and companion dogs and committed to raising autism awareness, understanding and inclusion within the community	Milane Hill, Taurbeg	Towards relocation expenses	£3,200
Bovalley Community Association	Delivering activities to improve the quality of life of the community	Altahullion	Towards project coordinator role	£2,500
Bovalley Community Association	Delivering activities to improve the quality of life of the community	Altahullion	Towards Busy Fingers and Understanding Your Health programmes	£2,500
Bumbleance	The official Children’s National Ambulance Service of Ireland, providing safe and comfortable transportation for Ireland’s youngest patients as they travel between their homes and hospitals, hospices, treatment centres, and respite centres nationwide	Beennageeha	Towards operational costs	£6,000
Burton Pidsea PTA	Fundraising for the school and putting on additional functions for everyone to enjoy	Roos	Laptops for blended learning programme	£2,500

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
Child Dynamix	Engaging young people through immersing them in a series of outdoor activities and challenges whilst providing support and guidance with the aim of developing inner strength and resilience to help them address key issues in their lives which may be restricting their development	Roos	Towards Youth in Nature programme	£7,500
Christchurch Community Partnership	An independent charity seeking to alleviate social isolation of adults within Christchurch	Parley Court	Towards Project Coordinator role	£5,000
Cornerstone Foundation	The Cornerstone Foundation aims to make a lasting and positive difference in the community by doing amazing things for people with life challenging conditions. The Foundation works across Scotland, raising funds for people with a range of support needs to help them to live a valued life	Miekle Carewe	Towards home technology programme	£5,000
Credu	Supporting unpaid carers, of all ages, across Powys	Garreg Lwyd	Expansion of outreach programme	£4,000
Cumbria Action for Sustainability	Helping Cumbrians to reduce their carbon footprint and prevent damaging climate change	Tallentire	To extend reach of Cold to Cosy Homes programme	£1,000
Curnow School	Parent and teacher association for Curnow School, a community special school catering for learners aged 3-19 years with severe and profound and multiple learning difficulties.	Four Burrows, Penare	Towards classroom resources	£5,200
Fakenham Junior School PTA	Parent teacher association helping the school organise events for the children to raise money to enable the school to enhance the children's environment	Egmere	Towards "Trim Trail"	£5,000
Ferne Animal Sanctuary	Caring for unwanted and abandoned domestic & farm animals for over 75 years	Parsonage	Towards operational costs	£1,000
Fife College	Further and higher education college in Fife, Scotland. It provides a range of courses including a wind turbine technician course	Earlseat	IT equipment for students	£10,000

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
Fivemiletown British Legion	Supporting serving and ex-serving military personnel, their families and the community	Lendrums Bridge	Towards refurbishment of hall	£6,000
Fivemiletown Coronavirus Response Group	Providing community support to the elderly and vulnerable people of Fivemiletown and Clabby during the Covid-19 Pandemic	Lendrums Bridge	Towards running costs	£2,500
Foodshare Kerry	Providing a link between producers of surplus food and charities that specialise in combating food poverty	Beennageeha, Pallas	Towards operational costs	£6,000
Footprint Trust	Providing impartial and free advice on domestic energy conservation, helping people to use resources wisely and to keep warm and well	Marvel Farm	Towards anti-freeze fund and enhanced marketing	£7,600
Gift to Nature	Charity responsible for 30 conservation sites across the Isle of Wight, taking care of the island's flora and fauna and encouraging people to get out and enjoy the countryside	Marvel Farm	Towards conservation projects	£7,600
Gillians Saltire Appeal	The charity's objective is to raise sufficient funds to provide and maintain respite accommodation for cancer sufferers, their families and carers across Ayrshire and other parts of Scotland	Kelburn	Towards purchase of 2nd respite accommodation	£10,000
Glenshane Care Association	Cross-community organisation with charitable status that provides support for adults who have physical and/or learning disabilities in a day care setting	Altahullion	Towards re-opening day centre	£2,500
High Mead Farm CIC	Therapeutic day service to members of the public living with mental health issues, physical disabilities, addiction, Alzheimer & dementia diagnosis, brain injury, vision & hearing impairment, autism, children excluded from school, Parkinson's and learning difficulties. To engage in an array of interesting activities on the farm	Parley Court	Towards re-opening costs	£3,000
Holsworthy Community Rural Transport	Not for profit offering a ring and ride service, volunteer cars and a low cost hire service for community groups	Tamar Heights	Towards operational costs	£9,000

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
hOUR Timebank	Using timebanking to promote community resilience and active participation, improving lives, bringing communities together, tackling social inclusion and reducing loneliness	Milane Hill	Towards recruitment of timebrokers and promotion of network	£10,000
Ilminster Carnival Committee	Organisers of the annual carnivals plus other traffic management/ marshalling services (i.e. remembrance day parade), as requested by the local council	Parsonage	Towards securing future of carnival	£1,000
Irish Community Rapid Response	Providing safe, effective, and timely emergency medical care to those seriously ill or injured in Ireland through the provision of a network of volunteer doctors, Rapid Response Vehicles and a dedicated Helicopter Emergency Medical Service (HEMS)	Milane Hill, Taurbeg	Towards operational costs	£10,000
Keep Northern Ireland Beautiful	Environmental charity dedicated to making Northern Ireland a cleaner and more pleasant place in which to live	Lough Hill	Towards Fruit for Thought project	£10,000
Keith Youth Loft Project	One stop shop for young people in Keith and surrounding rural areas	Hill of Towie	Towards "Back to Basics and Beyond" programme	£3,000
Knocknagoshel Meals on Wheels	The former Knocknagoshel Over 55's Social Club & Women's Group providing meals and other services to their community	Pallas	Towards operational costs	£6,000
LATNEM	Volunteer group offering a safe, free peer support group for mums in the Aberdeenshire area who develop/ suffer a mental illness in the ante/ perinatal period	Meikle Carewe	Cost of running peer support group	£5,000
Langholm Initiative	Community anchor organisation for Eskdale, continually working to improve services and facilities for our area	Solwaybank	Towards project assistant for Digital Skills programme	£7,000
Limavady Community Development Initiative	Deliver an innovative range of community projects throughout the Causeway Coast and Glens Borough	Altahullion	Towards establishment of Baby Bank	£2,500
Maryport Inshore Rescue	Independent lifeboat and swift water rescue organisation	Tallentire	Towards operational costs	£7,500

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
LIVES	Supports highly trained and dedicated volunteers who get to their neighbours fast to deliver vital care in those first critical moments of a medical emergency before handing over to the ambulance service	The Grange	Towards costs of first responders	£10,000
Mandown Cornwall	Supporting men's mental health in Cornwall	Penare	Towards core costs and expansion of programme	£5,000
Mid and North Powys Mind	Improving mental wellbeing	Garreg Lwyd	Operating costs with priority to educational programme	£6,000
Moray Wellbeing Hub CIC	Working to improve wellbeing and reduce stigma across Moray	Hill of Towie	Towards wellbeing project in Keith and surrounding area	£6,000
Neilston and Madras PTA	Parent association for Neilston Primary and Madras Nursery	Neilston	Towards community art trail and associated activities	£3,500
Neilston and Madras PTA	Parent association for Neilston Primary and Madras Nursery	Neilston	Towards wellbeing week	£3,500
Neilston and Uplawmoor First Responders	Self- funding volunteer group delivering vital care in the first critical moments of a medical emergency before handing over to the ambulance service	Neilston	Towards the defibrillator programme	£3,000
Portfield School	Non-maintained special school for autism sufferers	Parley Court	Towards playground refurbishment	£5,000
RAF North Creake Memorial Project	Volunteer group with the aim to celebrate those who served, and commemorate those who were lost at the former WW2 bomber base in Egmore	Egmore	Towards completion of memorial site and development of memorial website	£5,000
Ramalife CIC	Promoting self-esteem, self-worth and self-confidence as individuals and as a community, as a foundation for happiness and productivity	Parsonage	Towards a community minibus	£5,000
School Bank West Lothian	Improving the lives of children in families in West Lothian experiencing financial hardship by providing them with a brand new school uniform and other clothing and equipment required for the school day	Broxburn	Towards PE Kit Appeal	£5,200

Beneficiary	Description	Relevant project(s)	Purpose	Amount awarded
Society of St Vincent de Paul	Fighting poverty, working for social justice and the creation of a more just and caring nation	Beennageeha, Milane Hill, Pallas	Towards education and bursary programme	£10,000
Sound Waves SW	Music therapy trust promoting health through music	Tamar Heights	Towards music therapy sessions and instrument replacement	£6,000
St Lawrences Primary School	Aiming to ensure that all children are provided with the values, skills, knowledge and abilities that will develop them academically, physically, socially and morally	Lendrums Bridge	Towards additional school tablets	£6,000
St Margaret's Hospice	Delivering high quality, responsive and compassionate care to patients and their families facing a life-limiting illness	Parsonage	Towards operational costs	£6,000
St Petrocs	Working to end street homelessness in Cornwall	Penare	Towards operational costs	£7,500
Surfers against Sewage	Creating ocean activists everywhere for a thriving ocean and thriving people	Four Burrows	Towards beach clean programme	£7,500
Thurso Community Development Trust	Delivering an innovative range of community projects	Forss	Towards community support activities	£10,000
Wells Coastwatch	NCI watchkeepers provide the eyes and ears along the coast, monitoring radio channels and providing a listening watch in poor visibility. When people get into trouble, they are there to alert HM Coastguard and direct the appropriate rescue services to the casualty	Egmere	Towards additional operational costs	£1,700
Wells Community Support Hub	Helping anyone in their community in need, regardless of age or circumstances	Egmere	Towards community support hub	£3,500

Appendix C: Diversity and inclusion commitments

InfraRed

InfraRed have many established Wellbeing and Inclusion initiatives for their staff, including but not limited to:

- ▲ A ‘Go-To Team’ for staff to contact if they need additional support.
- ▲ Seasonal Wellbeing challenges, encouraging staff to stay healthy and active.
- ▲ Annual Physical Health Assessments.
- ▲ Virtual Fitness Sessions including Yoga and Personal Training classes.

RES

At RES, the ‘Way We Work’ code of conduct guides behaviours and sets the principles for actions and decisions. It is based on RES’ desire to deliver excellence to their customers, respect others inside and outside of the organisation and care for the safety, wellbeing, and development of their people.

This includes providing access to support initiatives such as:

- ▲ An ‘Employee Assistance Programme’ which provides extensive services covering health and lifestyle, legal information, work life and home life – which are there to support RES’ people and their families. The programme also has a confidential helpline available 24 hours a day.
- ▲ Access to a private healthcare scheme including a wide range of treatments, care, and diagnostic testing.
- ▲ Mental Health First Aiders: First aid training is provided to RES People who are interested in learning further about mental health and practical skills to spot triggers and support follow employees.
- ▲ Weekly Virtual Fitness Classes of Yoga and Home Workouts and Gym Discount schemes.

Appendix D: TRIG’s remuneration policies and provisions

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the Group’s aggregate management fees up to an Adjusted Portfolio Value of £1 billion are to be settled in Ordinary Shares. The shares issued to the Managers by the Company relate to amounts due to the Managers by TRIG UK. Accordingly, TRIG UK reimburses the Company for the shares issued.

TRIG’s Management Fee is 1.0% per annum of the Adjusted Portfolio Value¹ of the investments up to £1.0bn

(with 0.2% of this paid in shares), falling to (with no further elements paid in shares) 0.8% per annum for the Adjusted Portfolio Value above £1.0bn, 0.75% per annum for the Adjusted Portfolio Value above £2.0bn and 0.7% per annum the Adjusted Portfolio Value above £3.0bn. Fees are split between the Investment Manager (65%) and the Operations Manager (35%). There are no performance or acquisition fees.

The Directors’ Remuneration Report can be found in TRIG’s 2020 Annual Report, pp.107-110.

¹ Adjusted Portfolio Value means fair market value, taking into account any project financing, less any other debt held other than the acquisition facility

Appendix E: Policies and procedures of TRIG and its Managers

Policy	TRIG	InfraRed	RES
Sustainability Policy	https://www.trig-ltd.com/wp-content/uploads/2021/01/TRIG-RI-Policy-FINAL.pdf	https://www.ircp.com/sites/default/files/2021-03/InfraRedSustainabilityPolicyDecember2020.pdf	https://www.trig-ltd.com/wp-content/uploads/2021/02/RES-Group-ESG-Policy.pdf
Modern Slavery Statement	https://www.trig-ltd.com/wp-content/uploads/2021/03/TRIG-Modern-Slavery-and-Human-Trafficking-Statement-February-2021.pdf	https://www.ircp.com/sites/default/files/2020-08/InfraRed%20Modern%20Slavery%20Act%20statement_0.pdf	https://www.res-group.com/en/modern-slavery/
Whistleblowing Policy	TRIG maintains a Whistleblowing Policy internally.	InfraRed maintains a Whistleblowing Policy internally.	RES maintains a Whistleblowing Policy internally.
Countering Tax Evasion	https://www.trig-ltd.com/wp-content/uploads/2021/03/TRIG-Criminal-Finances-Act-February-2021.pdf	InfraRed has principles, policies, and standards in place for countering tax evasion.	RES has principles, policies and standards in place for countering tax evasion. Their Tax Strategy is available on the RES website: https://www.res-group.com/en/regulatory-documents/
Data Privacy & Security Policy	https://www.trig-ltd.com/privacy-policy/	https://www.ircp.com/infrared-group-and-its-affiliates-privacy-notice-your-privacy-rights/	https://www.res-group.com/en/privacy/
Anti-Money Laundering Policy	TRIG maintains an Anti-Money Laundering Policy internally.	InfraRed maintains an Anti-Money Laundering Policy internally.	RES maintains an Anti-Money Laundering Policy internally.
Anti-Bribery & Corruption Policy	TRIG has Anti-Bribery and Anti-Corruption Policies in place which are reviewed by the Board. A statement on this can be found on page 80 of TRIG's 2020 Annual Report.	InfraRed has principles, policies, and standards in place for countering Bribery and Corruption.	RES has principles, policies, and standards in place for countering Bribery and Corruption.

Appendix F: TRIG’s TCFD reporting - climate change related risks and opportunities

TRIG’s climate-related reporting follows the four core elements defined by the TCFD:

1. Governance

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

2. Strategy

TRIG’s business model is specifically designed to take advantage of the investment opportunities arising from the decarbonisation of energy usage. The pace of the transition to a net-zero carbon future will dictate the size of the investment opportunity for TRIG. Under current plans for renewables deployment spread over the range of European countries in which TRIG invests, coupled with the expected need for the replacement of existing installations in due course, the Managers expect there to be significant investment opportunities for the Company over the long term. Notwithstanding this, TRIG recognises that risks relating to climate change could have an impact on the Company.

The table below sets out a selection of key climate-related opportunities and risks as they apply to TRIG. Risks arising from climate change overlap with the Company’s principal risks: energy yield, energy pricing and government / regulations. The table includes a qualitative assessment of the impact of climate-related opportunities and risks on:

- ▲ TRIG’s investments, strategy and financial planning;
- ▲ Incorporating the expected timeframes.

Impact	Opportunities	Risks
Portfolio investments	<p>In the medium term, government policy stemming from the transition to a net-zero carbon economy may present opportunities for follow-on investments in the existing portfolio such as:</p> <ul style="list-style-type: none">▲ The co-location of storage, which may enhance the asset and provide access to a new revenue stream;▲ Repowering existing sites to extend asset life and enhance investment performance. In France, for example, repowered sites are able to bid for new subsidies;▲ Expanding sites to efficiently increase investment scale whilst utilising existing site knowledge and, potentially, grid infrastructure.	<p>In the near and medium term, transition risks to portfolio investments arise from unexpected changes to government policies. An increase in renewables build-out ambition without sufficient demand-side action can reduce power price forecasts.</p> <p>In the medium and long term, if adverse climate change is not arrested, portfolio investments will likely be exposed to more frequent extreme weather events, increasing the risk of physical damage to on-site infrastructure and off-site transmission and distribution systems, alongside additional safety risks and operational considerations. Such events may acute, including:</p> <ul style="list-style-type: none">▲ Forest, grassland or peat fires;▲ Flooding; or▲ Storms and high speed wind gusts. <p>Or chronic, including:</p> <ul style="list-style-type: none">▲ Increased temperatures such that the thermal capacity of equipment could be exceeded;▲ Changes to ground conditions from increased rain; or▲ Changes to cloud cover impacting ground-level solar irradiation. <p>Risks also include potential long-term changes to weather patterns causing material increase or decrease in an asset's energy yield from that expected at the time of investment.</p> <p>Mitigation comes from portfolio diversification across geographies and technologies, to reduce the overall impact of action taken by an individual government, any local extreme weather event or single asset failure.</p>

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

3. Risk management

Overall, as previously noted, TRIG’s business model is specifically designed to take advantage of the investment opportunities arising from the decarbonisation of energy usage. Nonetheless, climate-related risks exist and are identified and discussed through the Managers’ wider risk management processes. They are identified and assessed by the Managers when making new investments (throughout the deal screening and due diligence processes) and in the running of the current portfolio (asset management activities, monitoring and reporting).

Climate-related risks identified through the acquisition process are managed through the acquisition business plan and investment pricing. The appropriateness of mitigating action is considered by the Investment Committee as part of the investment process.

Representatives of RES and InfraRed sit on the board of each project company. Through this role, they ensure that climate change related risks are considered by project company management teams, reflected in project company risk registers, and appropriate mitigation plans are put in place.

Those identified in the running of the current portfolio are managed through mitigating action, where possible. Management activities are discussed by the Advisory Committee through their quarterly review of portfolio performance.

These risks are integrated into TRIG’s risk management framework through the investment process and reported quarterly to the Board. The Board considers the completeness of the risks recognised and the sufficiency of controls and mitigation, identifying where it is felt further action is required.

4. Metrics and targets

Metrics

The Company utilises a range of metrics to monitor the contribution of the portfolio to mitigating climate change, including the following:

- ▲ Renewable energy generation
- ▲ Tonnes of carbon emissions avoided
- ▲ Homes powered by clean energy, which impacts the margin and commitment fee paid under TRIG’s ESG-linked revolving credit facility
- ▲ The proportion of portfolio sourcing electricity under renewable energy tariffs
- ▲ Number of Active Environmental Management projects

The Board and Managers consider several metrics that relate to climate-related opportunities and risks:

- ▲ Renewables build-out assumptions in TRIG’s investment and target acquisition markets, which impacts long-term power price forecast assumptions
- ▲ Percentage of revenues with fixed power prices, which impacts the extent to which fluctuations in power price forecasts affects the portfolio valuation and forecast cash flows
- ▲ Energy yield, where deviations from expectations are examined for climate-related risk factors, including those arising from asset availability

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East Wing
Trafalgar Court
Les Banques
St Peter Port
Guernsey
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