GREENCOAT UK WIND

# ESG Report 2024

GREENCOAT UK WIND PLC

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# UK Wind plc reaffirms its **commitment to be a catalyst for positive change** in the global fight against climate change.

## 2024 HIGHLIGHTS

**1,983 MW**
Installed net capacity under management

**5,484 GWh**
Renewable energy generated

**2.0 million**
Estimated number of homes (equivalent) powered by clean energy**

**10 pence**
Dividend with respect to the year per share

**49**
Number of operating wind farms under management

**2.2 million**
Estimated tonnes of $CO_2$ avoided*

**£2,879 million**
Market capitalisation

**£5,653 million**
Gross asset value

**£3,409 million**
Net Asset Value

* Estimated emissions avoided are calculated assuming that renewable energy generation replaces the marginal generator (i.e., the generation that is most likely to be displaced as the next dispatch option in the electricity system). The marginal generator in the UK is natural gas. The "operating margin" approach is the preferred option under the Partnership for Carbon Accounting Finance guidance for measuring carbon avoided. Carbon emissions factors ($gCO_2/kWh$) for the marginal generator is sourced from the International Energy Agency Emissions Factors 2024.

** The number of homes powered is based on the average annual household energy consumption, using the latest reported figures, and reflects the portfolio's annual electricity generation at the relevant reporting date for the UK.

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# 1.0 Greencoat UK Wind overview

"We have seen tremendous growth and opportunity, solidifying our position as the largest renewables infrastructure fund and as one of the largest owners of wind farms in the UK."

**Lucinda Riches CBE**
Chair

# 1.1 Foreword

We are pleased to present Greencoat UK Wind PLC's (the Company) Environmental, Social and Governance (ESG) Report for 2024, which details the progress we have made towards improving our ESG performance. Throughout 2024, we have seen increased evidence of the environmental and societal challenges we face due to climate change. Scientists have confirmed that 2024 was the warmest year on record, with global average surface temperatures at 1.55°C above pre-industrial levels.[1] COP29 was also an important moment for global climate finance, with an agreement that US$300 billion will be needed annually by 2035 to tackle the effects of climate change. This puts the importance of global decarbonisation and reliance on clean energy sources into the spotlight. Although recent changes in global politics may result in some regional divergences in terms of commitments to climate change mitigation and net zero, we believe that the UK remains dedicated to its climate goals through mechanisms such as the Clean Power 2030 Action Plan.[2]

We reaffirm our commitment to being a catalyst for positive change in the global fight against climate change. The Company offers investors the opportunity to be part of the UK's energy transition by participating directly in the ownership of UK wind farms, while generating a sustainable and transparent income stream and return. We have seen tremendous growth and opportunity, solidifying our position as the largest renewables infrastructure fund and as one of the largest owners of wind farms in the UK.

In 2024, we integrated the four new assets we acquired in 2023 into our portfolio of onshore and offshore wind farms, with the total number of assets remaining at 49. In 2024, our 2.0GW portfolio generated almost 5.5TWh of electricity, avoiding an estimated 2.2 million tonnes of carbon dioxide ($CO_2$) and powering around 2.0 million UK households.[3] The Company is well positioned to support the UK's renewable energy sector expansion and to play a crucial role in the transition towards a net zero economy.

Our dedication to responsible investment practices is embodied in our robust ESG Policy. We believe that sustainability and long term value creation are fundamentally aligned. By effectively managing ESG topics that are material to our assets, we can maximise returns for our investors and create positive benefits for the communities and natural environments in which our wind farms operate.

Our impact extends beyond renewable energy production: our community funds have awarded £5.7 million in grants to charities and community benefit organisations across 864 projects over the past year. These contributions benefit local people, wildlife and habitats, reinforcing our belief in being a responsible business.

Our 2024 ESG Report highlights the progress we have made over the past year in furthering our commitment to sustainable investment, with case studies showcasing some of the positive impacts we have had. We are proud of our progress in 2024, and we look forward to sharing further updates in 2025. We are determined to continue playing our part in accelerating the development of the UK's wind energy sector and to contribute to a more sustainable and resilient future for generations to come.

**Lucinda Riches CBE**
Chairman

(1) World Meteorological Organisation press release, 10 January 2025, https://wmo.int/news/media-centre/wmo-confirms-2024-warmest-year-record-about-155degc-above-pre-industrial-level.
(2) https://www.gov.uk/government/publications/clean-power-2030-action-plan.
(3) Calculated based on actual generation figures as of 31 December 2024.

# 1.2 About us

We are the largest listed renewables infrastructure fund and stands as one of the largest owners of wind farms in the UK.[4] Our aim is to provide investors with an annual dividend that increases in line with retail price index (RPI) inflation while preserving the capital value of its investment portfolio in the long term on a real basis through the reinvestment of cash flow.

The Company is managed by an experienced team of senior executives from Schroders Greencoat LLP (the Manager), a specialist investment manager of renewable energy infrastructure.[5] Both the Company and the Manager form part of the Schroders Group.

**Figure 1: Schroders Business**


(4) UK Wind was the largest listed renewables infrastructure fund by market capitalisation as of 31st December 2024. Latest listings can be found at https://www.londonstockexchange.com/.

(5) In 2022, Schroders PLC completed acquisition of a 75% shareholding in Greencoat Capital, now known as Schroders Greencoat.

## 1.2.1 Our strategy

In the global landscape, renewable energy emerges as a multitrillion-dollar asset class, projected to grow by over £100 billion annually in the coming decade. To deliver the net zero transition, significant external financing is required to bridge the gap between capital availability and the technical expertise required for effective management of these assets.

Our mission is to provide the necessary financial, technical and operational expertise to secure returns for our clients in pursuit of the net zero transition. The Company is the leading listed renewables infrastructure fund, with a market capitalisation of approximately £2.9 billion as of 31 December 2024. The Company has also been a constituent of the FTSE 250 Index since 2016 and is classified as a Green Economy Mark Issuer by the London Stock Exchange, underscoring its dedication to complying with its environmental responsibilities and achieving outstanding financial results.[6]

Since its listing in 2013, the Company's dividend has increased annually at least in line with RPI inflation. The Company's net asset value (NAV) has grown significantly, with nearly £1 billion of reinvestment, and the NAV per share has largely kept pace with RPI.

A map of our assets, as of 31 December 2024, is included in this report.

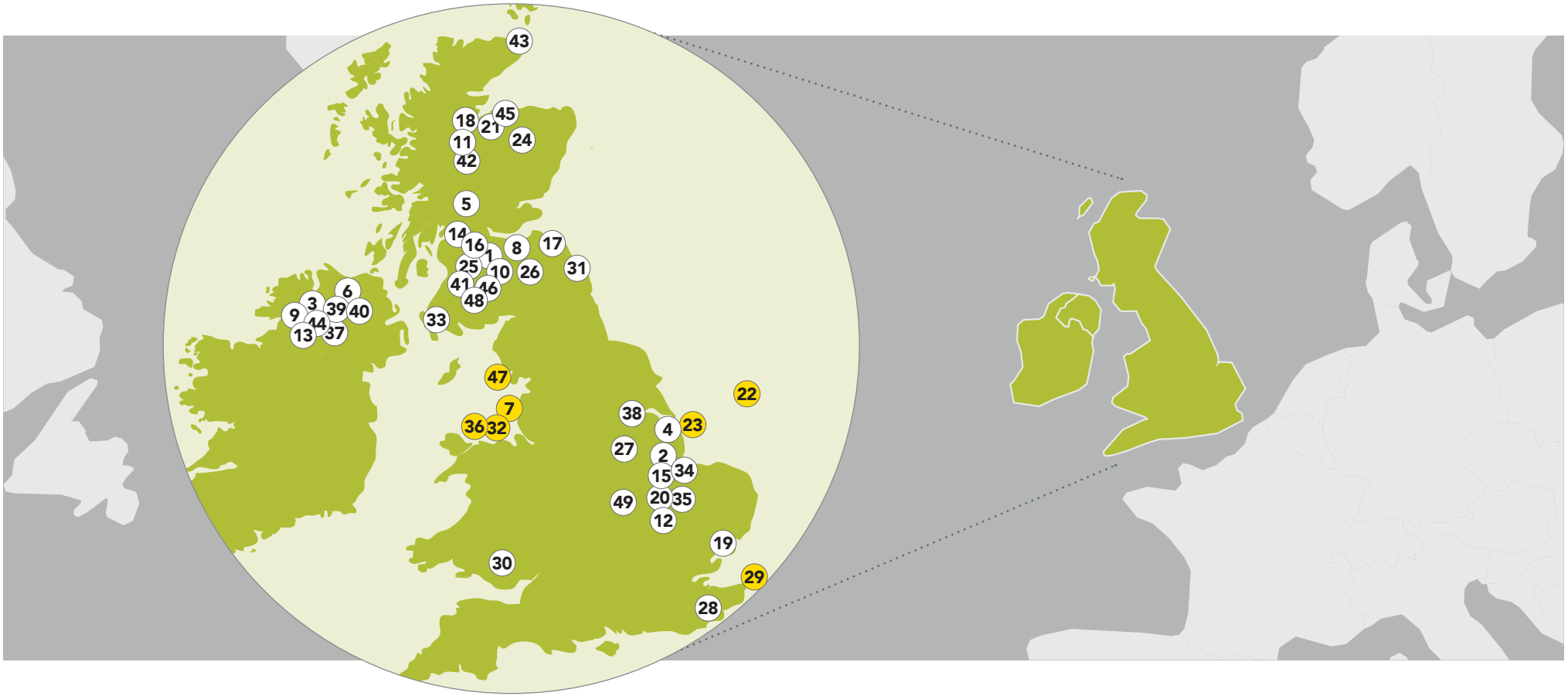
*Clyde*

(6) Green Economy Report 2024

## 1.2.1 Our strategy (continued)

**Key**

○ Onshore wind ● Offshore wind




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

# 1.3 Board of Directors and management team

## The Board of Directors

Lucinda Riches CBE

Caoimhe Giblin

Jim Smith

Nick Winser CBE

Abigail Rotheroe

Taraneh Azad

The Board currently comprises six independent non-executive directors, each contributing substantial and complementary expertise in managing listed funds, equity capital markets, and various aspects of public policy, operations and finance within the energy sector. Our Board's diversity ensures that each member holds a unique perspective and experience in ESG topics, which are used to drive our progress across sustainability.

**Profiles for each Board member are available on our website.**

## Investment management team

Stephen Lilley

Matt Ridley

The investment management team has significant expertise in renewable energy infrastructure financing, coupled with a keen interest in sustainability. It is responsible, among other things, for driving forward the Company's ESG agenda through its oversight of social and environmental impacts arising from the Company's day to day activities.

On 1 March 2024, Matt Ridley succeeded Laurence Fumagalli to lead the investment management team alongside Stephen Lilley.

After the Company's Annual General Meeting (AGM) on 25 April 2025, Stephen Lilley will be stepping down from management of the Company and Stephen Packwood will join Matt Ridley as the second investment manager of the business.

**Profiles for the investment management team members are available on our website.**

# 1.4 What ESG means to us

Our commitment to ESG principles is integral to achieving our business objectives and maximising the positive socioeconomic impacts of wind energy.

Rooted in our investment philosophy, culture and leadership approach, we firmly believe that effective management of ESG factors benefits our shareholders and contributes to the wellbeing of wider society. We believe that there is a strong link between positive ESG performance and overall business success. Understanding our leadership position as the first and largest listed specialist renewables infrastructure company in the UK, we believe in the importance of having a robust ESG management and governance structure, and continuously engaging with industry stakeholders to inform our ESG knowledge and to champion responsible investment.

Additionally, the Manager is committed to allocating resources towards the development of ESG capabilities within its teams and incorporating these considerations into day to day operations.

In this ESG Report, we explore the issues of most importance to our business and the impact they have on our stakeholders.

*Clyde*

## Governance

- Business ethics and conduct
- Supply chain management
- Cybersecurity

## Environmental

- Climate change and carbon emissions
- Renewable energy
- Nature and biodiversity
- Waste management and the circular economy

## Social

- Health and safety
- Human rights and modern slavery
- Supporting local communities

# 1.5 Our ESG timeline

As we progress our ESG journey, we will continue to look for opportunities to strengthen our risk management and ESG systems based on best practice.

## 2016

The Manager became a signatory to the UN backed Principles for Responsible Investment.

## 2019

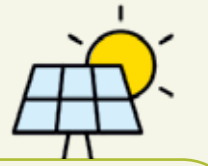
The Company published its first ESG Report.

The Manager established its ESG Committee.

The Company published its first disclosures under the Task Force on Climate-related Financial Disclosures recommendations.

The Manager established its first Code of Conduct Side Letter.

## 2020



The Manager updated its ESG and Equality, Diversity and Inclusion policies.

## 2021

The Manager joined the Net Zero Asset Managers initiative.

The Manager hired a dedicated ESG specialist to coordinate ESG practices across the business and to support the ESG Committee.

The Company became a member of SafetyOn, the health and safety organisation for the UK and Ireland's onshore wind sector.

## 2022

The Manager updated its ESG Policy, providing guidance to the Company to align its own policies with the requirements of the Sustainable Finance Disclosure Regulation (SFDR).

The Manager implemented its Supply Chain Policy allowing the Company to identify and navigate emerging supply chain risks better.

The Company kicked off its £250,000 wind turbine recyclability research and development sponsorship project.

## 2023

The Manager expanded its team of dedicated ESG specialists.

The Company published SFDR disclosures for the first time, including Annex V and Principal Adverse Indicators, in line with Article 9 requirements.

The Company committed £111,000 to Imperial College London and £125,000 to the University of Edinburgh to support research and development into wind turbine recyclability.

The Manager completed its first ESG accreditation as part of Schroders' ESG framework to ensure integration across all investment desks.

The Manager joined the Global Offshore Wind Health and Safety Organization (G+).

## 2024

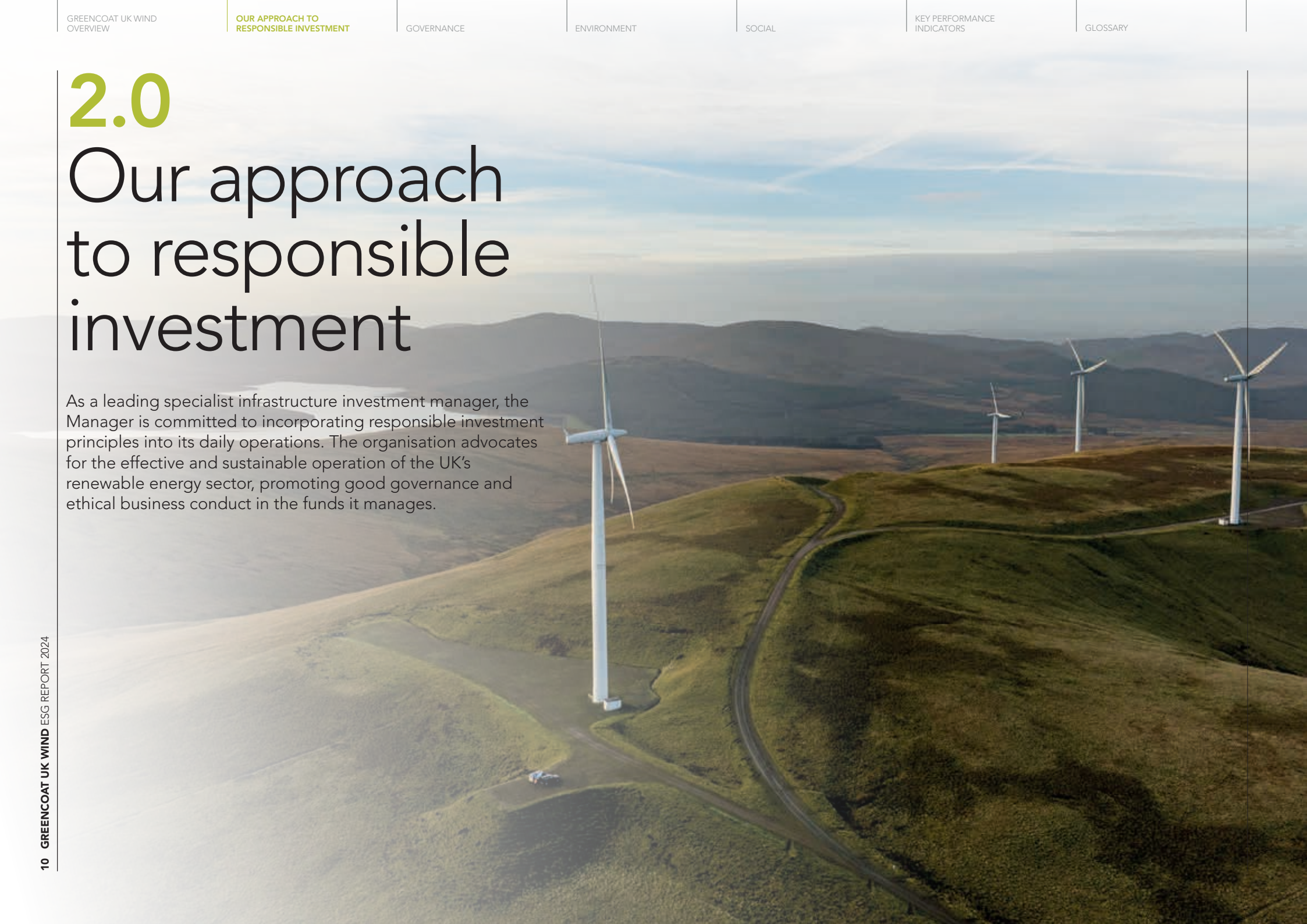
The Company became a member of the Wind Advisory Group.

The Company adopted a Sustainability Focus label as set out under the UK Financial Conduct Authority's Sustainability Disclosure Requirements (SDR).

The Manager updated its Supplier Code of Conduct and commenced roll-out to key suppliers.

# 2.0 Our approach to responsible investment

As a leading specialist infrastructure investment manager, the Manager is committed to incorporating responsible investment principles into its daily operations. The organisation advocates for the effective and sustainable operation of the UK's renewable energy sector, promoting good governance and ethical business conduct in the funds it manages.



# 2.1 ESG Policy

Our ESG Policy encapsulates principles for the integration of ESG across the business and can be found here. The policy commits us to integrating responsible investment objectives into our business and includes the specific areas of focus highlighted in section 1.4 of this report. These focus areas are incorporated into our pre-investment decision making, reported to the Investment Manager's Investment Committee and managed in line with the Manager's broader policies and practices following acquisition.

# 2.2 Engagement

As a leading investor in the renewable energy sector, we view engagement as an opportunity to actively promote sustainable practices across the industry. Our asset management team regularly attends industry engagements, including working groups such as the Wind Advisory Group and conferences, and participates in Government consultations.

Through meaningful engagement, we aim to enhance the profile of our investments over their lifetimes, either directly or indirectly, and generate long term value for all stakeholders. We seek to engage and build strong, long term relationships with high quality and experienced third parties, such as our operations and maintenance (O&M) partners, to maintain service consistency and standards. This approach facilitates knowledge sharing across the Manager's various businesses and drives operational efficiency within the Company's investment portfolio.

Our approach to engagement is tailored to our business and stakeholders. A 'hands on' approach is taken by the Manager, playing a direct and active role in monitoring, assessing and influencing the financial, operational and sustainability performance of the investments we manage.

*Glen Kyllachy*

## Our key stakeholders include:

### Our investors

we engage with investors on ESG related matters, including responding to ESG questionnaires and undertaking ESG specific investor meetings.

### The communities in which we operate

our asset managers and O&M partners regularly engage with local communities to understand and respond to their feedback, including in relation to community benefit programmes. In 2024, we contributed towards 864 community benefit projects.[7]

### Our suppliers

our team is in contact with our O&M partners to ensure high quality management of the Company's assets, in line with its policies.

### Regulatory bodies

the Manager frequently engages with regulatory bodies, including the Department for Energy Security and Net Zero and the Department of Energy and Climate Change, around policy and regulation related to the renewable energy sector. The Manager also responded to consultations regarding sustainability related regulation such as the UK Green Taxonomy and EU Sustainable Finance Disclosure Regulation (SFDR).

### Industry experts and academia

we engage with these organisations on ESG related matters, such as with the University of Edinburgh and Imperial College London on the circular economy and with the National Energy System Operator through the Wind Advisory Group on best practice.

Further details of our commitment to engagement can be found in section 5.3 of this report.

(7) These projects may have been put in place as part of a community benefit obligation or as part of voluntary initiatives.

# 2.3 Disclosures and external initiatives reporting

We understand the importance of transparency in maintaining the trust of our stakeholders. Our commitment to reporting and disclosures remains dynamic, adapting to the evolving requirements of investors, stakeholders and regulators.

As a non-EU entity, the Company is out of scope for the Corporate Sustainability Reporting Directive.

## 2.3.1 EU Sustainable Finance Disclosure Regulation

The EU SFDR requires financial market participants to provide information to investors on how sustainability risks are integrated into the investment decision making process. In 2024, we successfully delivered on our SFDR level 2 disclosures and alignment with the EU Taxonomy's Technical Screening Criteria requirements. This included our first disclosure of the SFDR's Principal Adverse Impacts (PAI). The Manager collaborated with external legal teams to develop a robust framework that meets SFDR requirements and facilitates a streamlined integration of ESG considerations at every stage of the investment period.

We are classified as an Article 9 fund under the SFDR, as sustainable investment (as defined by SFDR) is one of our objectives. Specifically, we contribute to the environmental objective of climate change mitigation, which through our investments helps to facilitate the transition to a low carbon economy.

Our SFDR Pre-Contractual Disclosures and Sustainability Related Disclosures are published online and are available on our website. Our periodic disclosures (Annex V) and statement on PAIs (Annex I) are included in the Company's 2024 Annual Report.

## 2.3.2 Task Force on Climate-related Financial Disclosures

We strive to maintain the highest standards of corporate governance and effective risk identification and management at both company and asset levels. We support and align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In June 2024, the Company published a separate product-level TCFD report for the years 2022 and 2023 to meet the Financial Conduct Authority's (FCA) TCFD requirements. As highlighted in this report, the Company's approach to climate related risks and opportunities is consistent with the Manager's entity-level TCFD report across governance, strategy, risk management and targets, unless stated otherwise. Our 2024 TCFD disclosure will be available on our website from 30 June 2025.

Further details of our approach to TCFD can be found in section 4.1 of this report.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## 2.3.3 UK Sustainability Disclosure Requirements

In November 2023, the FCA published its rules on UK Sustainability Disclosure Requirements (SDR) and investment labels with the aim of enabling greater transparency and consistency in the market for sustainable investment products.

The Company adopted a Sustainability Focus label, as it invests in sustainability related assets. More specifically, the sustainability objective highlights that the Company invests in operating UK wind farms that contribute to the environmental objective of climate change mitigation and the transition to a low carbon economy by generating renewable energy.

The Company's Pre-Contractual Disclosure Document and Consumer Facing Disclosure Document were published in November 2024. Periodic disclosures, as required under SDR, will be published from 2026.

We recognise the importance of transparency in sustainability reporting and support the FCA's anti-greenwashing measures. We aim to implement the FCA's guidance on this in all our public disclosures.

*London Array*

## 2.3.4 UN Principles for Responsible Investment

The Manager has been a signatory to the Principles for Responsible Investment (PRI) since May 2016, and has adopted the six PRI principles in its business. These principles provide a voluntary framework to help institutional investors incorporate ESG factors into investment analysis, decision making and ownership practices.

Since 2023, the Manager has formed part of Schroders' PRI membership, and as such completes the PRI assessment through Schroders' submission. The Manager represented the infrastructure module of Schroders' PRI assessment again in 2024, which received five stars with a module score of 97/100 (above the module median). A summary of Schroders' score for the 2024 reporting cycle, reflective of activity in 2023, is available on its website. The Schroders PRI public transparency report is also available here.

PRI assessment received:

**5 star rating**

Module score of:

**97/100**

**Principle 1**
We incorporate ESG issues into investment analysis and decision making processes.

**Principle 2**
We are active owners and incorporate ESG issues into our ownership policies and practices.

**Principle 3**
We seek appropriate disclosure on ESG issues by the entities in which we invest.

**Principle 4**
We promote acceptance and implementation of the PRI within the investment industry.

**Principle 5**
We work together to enhance our effectiveness in implementing the PRI.

**Principle 6**
We report on our activities and progress towards implementing the PRI.

*Signatory of:*

PRI Principles for Responsible Investment

## 2.3.5 UN Sustainable Development Goals

We acknowledge the importance of the Sustainable Development Goals (SDGs) in addressing the global challenges facing the international community and we support the 2030 targets. Through the management of onshore and offshore wind farms, we make clear and direct contributions to affordable and clean energy (SDG 7) and to climate action (SDG 13). Beyond these, we contribute to the SDGs more widely through the ways in which we operate our business and support the communities and environments where we work.

### Our contribution to the UN SDGs

| UN SDG | Description | Annual impact |
|---|---|---|
|  **SDG 7** Ensure access to affordable, reliable, sustainable and modern energy for all | Our business is focused on owning and operating wind farms. By investing in renewable energy generation, we help to provide clean energy for all as developers recycle capital into building more renewables infrastructure. | **5,484GWh** In 2024, our portfolio generated 5,484GWh of renewable energy, powering an estimated 2.0 million homes (equivalent) with clean energy.[8] |
|  **SDG 13** Take urgent action to combat climate change and its impacts | Our portfolio of assets contributes to the decarbonisation of the economy and a zero carbon future. We assess and report climate related risks and opportunities associated with our assets and take steps to reduce our portfolio's carbon footprint. The Manager also engages with industry associations and regulators to drive policies that support the growth of renewable energy and decarbonisation. | **2.2m tonnes** In 2024, our portfolio avoided an estimated 2.2 million tonnes of $CO_2$ through its displacement of thermal energy generation.[9] |

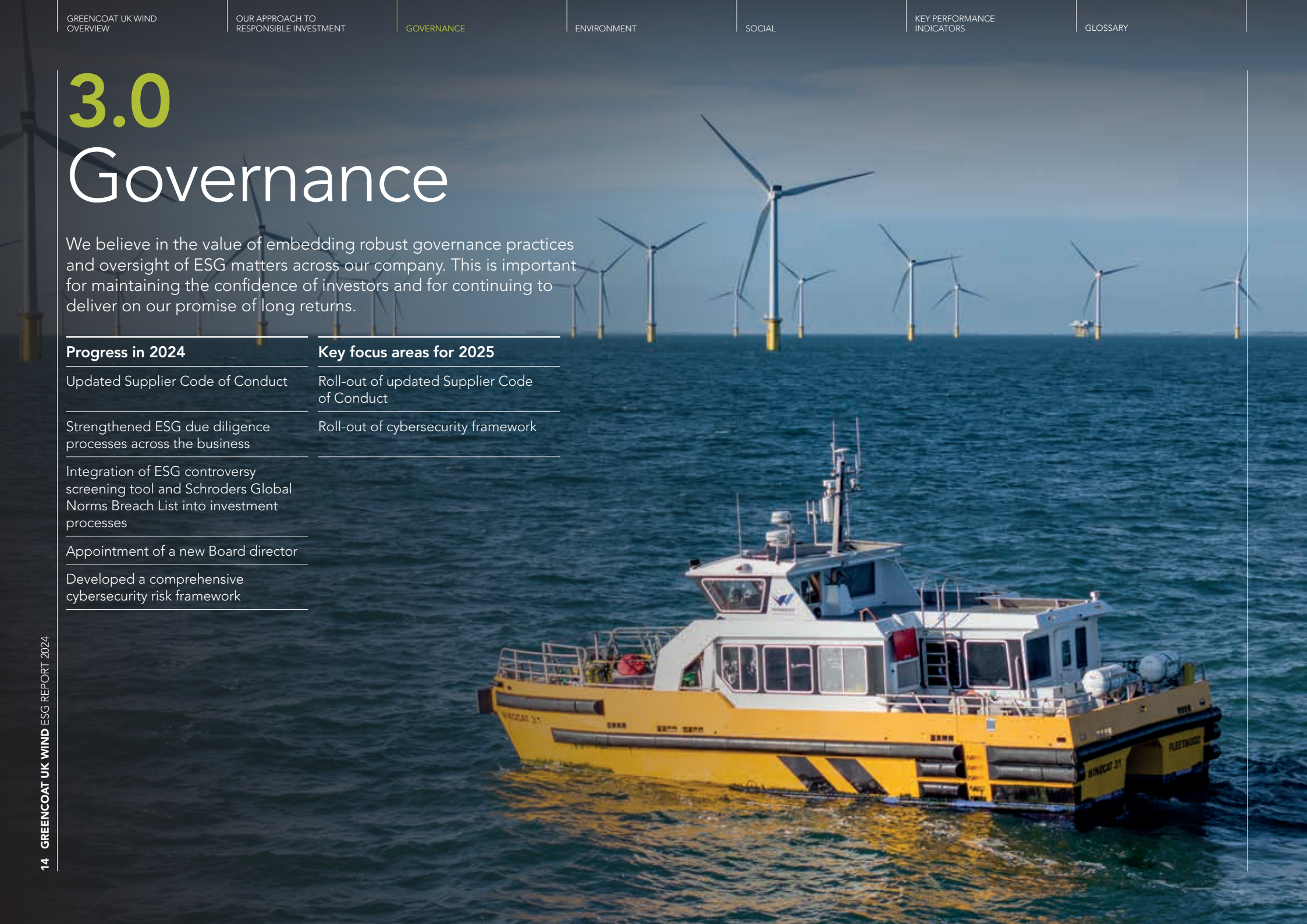
(8) The equivalent number of homes powered is based on the annual average household energy consumption. In the UK, this assumes 2.7MWh of average annual energy consumption by a median household (Ofgem, 2023).

(9) The methodology for calculating carbon avoided is based on the marginal generation displaced. In the UK, it is understood that the marginal generator is the combined cycle gas turbine with a carbon factor of 0.4t$CO_2$/MWh (IEA, 2024, rounded).

# 3.0 Governance

We believe in the value of embedding robust governance practices and oversight of ESG matters across our company. This is important for maintaining the confidence of investors and for continuing to deliver on our promise of long returns.

| Progress in 2024 | Key focus areas for 2025 |
|---|---|
| Updated Supplier Code of Conduct | Roll-out of updated Supplier Code of Conduct |
| Strengthened ESG due diligence processes across the business | Roll-out of cybersecurity framework |
| Integration of ESG controversy screening tool and Schroders Global Norms Breach List into investment processes | |
| Appointment of a new Board director | |
| Developed a comprehensive cybersecurity risk framework | |



# 3.1 Governance at Board level

The Board is responsible for the determination of the Company's investment objectives and policy. It also oversees the Company and its investments, including ESG and climate related risks and opportunities.

The Board monitors performance by regularly reviewing operational reports that encompass health, safety and environmental considerations, including climate change. Quarterly meetings and annual risk reviews are conducted, including ESG matters that could affect our activities or the communities in which we operate.

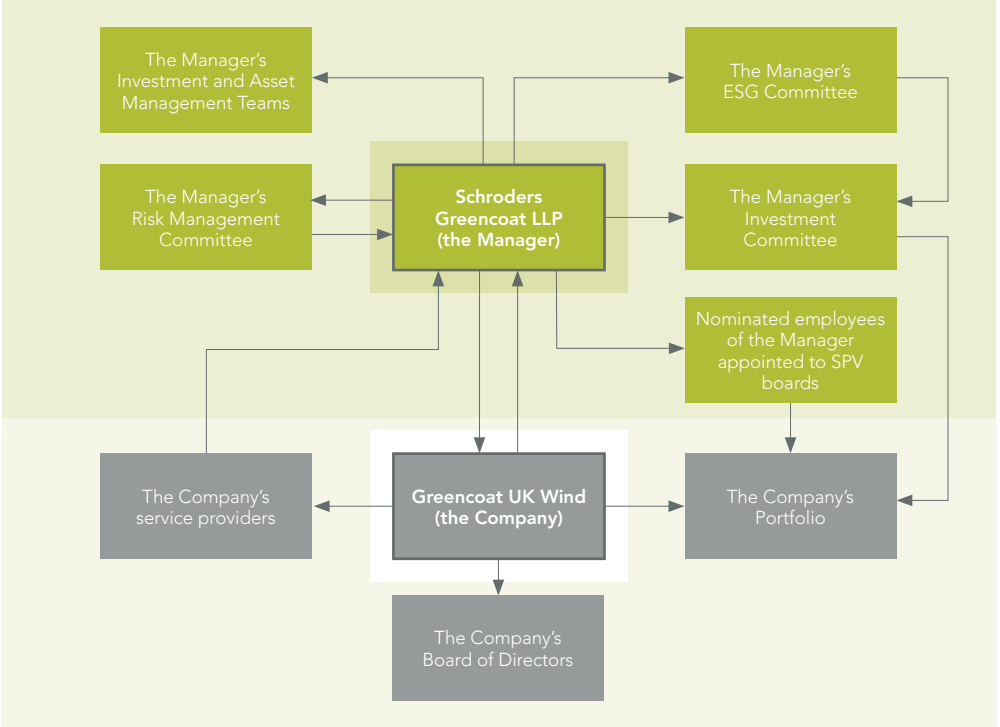
The Company's Board Diversity Policy sets out the adopted approach to ensure that the Board remains appropriately balanced and relevant to the Company's operations. All appointments to the Board are based on merit, are assessed against objective criteria and are influenced by a strong focus on the benefits of diversity. The composition of the Board is reviewed annually by the Nomination Committee, including consideration of the balance of skills, knowledge and experience.

# 3.2 A robust approach to ESG management

A robust approach to ESG management is key to long term success. As highlighted in Figure 1, the Company's ESG responsibilities are executed through various teams and committees, including:

1. **The Manager's ESG Committee** covering ESG governance, policies and practices across all the businesses that it manages. ESG specialists coordinate these activities through the ESG Committee.
2. **The Manager's Risk Management Committee**, which is responsible for monitoring risks associated with the portfolio, including around sustainability.
3. **The Manager's Investment and Asset Management teams,** which embed ESG practices into their investment decision making and ongoing asset management. The Manager provides quarterly reports to the Company's Board, encompassing health and safety, key events and operational performance indicators.
4. **The Manager's Investment Committee,** which is responsible for considering sustainability risks as part of investment decision making.
5. **Nominated employees of the Manager appointed to special purpose vehicle (SPV) boards** actively participate in the governance of operating wind farm companies, overseeing performance, particularly in relation to ESG matters, through quarterly board meetings.
6. **The Company's Board of Directors,** which is responsible for ESG management oversight.

*Figure 1: Greencoat UK Wind's ESG management framework*




*Windy Rig*

Responsible actions across all operational areas are crucial to maintaining stakeholder trust. As a result, our aim is to incorporate material ESG factors into our robust management structure to enable the Manager to oversee key ESG issues and to identify potential areas of risk and opportunity that could impact the value and performance of investments throughout the life cycle of our wind farms.

Our management structure involves the following stages and processes:

### Pre-investment

#### Screening

- Identify low carbon opportunities that materially benefit the transition to a net zero economy.
- Assess the ability of the investment to comply with ESG standards.
- Screen opportunities against investment mandate restrictions, including ESG exclusions, and EU taxonomy alignment.

#### Due diligence and investment decision

- Rigorously assess ESG risks during due diligence. This includes consideration of governance structures and policies, where ownership rights permit.
- Identify and address ESG factors (key environmental, social and governance risks and opportunities) in a dedicated ESG section of the Manager's Investment Committee papers.
- Determine whether the potentially acquired company should be accepted or rejected based on whether identified sustainability risks can be easy remediated.
- Develop tailored mitigation plans for accepted acquisitions to mitigate risks to an appropriate extent.

### Post-investment

#### Asset management

- Establish appropriate governance structures: representatives from the Manager will take at least one seat on the board of each special purpose vehicle (SPV) and oversee all major strategic and operational decisions.
- Implement either our own or our Manager's policies, practices and responsible business management, where ownership rights permit.
- Ensure adherence to planning permissions and regulatory mandates, such as community fund arrangements and habitat management plans.
- Ensure ongoing monitoring and management of ESG factors.

We also regularly report and monitor ESG performance across all our assets, some of which are managed on our behalf by third party providers. To support this, we promote a culture of proactive incident reporting to enable timely remediation, and we conduct due diligence and regular ongoing reviews of our service providers.

# 3.3 Business ethics and conduct

The success of the Company depends on having the highest standards of ethics and integrity in governance. We recognise that earning trust and confidence from both stakeholders and the Manager's employees is integral to our long term success.

We hold ourselves accountable to the governance standards set out in the Company's ESG Policy, including but not limited to:

| | |
|---|---|
| Complying with applicable anti-bribery, anti-corruption, anti-money-laundering (AML) and environmental laws and regulations. | Identifying and managing project and business sustainability related risks, incorporating robust, transparent and timely reporting lines. |
| Conducting thorough due diligence of service providers. | Complying with all employment and health and safety laws, including those related to human rights, human trafficking, modern slavery and public safety. |

The Manager operates a Whistleblowing Policy and implements the necessary mechanisms to enable escalation of any concerns of malpractice. This was updated in 2024 to align with that of Schroders Group, giving all employees access to Safecall, a global anonymous whistleblowing reporting service. All employees of the Manager, including those managing our portfolio, are required to complete anti-bribery, anti-corruption and AML training. They must also attend annual compliance refresher training, incorporating all aspects of compliance law and our own policies and procedures. These include issues around market abuse, financial promotions, anti-greenwashing regulations, managing client money and assets, conflicts of interest and data protection, including the EU General Data Protection Regulation. Since 2021, 100% of assets have implemented internal controls, audit systems, and/or board level oversight and relevant ESG policies.

# 3.4 Supply chain management

As the renewables sector expands, demand for raw materials, resources and labour to support this development grows too, and the sustainability risks present in this global supply chain evolve. The Manager strives to ensure its high ESG standards and values are consistently applied across the supply chain supporting its investments, developments and operations. We adhere to the Manager's Supply Chain Policy, which provides the principles and practices to ensure ethical, sustainable and efficient sourcing and management of goods and services.

## Schroders Global Norms Framework

The Manager acknowledges and applies the Schroders Group Global Norms Framework, which actively addresses a variety of issues such as human rights, labour, environment and corruption, including supply chain issues. The resultant Global Norms list is a compilation of companies that are deemed to cause significant harm and that have not adequately addressed the identified issues or provided suitable remedies for affected stakeholders. In 2024, the Manager started integrating this list into the Company's due diligence on key service providers associated with funds, to assess adherence to its 'Do No Significant Harm' element.

In instances where the Manager disagrees with the findings of the Global Norms list, there is a mechanism in place for the Manager to present its case to challenge the classification of an investment or service provider.

## Supplier due diligence

We conduct due diligence on key service providers and counterparties, such as equipment suppliers, O&M contractors, fund administrators and advisers. This involves verifying the presence of suitable policies and attestations at the respective provider, as well as ensuring that service providers have in place responsible employment and business practices.

In 2024, we took steps to enhance our due diligence process, including integrating a third party ESG controversy screening tool and delivering related training across the business. We will continue to engage with suppliers and industry throughout 2025 to help ensure long term changes are actioned in the sector.

## Code of conduct

In cases where suppliers lack suitable policies, we require them to adhere to the Manager's Code of Conduct Side Letter, ensuring equivalent compliance with relevant laws and regulations. Our Supplier Code of Conduct was updated in 2024 and includes clauses to align with Minimum Safeguard requirements (see section 5.2) related to bribery and corruption, data protection and privacy, governance, business ethics and integrity, environmental management, worker health and safety, community engagement and modern slavery. We require key service providers to adopt and adhere to this, or to demonstrate that equivalent policies are in place. Oversight of these procedures is carried out by the Manager's risk department.

## Supplier audits

Third party monitoring to ensure compliance and uphold safety standards is a critical aspect of our operations. We conduct regular internal audits of our service providers, which serve to evaluate providers' adherence to health, safety and environmental protocols. Prior to entering into contracts, we perform a competency assessment of our service operators and O&M providers.

Through contractual provisions and auditing, we seek to ensure that service providers at all our sites are paid fairly, have a positive working environment and can access additional support when needed. The Manager's Employee Assistance Programme provides a confidential helpline and external counselling service should service provider employees wish to raise any concerns.

# 3.5 Cybersecurity

We take the confidentiality, integrity and information security of our data and systems extremely seriously and aim to embed security into all stages of the technology life cycle. Taking a comprehensive and consistent approach to the security management of information minimises the likelihood of the occurrence and the effects of any information related security incidents.

Cyberattacks continue to pose a significant risk to the effective operation of assets. The Manager has continued to raise awareness and to conduct vulnerability and penetration testing and ongoing monitoring, and to enhance incident response procedures where necessary.

Our IT governance is overseen by the Manager's IT, Business Intelligence and Change Steering Committee, which comprises four senior employees of the Manager and a Management Committee member. The Manager's IT Security Policy and Data Privacy and Protection Policy were revised and updated in 2022, with an annual review performed by the Manager's service provider. We regularly review our own systems, conducting frequent network penetration tests and retaining the services of industry experts to continuously enhance our cybersecurity measures. In 2023, we launched an enhanced cybersecurity resilience programme across our portfolio to strengthen our cybersecurity management system and to ensure we stay on top of managing cyber risks, protect our assets against cyberattacks, detect events and minimise the impact of cybersecurity incidents. In 2024, 22 assets have undergone cybersecurity and penetration tests.

*Clyde*

# 4.0 Environment

As renewable energy custodians, we understand the pivotal role our wind farms play in fostering a sustainable future through contributing to climate change mitigation. We recognise the profound impact our actions have on the broader community through the careful management and consideration of the carbon footprint associated with our investments, waste management and end-of-life use, and the management of our impact on local habitats and ecosystems.

| Progress in 2024 | Key focus areas for 2025 |
|---|---|
| Funded further research into wind turbine recyclability | Finalise selection of a physical climate risk analysis provider to better understand and integrate potential impacts from physical hazards across a range of forward-looking climate scenarios |
| Searched for a physical climate risk analysis provider to assess potential impacts from physical hazards | Investigate Scope 1 and 2 emissions intensity reduction pathways and options |
| Expanded facilities to repair and refurbish wind turbine components to optimise the use of materials and minimise waste | Enhance use of analytics and artificial intelligence for habitat monitoring and management |

# 4.1 Climate strategy

One of the largest contributors to global greenhouse gas (GHG) emissions is the energy sector, and many governments have set net zero ambitions and commitments to speed up the transition from fossil fuels to renewables.

The UK Government has a net zero by 2050 target and, as part of this, aims to decarbonise the power network by 2030, including significantly rolling out the use of renewables to reduce GHG emissions in the energy sector and enabling decarbonisation of the economy more broadly. The wind energy sector is expected to play a crucial role in meeting these targets: 43–50GW of offshore wind and 27–29GW onshore wind are required to be operational by 2030 to meet the Clean Power 2030 target.[1]

As one of the largest owners of wind farms in the UK, we help to mitigate climate change through increasing and maximising the generation of renewable energy, while minimising the potential adverse impacts of wind farm operations. Acquiring operational wind farm assets from third party utilities and developers allows for asset sellers to recycle capital into further renewable energy infrastructure. Growing renewable electricity production also enables the decarbonisation of all other sectors of the economy.

We remain committed to this strategy and have developed three strategic climate ambitions:


In this section, we set out the role we play in generating renewable energy, contributing to climate change mitigation and benefiting from the opportunities this presents, as well as the principal risks associated with climate change identified by the Board and Manager and how these are managed. We also disclose the GHG emissions associated with our activities.

Please note that this section is not the Company's TCFD disclosures. These can be found in the Company's Annual Report for the year ended 31 December 2024 as well as in our product level disclosures and the Manager's entity level disclosures, as required by the FCA Handbook pertaining to UK asset managers.

(1) Clean Power 2030 Action Plan: A new era of clean electricity

## 4.1.1 Renewable energy growth

In December 2024 the UK Government published its Clean Power 2030 Action Plan, which sets out the delivery plan to accelerate to a clean electricity grid by 2030. One of the stated goals is around a twofold increase in onshore wind capacity and a fourfold increase in offshore wind capacity by 2030. The market opportunity is therefore vast.

Scenarios to meet the UK's net zero by 2050 target require UK offshore networked wind capacity to grow from 15GW in 2024 to 43–50GW by 2030 and UK onshore wind capacity to increase from 16GW in 2024 to 27–29GW by 2030.[1] The four scenarios in Figure 3 and Figure 4 demonstrate the scale of the required increase in wind generation capacity.

*Figure 3: Forecasted offshore wind generation capacity in the UK by 2050 (National Grid ESO 2024; Future Energy Scenarios, 2024)[2]*

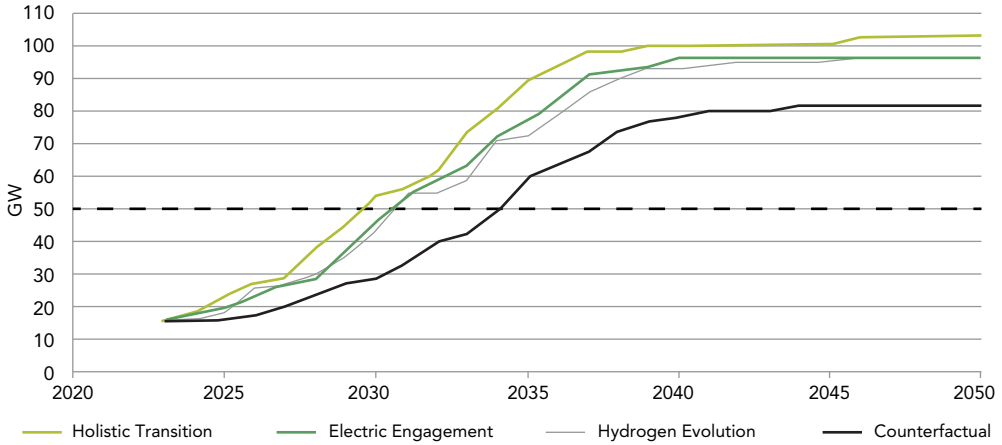
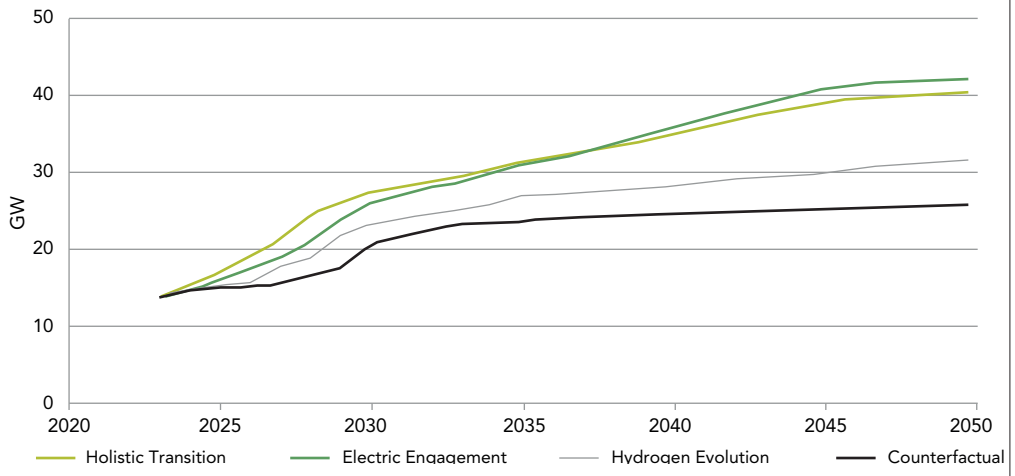



*Figure 4: Forecasted onshore wind capacity in the UK by 2050 (National Grid ESO 2024; Future Energy Scenarios, 2024)[2]*




(2) Future Energy Scenarios: ESO Pathways to Net Zero 2024

The Company continues to support the UK Government's commitment to achieve net zero by 2050, through acquiring operational wind farms, thereby allowing developers and utilities to recycle their capital into further renewable energy projects, and by demonstrating the attractive long term returns in the industry through prudent wind farm management, reducing the cost of capital.

While the Company maintains a disciplined approach to acquisitions, the size of the market it operates in is expected to continue to grow. There is currently an approximately 31GW capacity (worth over £100 billion) of operating UK wind farms (16GW onshore and 15GW offshore). The Company's market share is approximately 6%.

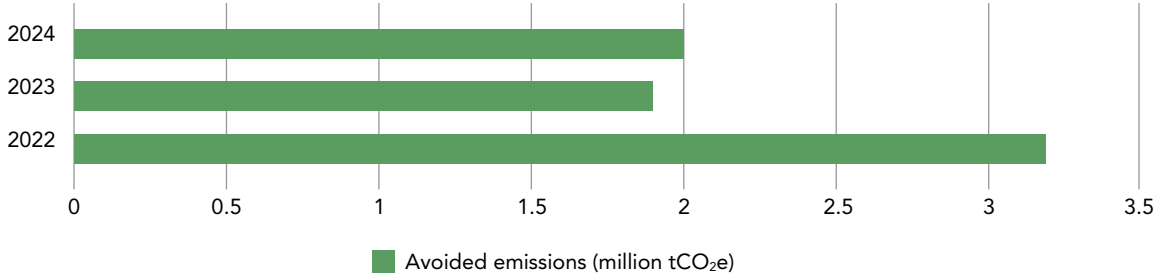
## 4.1.2 Contribution to a lower carbon energy system

### 4.1.2.1 Estimated avoided emissions

The Global GHG Accounting and Reporting Standard (part A) by the Partnership for Carbon Accounting Financials (PCAF) defines avoided emissions from renewable power projects as those that relate to the reduction in emissions compared to what would have been emitted in the absence of a company's renewable energy generation projects.[3] In accordance with this approach, the Company's estimated avoided emissions are derived from comparing annual renewable power production over the reporting period with the marginal generator over the same period, assuming that the generated renewable power might have avoided the need for the marginal generator during that time. In the UK, it is assumed that the marginal generator is a combined cycle gas turbine with a carbon factor of 0.4 tonnes $CO_2$/MWh.[4]

We estimate that in 2024 the Company's avoided emissions amounted to 2.2 million tonnes of carbon dioxide equivalent ($CO_2e$). Figure 5 shows our annual estimated avoided emissions for the last three years.

*Figure 5: Year on year estimated avoided emissions[5]*




(3) The Global GHG Accounting and Reporting Standard for the Financial Industry

(4) International Energy Agency: Emission Factors 2024

(5) We have applied the operating margin approach to estimate avoided GHG emissions (as preferred in the PCAF guidance). This uses the comparative power mix and its associated grid emissions factors to calculate the marginal generation displaced in each jurisdiction. For the UK, the marginal producer of electricity is a combined cycle gas turbine for which the emission factor is taken from the International Energy Agency's Emissions Factors 2024.

*Humber Gateway*

#### 4.1.2.2 Carbon payback period

The more we can invest to support the increase in supply of renewable energy and low carbon energy solutions, the more we can support the decarbonisation of other sectors, ultimately contributing to reducing our own Scope 3 emissions. The carbon payback period of a wind turbine (i.e. how quickly it offsets the emissions generated during manufacture, transportation, on-site construction and lifetime operations) is an indicator of the technology's role in accelerating the energy transition. The carbon payback period helps demonstrate the overall positive impact of renewable energy generation in comparison to the carbon costs of constructing and operating the asset.

Wind farms emit relatively small amounts of carbon (see section 4.1.6), which are primarily associated with the asset's construction. At current rates, the carbon payback period for a typical wind farm is around five months, which is just 2% of the average lifespan of a wind turbine.[6]

### 4.1.3 TCFD: Strategy

#### 4.1.3.1 Climate related risks and opportunities

The most material environmental issue affecting our portfolio is climate change. We believe that decarbonisation of the economy to mitigate climate change will present a significant opportunity for the company. We also recognise that there are short, medium and long term risks that could impact our future financial performance related to changes in climate policy and from potential physical climate risks. The Company supports the TCFD recommendations, as they provide a consistent framework for assessing these impacts and as a way to demonstrate climate resilience to investors and other interested stakeholders.

Through our risk management processes, we seek to monitor and understand the climate related risks and, where deemed material (i.e. with a high likelihood and impact), to manage them to mitigate the potential impact on the company.

The most material climate related risks and opportunities identified by the Manager and the Board, as disclosed in the Company's Annual Report for the year ended 31 December 2024, are set out in Table 1 and Table 2, together with mitigating actions taken to manage the risks where appropriate.

**Table 1: Climate related opportunities**

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

**Table 2: Climate related risks**

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

(6) Calculated using data from https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6686152/#sec3title.

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

### 4.1.3.2 Climate scenario analysis

#### Transition risks

To understand the potential risks and opportunities presented to the Company, the Manager recognises the TCFD requirement to consider the resilience of the Company's strategy under different climate scenarios. The Board has therefore considered the potential impact of various scenarios on its strategy and has set out its high level conclusions.

The scenarios were developed by a market-leading consultant. They set out how electricity prices and the market may develop in line with meeting the net zero by 2050 target, including current and future policy implementation to achieve carbon neutrality, technological developments and commodity price forecasts for a global outlook.

The scenarios include:

- A base case scenario where the long term power price assumes significant renewable generation and other measures to reduce carbon emissions and represents the best estimate of likely outturn.
- A high transition risk scenario, where global temperature increases are limited to only 1.5–2.0°C (most typically associated with net zero). This scenario assumes further measures may be required to reduce carbon emissions.

It is assumed that the UK Government is successful in implementing its plan in its entirety and that the Review of Electricity Market Arrangements consultation does not conclude in a significantly different market design.

In the high transition risk scenario, the long term power price is lower than the base case used to calculate the Company's NAV. This lower long term power price reflects the wider deployment of low marginal cost renewable generation capacity, partially offset by the expected deployment of electrolysers as part of a growing hydrogen economy, increased electrification of transport and heat, and the build-out of data centres. Modelling this lower long term power price would equate to an estimated reduction of 21 pence in NAV per share compared to the base case.

The precise effect on power price of any measures (in the base case and in the high transition risk scenario) is highly uncertain and highly dependent on the future electricity market design.

#### Physical risks

The Board and the Manager continue to believe that a scenario where global temperature increases are significantly higher than 2.0°C (a high physical risk scenario) would not lead to significant physical risk to the Company's wind farms in the short term, as they are designed to operate under extreme weather conditions and are typically not located in areas prone to flooding. Insurance and business continuity plans are also in place to manage such events, should they occur.

In the medium to long term, the Board and the Manager recognise that there is a risk that climate change could lead to more extreme weather events including extreme temperature changes, more electrical storms, increased rainfall levels, and changes in wind speed and direction. However, it is not possible at this time to determine whether this would impact the Company positively or negatively.

In 2025, following a thorough market search in 2024, the Manager aims to select a physical climate risk analysis provider to improve understanding and integration of potential impacts from physical hazards across a range of forward-looking climate scenarios.

### 4.1.4 TCFD: Governance

The Board and the Manager have collective responsibility for the direction and performance of the Company and are accountable for business strategy. The Board is ultimately responsible for overseeing the Company and, thus, for the oversight of any climate and nature related risks and opportunities that could affect the business. For further information on the Board's climate related oversight, see the Company's Annual Report for the year ended 31 December 2024.

### 4.1.5 TCFD: Risk management

As part of established risk management processes, the Manager's Risk Management Committee meets quarterly to discuss, among other matters, the risk framework, including processes for identifying, assessing and managing climate related risks across the portfolio. The Company's risk matrix, reviewed and approved by the Board, includes climate related risks. The matrix determines the climate risks reported by the Company, as well as the strategy applied and the mitigation activities implemented in relation to the risks identified.

From an investment perspective, our investment teams are responsible for the integration and ongoing management of climate related risks associated with our investments and funds.

The Manager's ESG Committee is responsible for monitoring evolving climate related risks and opportunities, such as changes to climate regulations and policies that affect the Company, and for sharing relevant information with the Manager's Management Committee and Investment Committee.

For further information, see the Company's Annual Report for the year ended 31 December 2024.

*Humber Gateway*

### 4.1.6 TCFD: Metrics and targets

#### 4.1.6.1 Greenhouse gas emissions

We are committed to reporting on our carbon footprint and to reducing GHG emissions from our own operations, thereby also supporting the Manager's net zero commitment and Scope 1 and 2 emissions targets.

**Methodology**

In adherence to industry standards, the calculation methodology for our Scope 1, 2 and 3 emissions conforms to the GHG Protocol, employing an equity share approach. Under this, a company accounts for GHG emissions from operations according to its operational equity share. The equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation.

All GHG emissions have been calculated using the latest government approved conversion factors and, where possible, using primary data. Where primary data was not available, we used secondary data and estimations based on the best available credited sources and advice from an independent consultant. Emissions were calculated on a carbon dioxide equivalent basis using the latest global warming potentials for non-carbon GHGs.

A full breakdown of our GHG emissions is presented in Table 3.

**Table 3 Breakdown of GHG emissions**

| Scope | Emission driver | 2022 (tonnes of $CO_2e$) | 2023 (tonnes of $CO_2e$) | 2024 (tonnes of $CO_2e$) |
|---|---|---|---|---|
| **Scope 1** | Fugitive and process gases | 149 | 13 | 262 |
| **Scope 2** | Electricity (location based) | 1,731 | 2,162 | 1,969 |
| | Electricity (market based) | 1,422 | 1,485 | 731 |
| **Scope 3** | Purchased goods and services | 20,156 | 20,472 | 18,350 |
| | Capital goods | 115,354 | 239,910 | 0 |
| | Fuel and energy-related activities | 610 | 708 | 648 |
| | Waste | 15 | 15 | 14 |
| | Business travel | 28 | 34 | 35 |
| Total (location based) | | 138,041 | 263,313 | 21,017 |
| Total (market based) | | 137,735 | 262,637 | 20,040 |
| Data coverage | | 100% | 100% | 100% |

Note: $CO_2e$ refers to carbon dioxide equivalent.

An overview of key GHG emissions observations is presented in Table 4.

## Table 4: GHG emissions observations

| Scope | Description | Observations |
|---|---|---|
| **Scope 1** | Fugitive emissions of sulphur hexafluoride ($SF_6$) gas from switchgear components within the assets | Based on the quantity of gas replaced per asset during the reporting period, nine assets reported $SF_6$ emissions in 2024. This figure increased due to more assets reporting $SF_6$ losses compared to the previous year. |
| **Scope 2** | Electricity consumption based on emissions intensity (location based) | Our location based Scope 2 emissions decreased despite an increase in our electricity consumption due to a slightly lower carbon intensity for grid-average electricity supply in 2024 compared to 2023. |
| | Electricity consumption based on purchased energy (market based) | As part of our ongoing decarbonisation efforts, we took measures to reduce our market based Scope 2 emissions by switching to fully renewable tariffs for 90% of assets in our portfolio in 2024, up from 16% in 2023.[7] |
| **Scope 3** | Capital goods, and purchased goods and services | Scope 3 emissions were the highest contributor in 2024 (at 19,047 tonnes of $CO_2e$), representing 95% of total emissions. This represents a significant reduction from 2023, as no new assets entered the fund during 2024; Scope 3 capital goods emissions have subsequently dropped from 239,910 tonnes of $CO_2e$ in 2023 to zero in 2024. Scope 3 emissions from operational activity dropped by 10% from 2023 largely due to a decrease in emissions from purchased goods and services. |

It is important that the industry can accurately account for and disclose GHG emissions. We are therefore investigating alternative accounting methodologies to the GHG Protocol and have engaged with industry standards bodies to express the challenges associated with this methodology for real assets. For example, for the past two years we have provided feedback to PCAF on carbon avoided and use of proceeds accounting.

Over time, by increasing our operations and our production of renewable energy, we can support the decarbonisation of other sectors, such as the materials and construction sectors, which would decrease the embodied carbon associated with assets acquired. Therefore, we expect our Scope 3 emissions, on a like for like basis, to decrease in the future due to our investment strategy of acquiring and operating wind farms, even as we continue to acquire new assets.

(7) In 2024, 44 operating assets held fully renewable tariffs.

*South Kyle*

### 4.1.6.2 Targets

Our material contribution to climate change mitigation is through the renewable energy generation associated with our portfolio, which supports the decarbonisation of other sectors. Therefore, we remain committed to our strategy of investing in operating wind assets.

To help drive decarbonisation of the Company's operations, the Manager has committed to reducing the intensity of its Scope 1 and 2 emissions by 50% by 2030 against a 2022 baseline.

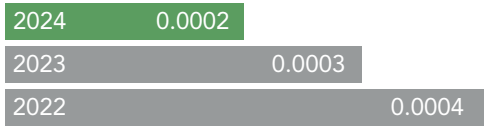
In 2025, the Manager will investigate what Scope 1 and 2 emissions intensity reduction pathways look like across assets. The Manager will also consider engagement plans to reduce emissions associated with the value chain.

We will continue to work to switch all assets to renewable tariffs as contracts come up for renewal. It is important to note that this approach may not directly represent actual emissions reductions for the Company, as a decision to switch supplier or move to a renewable tariff does not directly impact the wider operation of the grid and its associated emissions in the short term.

***Key performance indicator***

Renewable electricity generated (GWh)


Scope 1 and 2 emissions per MWh of electricity generated (tonnes of $CO_2e$/MWh)




Estimated tonnes of $CO_2$ avoided (million)[8]


Estimated number of homes (equivalent) powered by clean energy (million)


(8) Estimated emissions avoided are calculated assuming that renewable energy generation replaces the marginal generator (i.e., the generation that is most likely to be displaced as the next dispatch option in the electricity system). The marginal generator in the UK is natural gas. The "operating margin" approach is the preferred option under the Partnership for Carbon Accounting Finance guidance for measuring carbon avoided. Carbon emissions factors ($gCO_2/kWh$) for the marginal generator is sourced from the International Energy Agency Emissions Factors 2024.

*Clyde*

# 4.2 Waste management and the circular economy

*Figure 7: Key performance metrics*

**710**
Total non-hazardous waste generated (tonnes)
2023: 542 (tonnes)

**90%**
Percentage of operational waste diverted from landfill
2023: 62 (%)

Effective waste management is fundamental to our efforts to be a responsible corporate citizen; we do this by improving resource efficiency, reducing and minimising pollution, and protecting the local environment. Wind energy assets involve construction, operation and decommissioning phases, each generating different forms and quantities of waste. When operational, wind farms produce minimal waste overall, and no hazardous waste. However, during construction and decommissioning, wind farms produce greater amounts of waste that need to be accounted for. In 2024, we produced 710 tonnes of waste, which we managed as follows: 56.3% was reused, 24.2% was recycled, 9.3% was incinerated and 10.2% was sent to landfill.

Given that the average asset age in the portfolio is 8.3 years, asset life extension and end-of-life recycling are considered to reduce operating costs and to mitigate potential future environmental impacts during decommissioning.

## Extending the life of our assets

All assets have a finite lifespan. Therefore, it makes environmental and commercial sense to use them for as long as possible. Since 2019, we have been working with technical consultants to explore ways of measuring and extending the useful life of our wind farms. Asset life extension typically involves performing a fatigue load assessment on the major structural and safety critical components of wind turbines, which could lead to the implementation of additional maintenance actions such as visual inspections and non-destructive tests. We have conducted these assessments across all our assets over the last five years.

This work has enabled us to expand the useful life of turbines, which is reflected in the 30-year turbine life assumption in our financial models. This useful life extension also helps to reduce the demand for newly constructed assets, contributing to a reduction in demand for virgin materials within the sector.

**CASE STUDY 1**

## Turbine blade recyclability

Between 2022 and 2024, we supported a £250,000 impact programme to fund and support academic research and non-profit projects that aimed to advance industry knowledge on turbine blade recyclability and repurposing.

One such project was with the University of Edinburgh, which was awarded a grant of £125,000 in October 2023 to research how old wind turbine blades could be recycled into powders that can be repurposed into surface coatings to prevent the corrosion and erosion of new blades. The Added-value Coatings project concluded in October 2024 and identified that successful grinding of recycled materials, notably carbon fibre and glass fibre, could be added to new turbine materials without compromising the blades' physical properties. This research has demonstrated the potential for the industry to reduce costs and improve the environmental impacts of its wind turbine fleet.

Imperial College London was also awarded a grant of £111,000 for a research project to develop a user-friendly end-of-life decision making tool to predict how much damage a wind turbine blade has accumulated in its lifetime. The tool will support the wind industry in making informed decisions about the optimal end-of-life route for wind turbine blade materials. This project is ongoing and is expected to conclude in the spring of 2027.

## Investigating end-of-life recyclability

Although the majority of materials used in wind turbines are recyclable (e.g. steel, aluminium, copper), wind turbine blades are often made of composite materials that make conventional recycling challenging.[9] Addressing this challenge requires collaborative efforts from a variety of stakeholders and experts, including industry participants, policymakers and communities, to develop innovative solutions to establish a more sustainable and circular approach to waste management within the wind energy sector.

The Company's decision to fund research into turbine blade recyclability, highlighted in Case Study 1, reflects a forward thinking approach aimed at future proofing operations. Furthermore, by proactively addressing the recyclability and end-of-life use of turbine blades through repair work, as highlighted in Case Study 2, the Company is effectively managing future risks and reducing potential costs

(9) Khalid, M. Y., Arif, Z. U., Hossain, M. and Umer, R. (2023) Recycling of wind turbine blades through modern recycling technologies: A road to zero waste, *Renewable Energy Focus*, volume 44 DOI: 10.1016/j.ref.2023.02.001..

CASE STUDY 2

## Repairing wind turbine components on site

At the Humber Gateway O&M facility on the Grimsby fish docks, the maintenance team has been using its on-site workshop facilities to strip down, repair and overhaul wind turbine components as part of its Self Perform strategy.

Due to the amount of downtime technicians and engineers experience (often due to poor weather conditions) the availability of a dedicated on-site workshop has enabled employees to use this time to improve their skills and understanding of the components. It has also allowed for less experienced teammates to upskill, particularly apprentices, through knowledge sharing and practical learning in a safe environment. To date, two former wind turbine technicians have qualified as engineers.

As well as providing benefits to employees, this initiative has also led to a reduction in component waste, which has subsequently improved our contributions towards a more circular economy. The site is also less reliant on supply chain lead times, and the maintenance process has become more localised through collaboration with local engineering firms and hydraulics suppliers who assist with upgrading and improving wind turbine parts. In 2024, the maintenance team refurbished 118 electrical, mechanical and hydraulic components.

This project will continue to run while the wind farm is operational. The lessons learnt from the project will be used to encourage similar actions on other sites.

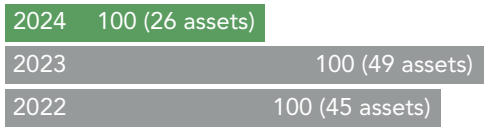
*South Kyle*

# 4.3 Nature and biodiversity

***Key performance indicator***

Number of reportable environmental incidents


Percentage of assets that have met habitat management plans or environmental planning requirements (number of assets with plans in place)[10]




The rapid growth and advancements in wind energy are critical to the net zero transition and the move towards a more sustainable energy system. However, we recognise that potential impacts on nature and biodiversity need to be managed carefully if we are to retain our licence to operate and to respect our commitment to responsible investment.

We work hard to protect the local environment and to minimise our impact on biodiversity and habitat loss around our wind farms during their operational life. We do this by using robust environmental management systems in line with regulatory and local planning requirements and our ESG Policy commitments. We also anticipate that revenue generation opportunities may emerge in the future from demonstrable biodiversity improvements compared to baselines. In 2024, there were no reportable environmental incidents.

Prior to investing in an asset, we conduct a thorough evaluation to ensure compliance with environmental regulations and local planning obligations. We engage with local stakeholders, often in the early stages of opportunity screening, to determine any legacy or existing environmental concerns. We uphold management systems to assess the potential environmental risks and impacts associated with our activities. This includes efforts to prevent or mitigate environmental impacts on biodiversity, air quality, noise and waste. Regular updates on the assets' environmental performance are shared with both our Board and the boards of special purpose vehicles.

In 2025, we plan to further develop our use of artificial intelligence (AI) tools by exploring their potential for assessing the condition of offshore assets, and for monitoring habitats around our assets using satellite imagery.

Case studies 3 and 4 provide examples of how we protect and enhance nature and biodiversity within our operations. Some of these initiatives may have been implemented as part of community benefit schemes or obligations.

(10) In 2024, the definition of a habitat management plan was changed in relation to our KPI to incorporate only assets that held formal habitat management plans required by statutory processes.

CASE STUDY 3

# The Pollinator Plan

The Pollinator Plan is an initiative backed by over a hundred government and non-governmental organisations aimed at reducing the loss of essential pollinators and supporting healthy levels of bee populations. We have implemented numerous projects across our sites to support the Pollinator Plan. In 2024, a new project was implemented at the Humber Gateway O&M facility on the Grimsby fish docks, following the success of projects on the Slieve Divena and Brockaghboy sites in 2023.

## Humber Gateway Pollinator Plan

In April 2024, we introduced 40,000 bees to an empty space at the Humber Gateway O&M facility with the intention of creating a dedicated nature and wellness area. As well as the introduction of four bee hives, we built a wild garden area to support the bees' food supply and to encourage further wildflower growth. The hives have flourished, and in the coming years it is expected that the bee population will grow to 250,000 and that harvested honey will reach approximately 250 jars per year.

This project is delivering positive impacts for biodiversity as well as employee wellbeing. On-site employees have been involved in tending to the bees under the supervision of a qualified beekeeper and have expressed that they feel closer to nature and enjoy having a peaceful place to sit outside.

During 2025, we intend to use the bees as part of our community engagement by encouraging site visitors and local schoolchildren to take part in our 'bee schools'. This will help younger generations to connect with nature and learn about the importance of biodiversity. It also promotes greater understanding of wind farms and the diverse career opportunities within the offshore wind industry. We would also like to explore options for using the bees, and more specifically the harvesting of honey, to support charities around Grimsby. We also plan to improve the nature and wellness area further by better segregating the space with improved fencing.

CASE STUDY 4

# Eagle conservation

The Golden Eagle Research, Conservation and Monitoring Project (RECMP) is operational across our Stronelairg and Dunmaglass sites. This project is chiefly funded through the Dunmaglass Wind Farm development and is coordinated by multiple organisations, including SSE Renewables and the Highland Raptor Study Group. The project aims to monitor the status of golden eagles and increase understanding of how they use the upland landscape across the Central Highlands Natural Heritage Zone (NHZ10) within which the Stronelairg and Dunmaglass sites are located.

Satellite tagging of 20 individuals to monitor and track species movement has shown that the number of golden eagle territories in NHZ10 has increased. Data produced through this tracking has led to the funding of several other scientific studies to further understand the movement of golden eagles. The outputs of this research, as well as those published in other regional papers, suggest that tagged eagles largely avoided wind turbines.

Funding for this project also contributes towards the employment of a golden eagle project officer who undertakes an annual breeding census and engages with landowners and interest groups.

Due to its success, the RECMP is likely to continue for the foreseeable future.

Habitat management for onshore wind farms involves a strategic approach to preserving and enhancing local ecosystems, ensuring the coexistence of renewable energy infrastructure and biodiversity. Case Study 5 demonstrates this through our approach to peatland restoration. While all assets have some form of environmental or habitat management plan in place, only 26 sites have formal, statutorily required habitat management plans and these are reported on regularly.

*Walney*

CASE STUDY 5

# Peatland restoration

Many of our onshore wind farms are on peatlands. Peatlands hold large supplies of carbon that can be easily disturbed and released through overgrazing, burning, cutting, drainage and during wind farm construction. Unless properly managed, the carbon released during construction can add several years to a wind farm's carbon payback period. Healthy peatlands also provide food and shelter to wildlife and are valuable biodiversity resources. We therefore proactively manage peat restoration work on all our sites where peat is present.

## Tom nan Clach

In 2023, exposed peat was identified at the Tom nan Clach site, which was at risk of erosion. This was believed to have resulted from sheep trampling. Eroding peat is problematic as it undermines the stability of trackside embankments, leading to decreased water quality downstream, along with GHG emissions.

In 2024, monitoring surveys were carried out and an updated peatland restoration plan developed and implemented. Immediate actions following the implementation of the plan included the installation of temporary fencing to prevent sheep from accessing the eroding areas.

Over the next few years, we will continue to monitor the area and consider longer term actions such as seeding or mulching to establish new vegetation.

# 5.0 Social

It is critical for us that our portfolio of wind assets goes beyond environmental considerations to also include the social benefits and impacts of our projects. We are committed to having a positive social impact on our communities either directly, through job creation and the provision of clean energy, or indirectly through our community fund investments and the obligations we place on service providers regarding responsible business conduct.

| Progress in 2024 | Key focus areas for 2025 |
|---|---|
| Strengthened health and safety practices with emergency response drills involving neighbouring wind farm operators | Develop outreach and educational site visits |
| Provided scholarship funding across a number of assets and communities | Develop funding programme for new workers in the wind energy sector |
| Deepened engagement on health and safety with SafetyOn, G+ and other organisations | Extend immersive health and safety training to more partners and suppliers |

# 5.1 Health and safety

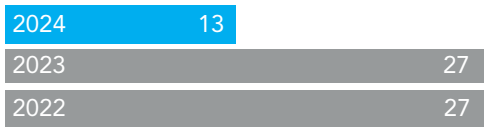
Ensuring the health and safety of workers and residents is a crucial social responsibility that we take seriously. We comply with all relevant safety standards and take a proactive approach to improving our health and safety procedures to minimise the risk of incidents and to protect those directly involved in a project as well as those living in the vicinity.

***Key performance indicator***

Percentage of staff that have completed health and safety training[1]


Number of operating assets that have received an internal health and safety audit


Number of operating assets that had an independent health and safety audit




Number of reportable working days lost to injuries, accidents, fatalities or illness


Number of reportable lost time incidents


We work to promote the highest standards of health and safety in managing our assets.

Health and safety is a key item for discussion for the Manager's Management and Risk Management committees, as well as for members of the operating asset company. The Manager also has a Health and Safety Forum in place, chaired by Stephen Lilley. This forum comprises an internal group of experts from across different teams who meet regularly to share lessons learnt, knowledge and experiences from various health and safety practices and outcomes.

The Manager is a member of the Global Offshore Wind Health and Safety Organization (G+), which brings together the offshore wind industry to pursue shared goals and outcomes. It is run in partnership with the Energy Institute, which provides the secretariat and supports its work. This is in addition to our existing SafetyOn membership, which is the equivalent safety organisation for UK onshore wind. Through both memberships, we are active in the health and safety industry forums where our incident data can be benchmarked against that of other members.

We implement health and safety best practice through asset specific policies, project management, contractual arrangements, staff training and stakeholder education. Health and safety measures are implemented throughout the life cycle of our investments to ensure a robust system is in place to minimise risk.

We assess and monitor health and safety practices through asset specific risk identification and prevention activities. During 2024, the Manager conducted 44 safety walks at our wind farms, and an independent accredited health and safety professional conducted audits at 13 sites. This included an audit on the overall standards of health and safety management of the turbine maintenance contractors and O&M contractors on the sites. No material areas of concern were identified during any of the audits and safety walks performed.

In 2024, we had a significant increase in the number of working days lost to injuries, accidents, fatalities or illness (535 days) compared to previous years. This is due to one employee experiencing a serious incident, resulting in a prolonged period of sick leave. We have implemented several actions to prevent such an incident from reoccurring.

We commissioned audits of the high voltage (HV) equipment at four wind farms in 2024. Using a specialist, accredited professional, we audited nine of our asset managers and O&M contractors to ensure that all elements of their health and safety management systems remain fit for purpose. Similarly, we audited the HV management system of one of our HV operators. We also completed 53 emergency response exercises, including joint emergency response procedure drills, as highlighted in Case Study 6.

In 2024, we collaborated with third party experts to evaluate the use of AI in health, safety and environmental management. This included using a large language model to classify over 3,000 recorded incidents from 2021–2023 into 30 risk categories, achieving an 89% classification accuracy. The application of AI helped to overcome challenges posed by large data volumes, inconsistent incident descriptions and subjective risk interpretation. This exercise allowed the Manager to identify trends and develop initiatives to mitigate risks, enhancing the safety of our assets.

(1) Staff employed by the Manager.

*London Array*

CASE STUDY 6

# Immersive health and safety training

Following the success of the immersive Tideway Employer Production Induction Centre training course in 2023, we expanded our outreach in 2024 to include third parties such as RWE. The training offered an award winning one day experience that involved everyone participating in the recreation of an unexpected incident.[2]

Participants gained a lasting understanding of their role in ensuring the safety and wellbeing of everyone on a project. The training consisted of three interconnected parts: an immersive, multimedia experience; a workshop on hazard reporting culture; and practical safety leadership skills workshops with a specific onboarding checklist. This checklist included guidance on health and safety matters such as the creation of a safety statement, risk assessments, key performance indicators, an audit plan and the role of the operations manager.

## Joint emergency response procedure drills

Joint emergency response procedure (ERP) drill exercises are common in the offshore wind industry but very rare between assets of different owners and operators. Training days such as these are critical for health and safety, as they allow teams from different companies and projects to work together to solve real-life health and safety problems.

In 2024, the Company facilitated a number of joint ERP drills, including in the Irish Sea (between assets near Liverpool and Port of Mostyn). Attendees were trained on the correct incident communication process, as well as on understanding the expected travel time for assistance (which can differ depending on tidal conditions). Attendees were also trained on differing responses depending on the type of platform the incident occurs on, as this may affect operational familiarity.

Looking forward to 2025, similar joint ERP drills are planned at various sites. Lessons from the 2024 exercises will also be incorporated into the Company's shared health and safety matrix and added to individual site ERPs.

(2) Training Excellence: Winner | Construction News

# 5.2 Human rights and modern slavery

We are alert to the potential risks of forced labour and modern slavery in our supply chains and have put in place mitigation measures. All new service providers must adhere to the Manager's Code of Conduct Side Letter, which includes specific commitments to prevent modern slavery unless they have equivalent policies in place. Additionally, we are within scope of the UK Modern Slavery Act 2015, which requires us to report annually on the steps we took in the preceding financial year to ensure that modern slavery and human trafficking are not taking place within our operations or supply chains. In accordance with the act, we have a formal Modern Slavery and Human Trafficking Statement in place. The Manager carried out training on modern slavery for all Schroders Greencoat employees in 2024.

The Manager also seeks to ensure that the Company's key service providers are aligned with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the International Bill of Human Rights: together, the Minimum Safeguards. To support this objective, we have the following policies and procedures in place aimed at protecting human rights and preventing modern slavery in the activities of third parties associated with our investments (our investments do not themselves have employees):

- The Manager's and Company's ESG policies
- The Manager's Modern Slavery and Human Trafficking Statement
- The Manager's Supply Chain Policy
- Regular due diligence and ongoing reviews of key service providers
- Where possible, placing contractual obligations on key service providers to comply with the principles underlying the Minimum Safeguards and reporting any noncompliance to the Manager.

*Stronelairg*

# 5.3 Supporting local communities

The Company recognises the importance of retaining and enhancing community relations as part of its licence to operate and for the health of its future investment opportunity pipeline. Therefore, our ongoing engagement activities with local communities is important.

A key factor considered as part of this engagement is the preservation of land and access rights. We believe this commitment fosters positive outcomes for communities and enhances the potential positive impacts of our business.

We hold an important role in providing employment and training opportunities across our local communities. We do this through our apprenticeship schemes and continuing professional development for all employees, helping to ensure communities are ready for the green economy. In 2024, we also partnered with the Energy Skills Partnership, the college sector agency for energy transition, engineering and construction in Scotland, to develop a 2025 funding programme for new workers in the wind energy sector.

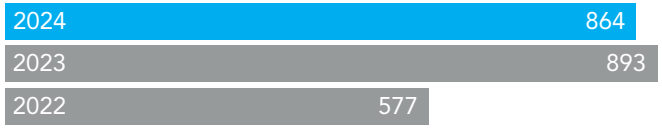
We contribute to community fund investments either as part of local planning conditions (obligatory community fund investments) or on a voluntary basis. These funds are managed by a third party, which holds regular discussions with communities and administers financial support to local groups through community benefit schemes that contribute to various local projects, enhancing amenities, infrastructure and educational initiatives. Our approach is designed to provide long term support for UK wind farms and to help the sector continue to expand.

Case studies 7–9 demonstrate examples of how we supported local communities in 2024.[3]

***Key performance indicator***

Amount invested in community benefit funds and social projects (£ million)


Number of community funds and social projects invested in




(3) These projects may have been put in place as part of a community agreement or through regulations to protect habitats and local wildlife.
(4) Cumulative contribution since 2019.

*London Array*

CASE STUDY 7

# Supporting vulnerable community members

## Howden Memory Café

In 2024, the Rotary Club of Howden in Yorkshire received funds to set up and run Memory Café, a support group for those affected by dementia. This is the only specialist dementia support group with a physical presence for people in the area surrounding the Sixpenny Wood Wind Farm. The group meets fortnightly, with an average of 30-40 attendees, and is supported by 16 volunteers.

The group allows affected individuals and their families to get together with volunteers to chat, participate in quizzes and have wellbeing time with mechanical cats. A mechanical cat, often used as a form of robotic therapy, can offer several benefits for individuals with dementia such as emotional comfort and companionship, reduction of aggression and memory stimulation.

The group applied for further funding at the end of 2024 and was awarded a grant to help with running costs in 2025. The group also hopes to participate in a dementia conference in 2025.

"Many of those who attend admit that it is the only social event they happily involve themselves in, knowing it is a safe space and no judgement is made."

Memory Café attendee

CASE STUDY 8

# Supporting community health and wellbeing

## Brockaghboy Football Club funding

The Brockaghboy Football Club in Northern Ireland has been supported by the Company, through its investment in Brockaghboy Wind Farm, for many years. The club supports a diverse range of football teams for all ages and abilities, as well as boys and girls teams. Brockaghboy Wind Farm has previously funded the club with a gym, which provides fitness classes for members of the community.

Between 2024 and 2032, the club is being supported through the development of a state-of-the-art football pitch. A proportion of this project's funding has been paid in advance and £46,368 has been spent to date. During 2024, the groundwork for the pitch was completed, and the Astroturf installed. Looking ahead to 2025, funding will be used to add fencing, floodlights and ball stops. A walking track will also be installed around the pitch. Once completed, these facilities will support hundreds of families across the community who will use the pitch for training, walking and socialising.

CASE STUDY 9

# Upskilling communities through education

## Langhope Rig Education and Training Fund

The purpose of the Langhope Rig Wind Farm Education and Training Fund is to improve the opportunities and livelihoods of people living in Ettrick and Yarrow, Lilliesleaf, Ashkirk and Midlem, and Upper Teviotdale and Borthwick Water by providing residents with bursaries to access training and education opportunities.

In early 2023, Eden, a resident of the Langhope Rig Fund area, applied to the fund and was granted £2,800 to purchase a laptop and essential equipment and for living costs. In 2023, Eden was accepted to study degree-level engineering at Fitzwilliam College, University of Cambridge. Eden is now in his second year and thoroughly enjoying his degree, particularly the module flexibility it offers.

In his third year, Eden aims to take a mix of mechanical (specifically, aerospace) and sustainability modules. He aims to complete his master's degree in 2027 and hopes to achieve a doctorate before moving into aerospace engineering.

"The grant I received helped massively with the purchase of a laptop… The grant also helped with the purchase of other equipment and gave me the peace of mind that some of the financial burden was dealt with, allowing me to focus on my education."

# 6.0 Tracking our progress

We are committed to continuing our strong ESG progress, as demonstrated in this 2024 ESG Report, and which has been monitored and measured through our KPIs. Table 5 sets out our KPIs as of 31 December 2024.[1]

## Table 5: Key performance indicators

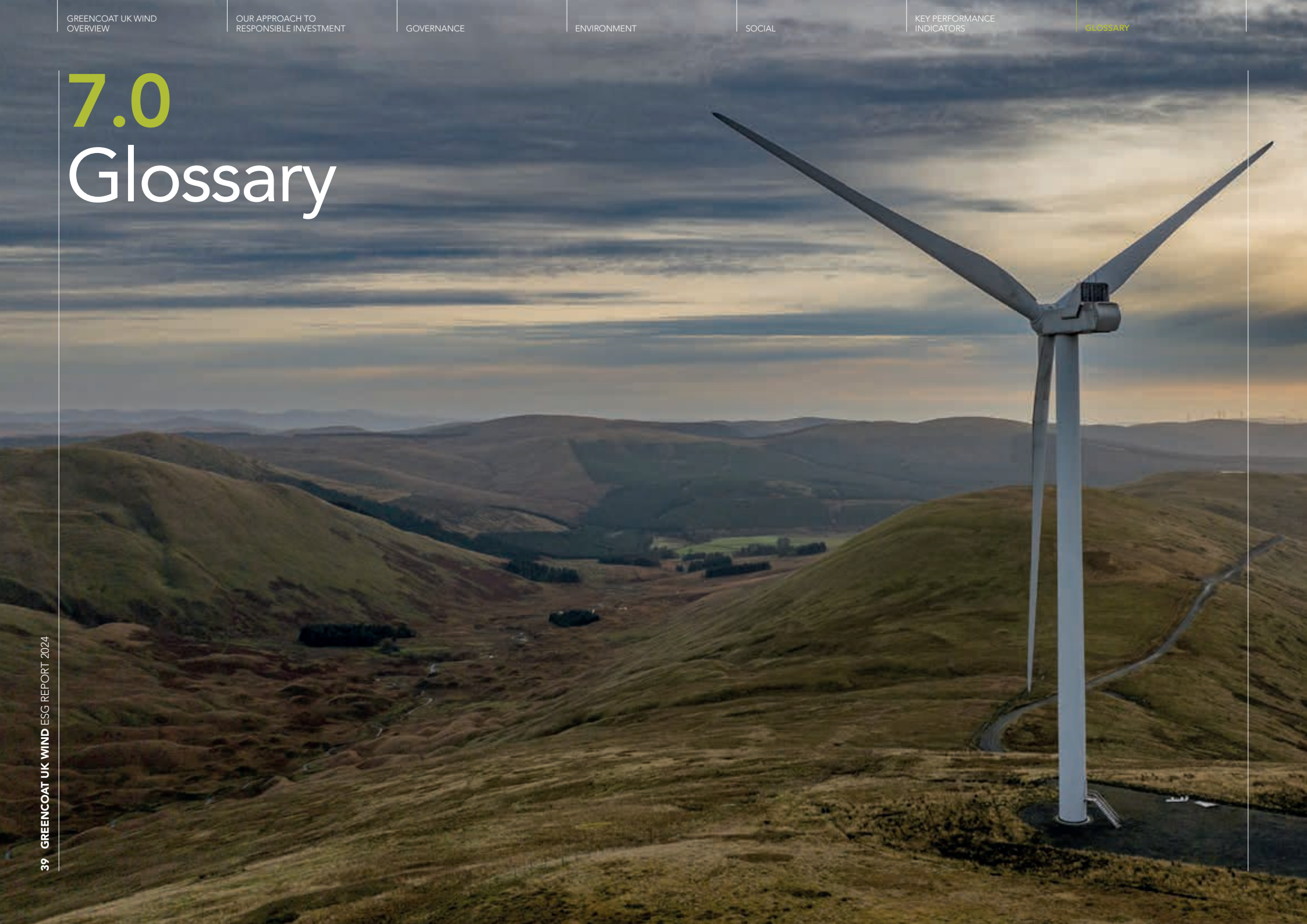
| Metric | | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Overview** | | | | |
| 1. | Total number of assets at all stages | 45 | 49 | 49 |
| 2. | Total number of operating assets | 45 | 49 | 49 |
| 3. | Total number of forward sales and under construction assets | 2 | 0 | 0 |
| 4. | Total installed capacity of assets at all stages (MW) | 1,878 | 2,007 | 1,983 |
| 5. | Total installed capacity of operating assets (MW) | 1,610 | 2,007 | 1,983 |
| 6. | Total installed capacity of forward sales and under construction assets (MW) | 268 | 0 | 0 |
| 7. | Renewable electricity generated (GWh) | 4,362 | 4,743 | 5,484 |
| 8. | Cumulative renewable electricity generated since inception (GWh) | 18,726 | 23,469 | 28,954 |
| 9. | Estimated number of homes (equivalent) powered by clean energy (million) | 1.5 | 1.8 | 2.0 |
| 10. | Estimated number of people (equivalent) whose energy needs were met (million) | 3.6 | 4.2 | 4.8 |
| **Environment** | | | | |
| 11. | Estimated tonnes of $CO_2$ avoided (million) | 1.7 | 1.9 | 2.2 |
| 12. | Percentage of assets that have met habitat management plans or environmental planning requirements (number of assets with plans in place)[2] | 100 (45 assets) | 100 (49 assets) | 100 (26 assets) |
| 13. | Number of reportable environmental incidents | 1 | 2 | 0 |
| 14. | Total GHG emissions (Scope 1, 2 and 3) (tonnes of $CO_2e$) | 137,732 | 262,637 | 22,021 |
| 15. | Scope 1 emissions (tonnes of $CO_2e$) | 149 | 13 | 262 |
| 16. | Scope 2 emissions (tonnes of $CO_2e$) | 1,422 | 1,485 | 2,700 |
| 17. | Scope 3 emissions (tonnes of $CO_2e$) | 136,161 | 261,138 | 19,059 |
| **Social** | | | | |
| 18. | Number of operating assets that had an independent health and safety audit | 27 | 27 | 13 |
| 19. | Number of operating assets that have received an internal health and safety audit | 42 | 43 | 49 |
| 20. | Percentage of staff that have completed health and safety training | 100 | 100 | 100 |
| 21. | Number of reportable lost time incidents | 6 | 2 | 6 |
| 22. | Number of reportable working days lost to injuries, accidents, fatalities or illness | 41 | 30 | 535[3] |
| 23. | Amount invested in community funds and social projects (£ million) | 4.0 | 4.4 | 5.7 |
| 24. | Number of community funds and social projects invested in | 577 | 893 | 864 |
| **Governance** | | | | |
| 25. | Number of assets that have undergone cybersecurity vulnerability and penetration tests | 22 | 22 | 22 |
| 26. | Number of assets that implemented internal controls, audit systems, board level oversight and relevant ESG policies | 45 | 49 | 49 |
| 27. | Gender diversity of the Board | 60% women, 40% men | 60% women, 40% men | 67% women, 33% men |
| **Other** | | | | |
| 28. | EU Taxonomy alignment (%) | 100 | 100 | 100 |
| 29. | Institutional Shareholder Services ESG Corporate Rating | n/a | B+ | B+ |

(1) Please note that some values have been rounded where appropriate.

(2) In 2024, the habitat management plan definition was changed in relation to our KPI to only incorporate assets that held formal, statutorily required habitat management plans.

(3) This increase is due to an employee experiencing a serious incident, resulting in over a year of sick leave.

# 7.0 Glossary



## Glossary

**Carbon dioxide equivalent ($CO_2e$):** A standard unit that measures the total greenhouse gas emissions from various sources, expressed in terms of the amount of carbon dioxide that would have the same warming effect.

**Circular economy:** An economic model designed to minimise waste and make the most of resources by promoting product longevity, recycling and sustainable practices.

**COP29:** The 29th Conference of the Parties, referring to the annual United Nations (UN) Climate Change Conference where global leaders, negotiators and stakeholders discuss and negotiate climate related policies and actions.

**EU Sustainable Finance Disclosure Regulation (SFDR):** An EU regulation that aims to standardise and improve the transparency of sustainability related disclosures in the financial services sector within the European Union.

**EU Taxonomy:** An EU classification system that defines environmentally sustainable economic activities, helping investors and companies to identify and communicate them.

**Key performance indicators:** Quantifiable measures used to evaluate the success or performance of an organisation or specific activity.

**Net zero:** A state where the balance between the amount of greenhouse gases emitted and removed from the atmosphere is neutral, typically achieved by reducing emissions and investing in carbon removal or offset projects.

**Offshore wind:** Wind energy generation that takes place in bodies of water, typically the ocean, using wind turbines installed on platforms or underwater structures.

**Onshore wind:** Wind energy generation that takes place on land, using wind turbines to convert wind energy into electricity.

**Operations and maintenance (O&M):** The activities involved in the day to day operation and maintenance of infrastructure or facilities.

**Scope 1 emissions:** Direct greenhouse gas emissions from sources that are owned or controlled by the reporting entity, such as emissions from combustion processes.

**Scope 2 emissions:** Indirect greenhouse gas emissions associated with the consumption of purchased or acquired energy, such as electricity.

**Scope 3 emissions:** Indirect greenhouse gas emissions that occur in the value chain of the reporting entity, including both upstream and downstream emissions.

**Special purpose vehicle (SPV):** A subsidiary created by the parent company that operates as a separate legal entity.

**Task Force on Climate-related Financial Disclosures (TCFD):** A framework developed to help organisations disclose climate related financial risks and opportunities.

**Taskforce on Nature-related Financial Disclosures (TNFD):** A framework developed to help organisations to report and disclose their dependencies and impacts on nature.

**UK Sustainability Disclosure Requirements (UK SDR):** UK regulatory requirement for companies to disclose information related to environmental and social matters in their annual reports.

**UN Principles for Responsible Investment (PRI):** A set of principles designed to guide investors in incorporating environmental, social and governance factors into their decision making processes.

**UN Sustainable Development Goals (SDGs):** A set of 17 global goals to address various social, economic and environmental challenges by 2030.

## Further information

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The Financial Conduct Authority (FCA) is the competent authority of Schroders Greencoat LLP.