

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

## About TRIG

The Renewable Infrastructure Group's ("TRIG" or the "Company") diversified portfolio includes onshore and offshore wind farms, solar parks and flexible capacity projects in the UK and Europe. These assets generate revenues from the sale of electricity, government-backed contracts or tariffs, and / or the provision of other services to the grid.

TRIG was one of the first investment companies investing in renewable energy infrastructure projects listed on the London Stock Exchange. TRIG completed its IPO in 2013 raising £300m and is now a member of the FTSE-250 index.

TRIG has an independent Board of non-executive directors who oversee TRIG's Investment Manager, InfraRed Capital Partners ("InfraRed" or the "Investment Manager") and TRIG's Operations Manager, Renewable Energy Systems ("RES" or the "Operations Manager"), who provide the day-to-day management of the Company and its investment portfolio.

## About InfraRed

InfraRed is an international infrastructure investment manager, with more than 180 professionals operating worldwide from offices in London, New York, Sydney and Seoul. InfraRed manages US\$14bn+ of equity capital for investors across the globe, across listed and private funds.

InfraRed has been a Principles of Responsible Investment signatory since 2011 and achieved the highest possible rating of 5 stars for the Policy, Governance & Strategy and Infrastructure in its latest assessment and 4 stars in the newly created module for Confidence Building Measures. InfraRed has been a Task Force on Climate-related Financial Disclosures ("TCFD") supporter since 2020 and a member of the Net Zero Asset Manager's Initiative since 2021.

InfraRed publishes its Sustainability Policy, including its approach to the integration of sustainability considerations into the investment cycle, on its website at: <https://www.ircp.com/sustainability>

## About RES

RES is the world's largest independent renewable energy company having developed and/or constructed over 23GW of projects. RES also supports an operational asset portfolio of over 10GW with operations in 11 countries and over 2,500 employees globally. RES is a pure-play renewables company with the expertise to develop, construct and operate projects around the globe across a range of technologies.

RES has an ESG Policy and Strategy agreed at Group Executive level, and their ESG teams integrate this strategy, measure performance, and communicate sustainability policies and activities to the wider group.

RES has committed to the Science Based Targets initiative (SBTi) to work towards targets in line with a 1.5°C future, and publishes their ESG activity within their annual Power for Good report available on its website at: <https://www.res-group.com/en/about-us/sustainability/>

## Sustainability overview

The projects in TRIG's portfolio impact people and the environment. With this comes a responsibility for TRIG and its service providers to act with care, consideration and integrity. TRIG's Sustainability Policy seeks to articulate how those responsibilities are discharged in order to mitigate risks and to create a positive impact beyond commercial objectives.

TRIG's Environmental, Social and Governance ("ESG") objectives are to:

- 1. Mitigate adverse climate change;**
- 2. Preserve our natural environment;**
- 3. Positively impact the communities we work in; and**
- 4. Maintain ethics and integrity in governance.**

In achieving these objectives, investing sustainably is central to TRIG's business model. It means ensuring each portfolio company takes responsibility for its ESG impacts, risks and opportunities. It is when environmental, social and economic sustainability come together in a strong governance framework that the investment proposition can be delivered in the long term.

**TRIG's commitment to sustainability is operationalised through the lens of its four ESG objectives.**

## 1. Mitigate adverse climate change

TRIG's primary sustainability goal is to mitigate adverse 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 are complementary to, or support the roll-out of, renewable energy generation. Whilst TRIG's assets deliver inherent climate benefits, we continue to seek solutions to reduce emissions associated with the operation and construction of the assets (e.g. fuel for offshore marine vessels and selection of construction materials) as well as in the supply chain of procurement (e.g. incorporating circularity into procurement).

As TRIG continues to increase investments in projects supporting decarbonisation it further supports climate action throughout the life of the investment.

At the **pre-investment** stage, TRIG commits to:

- Performing a climate change risk assessment to identify material physical and transition risks. The findings are incorporated into valuation models and post-investment action plans.

At the **post-investment** stage, TRIG commits to:

- Collaborating with portfolio companies to collect Greenhouse Gas ("GHG") emissions data, with an enhanced focus on Scope 3 emissions given relative materiality and challenges of data availability;
- Engaging with the supply chain to align to TRIG's net zero ambitions;
- Supporting the implementation of GHG reduction initiatives such as the sourcing/procurement of green energy for operational energy use; and
- Monitoring climate risks on an ongoing basis and reporting in line with the Task Force on Climate-Related Financial Disclosures ("TCFD").

## 2. Preserve our natural environment

TRIG envisions a more circular world and an environment where plants, animals and habitats are thriving. The Company's efforts to preserve the natural environment therefore encompasses two key themes, the circular economy and biodiversity.

### Biodiversity

Biodiversity is increasingly recognised as an important part of a sustainable future. Alongside the risks posed by climate change, nature loss represents a systemic risk for the global economy. Given nature's inextricable links with food systems, livelihoods, and consequently the global financial system, it is estimated that over half of the world's GDP \$44tn<sup>1</sup> is at moderate or severe risk due to biodiversity loss. In recognition of this, TRIG commits to the following during the investment's life.

At the **pre-investment** stage, TRIG commits to:

- Completing appropriate due diligence of the project's Environmental Impact Assessment (EIA) or equivalent;
- Ascertaining whether the project is located in or close to a biodiversity sensitive area; and
- Investigating how findings of the environmental studies can be accounted for in the design and construction of the project.

**Post-investment** our objective is to apply TRIG's biodiversity strategy of "Preserve, Improve, and Monitor and Report":

- **Preserve**
  - Upholding the EIA recommendations; and
  - Implementing location-specific, biodiversity positive initiatives such as native tree planting.
- **Improve**
  - Engage with portfolio companies management teams to identify further enhancements and impact mitigation strategies; and
  - Where possible, go beyond the recommendations of EIA or equivalent requirements.
- **Monitor and Report**
  - Collecting and monitoring data on project-level biodiversity impacts and proximity to sensitive areas (as per Sustainable Finance Disclosures Regulation "SFDR"); and
  - Developing further understanding and targets in accordance with the future guidance of reporting frameworks.

### Circular Economy:

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<sup>1</sup> Source: World Economic Forum, retrieved from: [https://www3.weforum.org/docs/WEF\\_New\\_Nature\\_Economy\\_Report\\_2020.pdf](https://www3.weforum.org/docs/WEF_New_Nature_Economy_Report_2020.pdf)

TRIG is committed to improving circularity and resource efficiency along the entire lifecycle of assets. Where possible, TRIG also seeks to extend the asset's useful life where possible, thereby reducing waste, through technical and commercial enhancements.

At the **pre-investment stage**, TRIG seeks to:

- Assess availability of materials with properties of high durability and recyclability; and
- Assess potential to use fewer virgin materials.

At the **operational stage**, TRIG requires that:

- A waste hierarchy principle be applied ("Prevent, Reuse, Recycle, Recovery, Landfill");
- Waste streams be separated at site level. Where this is not possible, waste should be separated at source by the maintainers at their hubs;
- The use of refurbished components be prioritised where feasible and economically optimal; and
- Waste should be tracked and measured; example metrics include:
  - Total amount of waste diverted from disposal (%);
  - Total amount of blade waste directed to landfill (%).

During **life extension, repowering and decommissioning**, TRIG:

- Seeks to extend asset lives where economically viable and optimal;
- Considers recycling process for non-composite sections; and
- Considers composite recycling technologies for blades, for example, mechanical grinding and co-processing.
  - For repowering: assess availability of materials with high durability and recyclability;
  - For decommissioning: reuse, recycle, or recover all components.

### 3. Positively impact the communities we work in

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

For that reason, TRIG is committed to:

- Meeting with the public on a regular basis and implementing protocols to govern community benefit arrangements (e.g., community funds);
- Using local employment and locally sourced/produced materials where possible;
- Supporting local causes, often via community funds, such as donating to help fund social hubs, local healthcare, schools and entertainment; and
- Educating the next generation about sustainability and renewable energy through school education days on TRIG sites.

#### Indigenous Peoples

- TRIG's Managers have global footprints and are experienced in transacting in and the management of investments embedded in communities, including those of indigenous peoples. Their focus with all communities is on mutual understanding and cooperation.
- As at the publication of this statement, TRIG has investments in onshore wind projects which are located in the communities of the indigenous Sami population in Sweden. As part of our project ownership, regular meetings are held by the asset manager with local Sami representatives to ensure that they are kept informed on an accurate, timely and sufficient basis in an open and constructive manner. Operational arrangements made with the consent of the Sami people prior to TRIG's acquisition of the projects are honoured to ensure they can continue to use the land as agreed with the projects.

### 4. Maintain ethics and integrity in governance

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

TRIG views equal representation as an essential element to the business' governance, and TRIG's Board have chosen to adopt definitive policies with quantitative targets for Board diversity. Since March 2014, the Board has had equal gender representation. The Managers also report progress on inclusion and diversity in the workplace.

TRIG maintains ethics and integrity in governance via three key areas (discussed in greater detail below):

1. ESG integration into the investment process
2. Active asset management
3. Reporting key metrics and targets and maintaining transparency with our stakeholders in line with international reporting frameworks

## **(1) ESG integration into the investment process**

The Investment Manager employs a comprehensive sustainability investment framework, based on a foundation of robust guiding principles, ensuring that sustainability is integrated into each stage of the investment process; from negative screening against the firm's exclusion list, deal screening, due diligence, the investment approval, ongoing management and reporting throughout the ownership period until an investment reaches the end of its economic life and is decommissioned or when TRIG exits the investment.

As part of the investment process the Investment Manager will conduct extensive due diligence on portfolio companies to ensure that they are following good governance practices. This includes public data searches on investee companies to identify the existence of any material sustainability breaches or incidents. The Investment Manager also undertakes detailed ESG due diligence based on the specifics of the project, for example biodiversity with wind farms or labour conditions within the battery and solar supply chains.

## **(2) Active asset management**

Active management, stewardship and engagement initiatives are essential in fulfilling our duties as a responsible long-term investor.

TRIG's Operations Manager typically represents TRIG on the board of portfolio companies with governance rights to ensure sufficient controls and protections are in place within portfolio companies. This ensures that portfolio companies are aligned with standard policies and local regulations in relation to good governance 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. RES also oversee key aspects such as performance against key ESG KPIs and community outreach activities. RES also engages with assets to improve data quality and progress relevant action plans. This feedback loop provides confidence in reported sustainability factors.

## **(3) Metrics, targets, reporting and transparency**

All TRIG portfolio companies are required to complete an annual ESG survey. This enables the TRIG team to measure each portfolio company's performance against a set of 70+ KPIs. The survey in essence is an annual audit of sustainability performance, enabling TRIG to create an action plan for areas to improve in the following year.

The ESG survey is updated annually to reflect best practice and regulatory requirements, for example the survey now incorporates the Principle Adverse Impact Indicators ("PAII") mandated by the SFDR, as well as criteria for asset alignment as per the EU Taxonomy for sustainable activities.

The Company provides its investors and other key stakeholders with details on its progress against sustainability commitments and ESG KPIs through TRIG's annual sustainability reports, annual and interim reporting and other ad hoc communications.

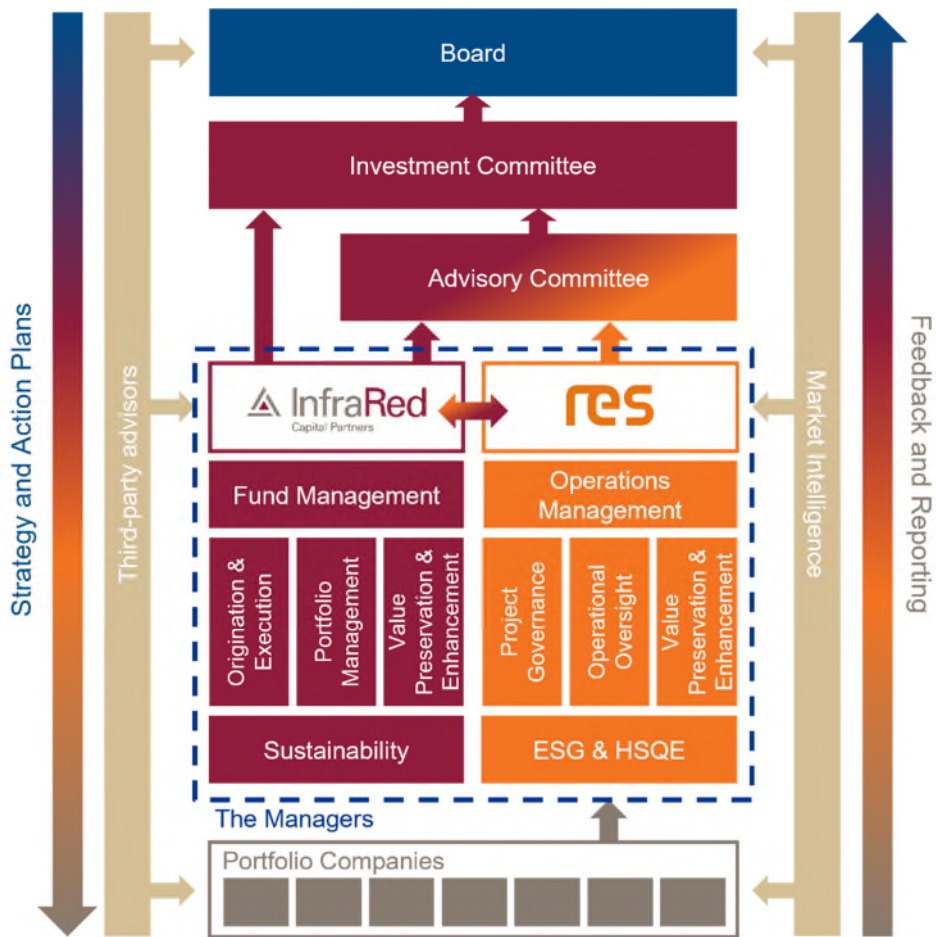
## **Roles and Responsibilities**

The Board has overall responsibility for TRIG's Sustainability Policy and its application through the activities of the Managers.

TRIG's Sustainability Policy applies to both making new investments, including throughout the investment screening and due diligence processes, and the running of the current portfolio, including asset management activities, monitoring and reporting.

## **TRIG's Reporting Structure**

The graphic below shows TRIG's reporting structure and the way in which the Board (including the TRIG ESG committee), Managers and our Portfolio Companies interact. By collecting and aggregating data across the portfolio, areas of improvement can be identified and used to make more informed investment decisions.



This Sustainability Policy is subject to ongoing enhancement including a formal annual review and will be reported on in TRIG's annual report and accounts.

DocuSigned by:  
  
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 Richard Morse  
 Chairman

**Date:** 27 February 2024