Downing Renewables & Infrastructure Trust PLC Annual Report for the year to 31 December 2023

Downing Renewables & Infrastructure Trust PLC

Annual Report

For the year to 31 December 2023

Contents

Company Overview

Highlights

- Deployed £47m into 11 investments, including:
  - £18m into electricity grids and grid stability infrastructure projects in Sweden and the UK;
  - A further £13m into a portfolio of 1600 operational rooftop solar installations in the UK; and
  - £16m into 9 hydropower plants, including the Company's first investment in Iceland.
- Reduced the proportion of the Company's revenues that are exposed to variable power prices through strategic investments in grid and grid stability assets and the Icelandic hydropower acquisition with its long term, fixed price, inflation linked revenues.
- Generated £24.7 million (up 26.6% from £19.5 million in 2022) operating profit for the underlying portfolio during the period.
- Continued to build out and optimise the hydropower portfolio, implementing hardware and software upgrades necessary to enable access to new lucrative grid frequency markets in Sweden in 2024.
- Interim dividends of 5.38 pence per ordinary share declared in respect of the year, in line with target. Cash dividend cover of interim dividends paid during the year of 5.285 pence of 1.21x[1] (2022: 1.17x), increasing to 1.78x using pre debt service cashflows.
- The target dividend relating to 2024 has been increased by 7.85% to 5.80 pence per ordinary share.
- NAV total return[1] of 3.5% for the year to 31 December 2023 and 33.0% since IPO in December 2020.
- Net asset value ("NAV") as at 31 December 2023 was £212.1 million or 117.7 pence per ordinary share.
- The Company's renewable energy portfolio generated 395GWh in 2023, (up 21.1% from 326GWh in 2022), avoided 186,348 tonnes of CO2e (up 21.4% from 153,457 tonnes of CO2e in 2022) and powered the equivalent of 146,183 UK homes (up 29.9% from 112,523 UK homes in 2022).
- Responded to the significant discount at which the Company's shares, and the sector as a whole, traded by commencing a buyback programme in March 2023. The Company repurchased 4.38 million shares increasing shareholders' NAV return by 0.6 pence per share.

[1] These are alternative performance measures

Key Metrics

	As at or for period ending 31 December 2023	As at or for the period ending 31 December 2022
Market capitalisation	£162m	£210m
Share price	90.0 pence	113.5 pence
Dividends paid in the year	£9.7m	£8.0m
Dividends paid in the year per ordinary share	5.285 pence	5.000 pence
GAV[2,3]	£352m	£310m
NAV	£212m	£219m
NAV per share	117.7 pence	118.6 pence
NAV total return with respect to the year[1,2,3]	3.5%	19.5%
Total Shareholder Return with respect to the year[1,4]	-16.3%	15.1%
NAV total return since inception[1,2,3]	33.0%	28.5%
Total Shareholder Return since inception[1,4]	1.1%	21.1%
Weighted average discount rate[5]	7.7%	7.7%
Environmental Performance	Assets avoided 186,348 tonnes of CO_2 and powered the equivalent of 146,183 homes	Assets avoided 153,457 tonnes of CO_2 and powered the equivalent of 112,523 homes

A glossary of terms can be found on page 169.

[1] These are alternative performance measures.

[2] A measure of total asset value including debt held in unconsolidated subsidiaries.

[3] Based on NAV at IPO of £0.98/share.

[4] Total returns in sterling, including dividend reinvested.

[5] This is the weighted average discount used in the valuation of underlying investments

About DORE

Downing Renewables & Infrastructure Trust PLC ("DORE" or the "Company") is a closed ended investment company incorporated in England and Wales. The Company aims to provide investors with an attractive and sustainable level of income, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe.

The Company's strategy, which focuses on diversification by geography, technology, revenue and project stage, is designed to deliver stability of revenues and consistency of income to shareholders.

The Company is an Article 9 fund pursuant to the EU Sustainable Finance Disclosure Regulations ("SFDR"). The core sustainable Investment Objective of the Company is to accelerate the transition to net zero through its investments, compiling and operating a diversified portfolio of renewable energy and infrastructure assets to help facilitate the transition to a more sustainable future. This directly contributes to climate change mitigation.

DORE is a Green Economy Mark (London Stock Exchange) accredited company with an ESG framework that aims to provide investors with attractive returns while contributing to the successful transition to a net-zero carbon economy, resulting in a cleaner, greener future.

As at 31 December 2023, the Company had 184,622,487 ordinary shares in issue issue (of which 4,375,363 were held in treasury) which are listed on the premium segment of the FCA's Official List and traded on the London Stock Exchange's Main Market.

DORE is managed by Downing LLP (the "Investment Manager" or "Downing").

Strategic Report

Chairman’s Statement

On behalf of the Board, I am pleased to present the Annual Report of Downing Renewables & Infrastructure Trust PLC (“DORE”) covering the year to 31 December 2023 (the “Annual Report”). As we navigate a transformative period in the global energy landscape, the Company continues to make significant progress in achieving its strategic objectives of delivering sustainable returns through diversification of geography, technology, revenue, and project stage.

Acquisitions

In the Company’s Interim Report, I advised that the Investment Manager had continued to deploy the Company’s funds during the first half of 2023, when DORE acquired two additional operational hydropower plants in Sweden (with annual generation of 8.3 GWh), for £5.1 million, a portfolio of operational solar PV assets located in the UK for £12.6 million and Mersey Reactive Power, a UK-based, fully operational project providing grid stability services to the transmission system for £11.0 million.

The second half of the year saw further progress in increasing the stability of revenues and consistency of income to shareholders.

In July, DORE made its second acquisition in the grid infrastructure sector, a Swedish Electricity Distribution System Operator, Blåsjön Nät AB (“Blåsjön”), for £7.6 million. Blåsjön is a regulated electricity distributor which delivers 16-18 GWh per annum of electricity through medium and low voltage lines to its c.1,500 domestic and business customers in Strömsund, northern Sweden. Its revenues are set by the Swedish regulator and are dependent on neither volume nor price of electricity, increasing the Company’s diversification of revenues and reducing the proportion of the Company’s revenues that are exposed to variable power prices.

Further geographic and electricity market diversification was achieved with the acquisition of a 8.3 GWh per annum hydropower plant, located in south-central Iceland, for £5.0 million. The plant has been operational since 2018 and adds long-term, fixed price, inflation-linked revenues to the Company’s portfolio, and also reduces the proportion of Company’s revenues that are exposed to variable power prices. The Company now generates revenue from four different revenue sources and has two new revenue streams that are not derived from energy sales.

The core Swedish hydropower portfolio was bolstered through the acquisition of a further five hydropower plants for a total investment of £6.0 million. The acquisitions increase the total number of hydropower plants owned by DORE to 34 with a total average annual production of 215 GWh per annum, increasing the Swedish hydropower platform generation capacity by c.14% and the storage capacity to 213 million cubic meters.

Further details on the acquisitions during the period can be found in the Investment Manager’s Report on pages 25 to 27.

The Board is pleased with the deployment of £47 million during the year, further increasing geographical and revenue diversification. At the portfolio level, the Investment Manager’s in-house asset management team remains committed to ensuring ongoing positive operational performance. This performance, combined with the accretive acquisitions, has enabled the Company to raise the dividend target by 7.85% to 5.80 pence per ordinary share in respect of the year from 1 January 2024.

Debt Facilities

In the interests of capital efficiency and to enhance the potential for income returns and long-term capital growth, the Company is permitted to maintain a conservative level of gearing. As at 31 December 2023, the total Portfolio's gearing (expressed as a loan to value (LTV) ratio) was 40% (2022: 30%). The Company has access to a £40m Revolving Credit Facility ("RCF"), of which £18.6m is drawn. There are two additional long term debt facilities at asset level, a £78.8 million facility which is fully drawn and a €68.5 million facility of which €49.4 million was drawn as at 31 December 2023. In total, the sterling value of debt was £140 million at 31 December 2023. The weighted average cost of debt across the borrowings is 2.5%.

Further information on these facilities can be found in the Investment Manager's Report, and the Company's borrowing policy is laid out on page 14.

Portfolio Performance

The underlying portfolio generated £24.7 million (2022: £19.5 million) operating profit during the period[6], an 11.6% return (2022: 8.9%) on equity capital deployed. The 4,866 core renewable energy assets produced approximately 396 GWh of renewable electricity, enough to power 146,183 houses, with the two new grid infrastructure assets in particular performing well.

Financial Results

Despite the strong return on capital deployed, during the period the NAV per ordinary share decreased 0.8% from 118.6 pence at 31 December 2022 to 117.7 pence at 31 December 2023. Including dividends paid of 5.285 pence per ordinary share in the year, the NAV total return since 31 December 2022 was 3.5% resulting from the valuation across all four technologies and the payment of the dividend. The reduction in NAV was largely driven by future power prices being forecast to return to more normalised levels more rapidly than anticipated at the start of the year.

The NAV reflects the fair market valuation of the Company's portfolio based on a discounted cash flow analysis over the life of each of the Group's assets plus the value of the Company's other assets and liabilities. The assumptions which underpin the valuation are provided by the Investment Manager and the Board has satisfied itself with the calculation methodology and underlying assumptions. Further details of the valuation changes are given on page 39.

The portfolio companies distributed £15.2 million to the Company by way of shareholder loan repayments and interest during the period. Cash of £3.7 million was retained in the Company's subsidiary DORE Hold Co and forms part of the valuation.

The Company made a profit for the year to 31 December 2023 of £6.9 million, resulting in earnings per ordinary share of 3.8 pence.

[6] Based on figures from underlying spv unaudited management accounts which are not included within this report.

Dividends

The Company has paid interim dividends to shareholders of 1.345 pence per share for the first three quarters of 2023, and a further dividend of 1.345 pence per share was announced on 20 February 2024 in respect of the quarter to 31 December 2023. Together, these amount to the 5.38 pence per share target for the 2023 financial year, announced on 2 March 2023.

In cash terms, the Company and its subsidiary achieved a cash dividend cover of 1.21x against the dividends of 5.285 pence per share paid during the year. When amortisation of debt is added back, the dividend cover was 1.78x. Cash dividend cover has been calculated on the basis of cash actually received by the Company and its immediate subsidiary, post the payment of any debt service obligations.

The Company will target a dividend of 5.80 pence per share relating to the year to 31 December 2024, a 7.85% increase from 2023. The increased dividend is expected to be covered by cash in excess of 1.35x by the current portfolio.

Capital Structure

Share prices across the broad infrastructure investment fund sector are depressed and the Company is trading at a discount to NAV. The Board is closely monitoring the Company's share price discount and is committed to buying back its own shares when deemed appropriate. While share buy backs will not necessarily prevent the discount from widening, particularly in times of market weakness or volatility, the Board believes that buybacks enhance the NAV per share for existing shareholders, provide some additional market liquidity and help to mitigate discount volatility which can damage shareholder returns.

During the twelve months to 31 December 2023 the Company has bought back a total of 4,375,363 shares into treasury at a cost of £4.1 million. Since the year end, a further 2,544,899 shares have been bought back into treasury at a cost of £2.1m. As at 10 April 2024, the Company had 184,622,487 shares in issue (including 6,920,262 in treasury, which are available to be resold at a premium to NAV per ordinary share when the opportunity arises).

Alongside buybacks the Board has balanced accretive acquisitions and revenue optimisation initiatives. The Company has benefitted in particular from its hydropower aggregation, modernisation and revenue optimisation strategy and has further opportunities to expand its investment in this strategy with the aim of increasing overall portfolio returns. The Company has also secured opportunities to construct battery storage projects on land owned by the hydropower facilities at projected returns in excess of other investments held by the Company and in excess of equivalent projects in the UK.

In light of the potential value to the Company of: (1) these investment opportunities; (2) reducing borrowings under the RCF; and (3) the value created through ongoing share buybacks, the Company continues to make progress in considering potential co-investors for its existing Swedish hydropower assets.

Chairman's Statement continued

Outlook

The Board is pleased with the deployment of £47 million in high-quality investments made in the year and is especially encouraged by the progress made into further diversifying the portfolio with acquisitions in both a new geography (Iceland) and a new technology (grid infrastructure).

In 2024, the Investment Manager's in-house asset management team will continue to focus on delivering positive operational performance and increasing revenues from the portfolio through optimisation initiatives and careful allocation of capital.

The area of greatest focus and where the potential return is greatest is in implementing the software and hardware upgrades that enable the hydropower plants to participate in frequency containment reserve ("FCR") markets in Sweden. This increases the number of revenue streams and the overall capital value of the plants and the Investment Manager believes that this could add as much as 5% to the value of the hydropower portfolio over time with little capital investment required. The hardware has currently been installed at 20 plants.

The Company will continue to leverage the deep expertise of the Investment Manager to deliver strong operational performance while placing its sustainability goals at the centre of its operational objectives.

The Board looks forward to bringing shareholders further updates on future progress.

Hugh W M Little
Chair
10 April 2024

Downing Renewables & Infrastructure Trust PLC

Strategy and Business Model

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

Corporate Summary

The Company is a closed ended investment company incorporated in England and Wales with registration number 12938740. The Company aims to provide investors with an attractive and sustainable level of income, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe.

As at 31 December 2023, the Company had 184,622,487 ordinary shares in issue (with 4,375,363 held in treasury) which are listed on the premium segment of the Official List and admitted to trading on the London Stock Exchange's Main Market.

Investment Objective

The Company's Investment Objective is to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe.

The core sustainable Investment Objective of the Company is to accelerate the transition to net zero through its investments, compiling and operating a diversified portfolio of renewable energy and infrastructure assets to help facilitate the transition to a more sustainable future. The Company believes that this directly contributes to climate change mitigation.

The Company has made disclosures under the EU's Sustainable Finance Disclosure Regulation ("SFDR") as part of its commitment to sustainability. The Company is an Article 9 fund under SFDR.

Investment Policy

The Company seeks to achieve its Investment Objective through investment in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe, comprising (i) pre-dominantly assets which generate electricity from renewable energy sources; and (ii) other infrastructure assets and investments in businesses whose principal revenues are not derived from the generation and sale of electricity on the wholesale electricity markets ("Other Infrastructure") (together "Assets" and each project being an "Asset"). Assets may be operational, in construction or construction-ready, at the time of purchase. In-construction or construction-ready Assets are assets which have in place the required grid access rights, land consents, planning, permitting and regulatory consents in order to commence construction. For the avoidance of doubt, the Company does not acquire or fund Assets that are at an earlier stage of development than construction-ready.

The Company can invest in a portfolio of Assets that is diversified by: (i) the principal technology utilised to generate energy from renewable sources, for example solar photovoltaic, wind, hydro-electric or geo-thermal ("Technology"); (ii) geography; and (iii) the stage of development of a project, being one of operational, construction-ready or in-construction (each a "Project Stage").

Although the Company intends primarily to take controlling interests, it may acquire a mix of controlling and non-controlling interests in Assets and the Company may use a range of investment instruments in the pursuit of its investment objective, including but not limited to equity and debt investments.

In circumstances where the Company does not hold a controlling interest in the relevant investment, the Company will seek to secure its shareholder rights through contractual and other arrangements, inter alia, to ensure that the Asset is operated and managed in a manner that is consistent with the Company's Investment Policy.

Investment Restrictions

The Company will observe the following restrictions when making investments:

- the Company may invest no more than 60% of Gross Asset Value in Assets located in the UK, save that until the Net Asset Value of the Company first exceeds £300 million, the Company may invest no more than 75% of Gross Asset Value in Assets located in the UK;
- the Company may invest no more than 60% of Gross Asset Value in Assets located in Ireland and Northern Europe (combined), save that until the Net Asset Value of the Company first exceeds £300 million, the Company may invest no more than 75% of Gross Asset Value in Assets located in Ireland and Northern Europe (combined);
- the Company may invest no more than 50% of Gross Asset Value in any single Technology, save that until the Net Asset Value of the Company first exceeds £300 million, the Company may invest no more than 60% of Gross Asset Value in any single Technology;
- the Company may invest no more than 25% of Gross Asset Value in Other Infrastructure;
- the Company may invest no more than 35% of Gross Asset Value in Assets that are in construction or construction ready;
- the Company may invest no more than 30% of Gross Asset Value in any one single Asset, and the Company's investment in any other single Asset shall not exceed 25% of Gross Asset Value;
- at the time of an investment or entry into an agreement with an Offtaker, the aggregate value of the Company's investments in Assets under contract to any single Offtaker will not exceed 40% of Gross Asset Value;
- no more than 25% of Gross Asset Value will be invested in Assets in relation to which the Company does not have a controlling interest;
- no investments will be made in companies which generate electricity through the combustion of fossil fuels or derive a significant portion of their revenues from the use or sale of fossil fuels unless the purpose of the investment is to transition those companies away from the use of fossil fuels and toward sustainable sources;
- the Company's portfolio will comprise no fewer than six Assets; and
- the Company will not invest in other UK listed closed-ended investment companies.

Compliance with the above restrictions will be measured at the time of investment and non-compliance resulting from changes in the price or value of the Assets following investment will not be considered as a breach of the investment restrictions. The Company will hold its investments through one or more SPVs and the investment restrictions will be applied on a look through basis to the Asset owning SPV.

Strategy and Business Model continued

Borrowing Policy

Long-term limited recourse debt at the SPV level may be used to facilitate the acquisition, refinancing or construction of Assets. Where utilised, the Company will seek to adopt a prudent approach to financial leverage with the aim that each Asset will be financed appropriately for the nature of the underlying cashflows and their expected volatility. Total long-term structural debt will not exceed 50% of the prevailing Gross Asset Value at the time of drawing down (or acquiring) such debt.

In addition, the Company and/or its subsidiaries may make use of short-term debt, such as a revolving credit facility, to assist with the acquisition of suitable opportunities as and when they become available. Such short-term debt will be subject to a separate gearing limit so as not to exceed 20% of the prevailing Gross Asset Value at the time of drawing down (or acquiring) any such short-term debt.

The Company may employ gearing at the level of an SPV, any intermediate subsidiary of the Company or the Company itself, and the limits on total long-term structural debt and short-term debt shall apply on a consolidated basis across the Company, the SPVs and any such intermediate holding entities (disregarding for this purpose any intra-Group debt (i.e. borrowings and debt instruments between members of the Group)).

In circumstances where these limits are exceeded as a result of gearing of one or more Assets in which the Company has a non-controlling interest, the borrowing restrictions will not be deemed to be breached. However, in such circumstances, the matter will be brought to the attention of the Board who will determine the appropriate course of action.

For general purposes the Company defines Gross Asset Value as the aggregate of: (i) the fair value of the Group's underlying investments (whether or not subsidiaries), valued on a discounted cash flow basis as described in the International Private Equity and Venture Capital Valuation Guidelines (latest edition December 2022); (ii) the Group's proportionate share of the cash balances and cash equivalents of Group companies and non-subsidiary companies in which the Group holds an interest; and (iii) the Group's proportionate share of other relevant assets or liabilities of the Group valued at fair value (other than third party borrowings) to the extent not included in (i) or (ii) above. For the purposes of the Investment Policy only, the definition of GAV is adjusted such that the Group's proportionate share of the cash balances and cash equivalents of Group companies and non-subsidiary companies in which the Group holds an interest are multiplied by two to reflect the gearing that the Group could obtain upon investment of such balances.

Currency and Hedging Policy

The Company adopts a structured risk management approach in seeking to deliver stable cash flows and dividend yield. This may include entering into hedging transactions for the purpose of efficient portfolio management. This could include:

> foreign currency hedging on a portion of equity distributions and net asset value(s);

> foreign currency hedging on construction budgets;

> interest and/or inflation rate hedging through swaps or other market instruments and/or derivative transactions; and

Strategy and Business Model continued

> power and commodity price hedging through power purchase arrangements or other market instruments and/or derivative transactions. Any such transactions are not undertaken for speculative purposes.

Cash management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds ("Cash and Cash Equivalents"). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position.

Holding and Exit Strategy

It is intended that Assets will be held for the long-term. However, if an attractive offer is received or likely to be available, consideration will be given to the sale of the relevant Asset and reinvestment of the proceeds.

Changes to and Compliance with the Investment Policy

Any material change to the Company's Investment Policy set out above will require the approval of shareholders by way of an ordinary resolution at a general meeting and the approval of the FCA.

In the event of a breach of the investment guidelines and the investment restrictions set out above, the AIFM shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

Business Model

The Company was incorporated on 8 October 2020 as a public company limited by shares. The Company carries on business as an investment trust within the meaning of section 1158 of the Corporation Tax Act 2010 and was listed on the premium segment of the main market of the London Stock Exchange on 10 December 2020.

The Company holds and manages its investments through a parent holding company, DORE Hold Co Limited, of which it is the sole shareholder. DORE Hold Co in turn holds investments via a number of intermediate holding companies and SPVs. The jurisdictions in which the SPVs are incorporated is typically determined by the location of the assets, and further portfolio-level holding companies may be used to facilitate debt financings.

As at 31 December 2023, the Company owns a portfolio of 4,866 Renewable Energy Assets totalling 203 MW of operational capacity, one grid asset delivering electricity to c.1,500 domestic and business customers and one 200MVAr grid stability asset helping to managing voltage on the UK Transmission System by absorbing 200MVAr reactive power per hour.

The Company is an Article 9 fund which reports under Climate Related Financial Disclosures (TCFD) and Sustainable Finance Disclosures Regulation (SFDR).

Short term debt financing is available through a £40 million RCF which may be drawn on by DORE Hold Co Limited to facilitate future growth plans.

Strategy and Business Model continued

The Company has a 31 December financial year end and announces half-year results in or around September and full-year results in or around March. The Company intends to pay dividends quarterly, targeting payments in or around March, June, September and December each year.

The Company has an independent board of non-executive directors and during the year, the Management Engagement Committee assessed and recommended the appointment of a new AIFM. Effective 1 February 2024, JTC Global AIFM Solutions Limited was appointed as the Company's new AIFM and JTC (UK) Limited as the Company's new fund administrator. The AIFM has delegated the provision of portfolio management services to the Investment Manager, Downing LLP. Further information on the Investment Manager is provided in the Investment Manager's Report.

As an investment trust, the Company does not have any employees and is reliant on third party service providers for its operational requirements. Likewise, the SPVs do not have any employees and services are also provided through third party providers. Each service provider has an established track record and has in place suitable policies and procedures to ensure they maintain high standards of business conduct and corporate governance.

Financial Objectives

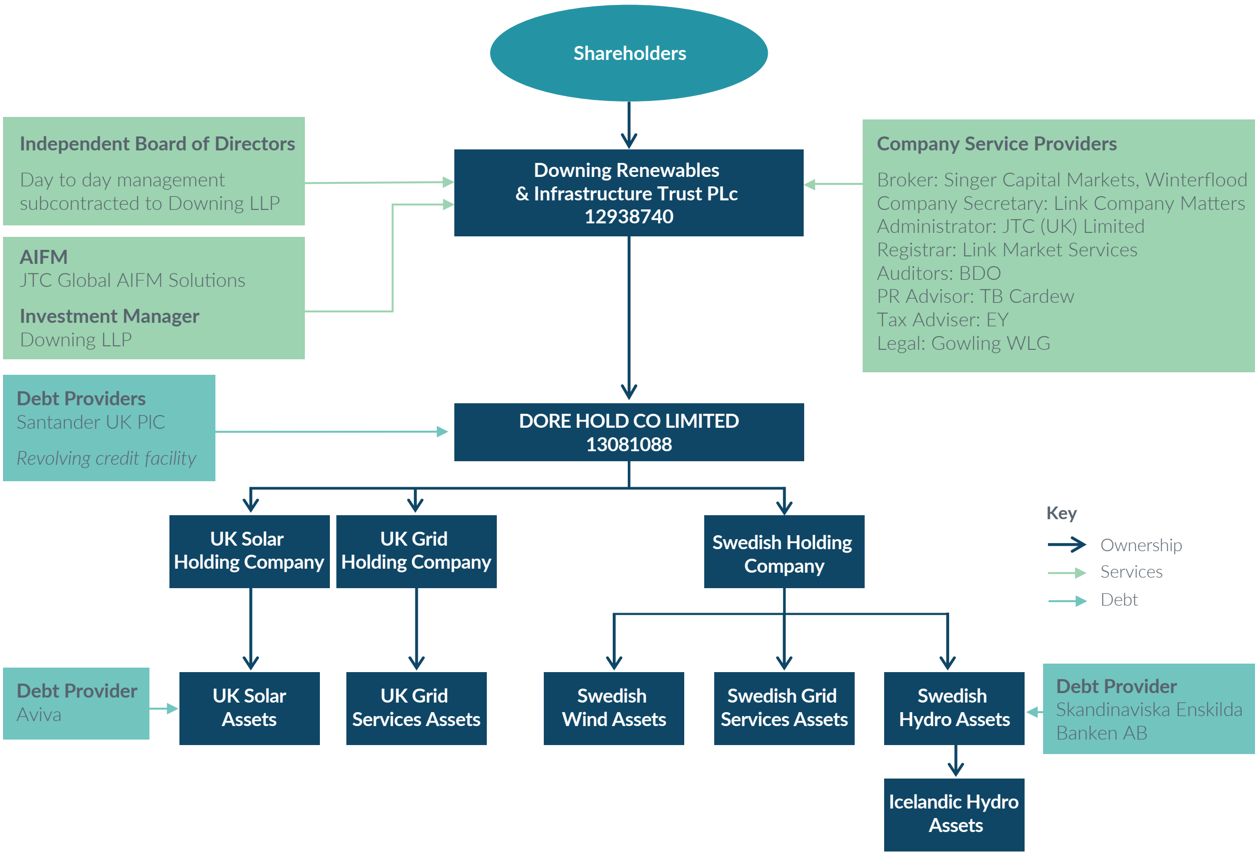
Objective	KPI and Definition	Relevance to Strategy	Performance	Explanation
Attractive and sustainable level of income	Dividends per share (pence)	The dividend reflects the Company's ability to deliver a low risk but growing income stream from the portfolio.	The Company has paid dividends of 4.035 pence per share in respect of the year ending 31 December 2023. The company has declared a further 1.345 pence per share to be paid in respect of the period to 31 December 2023.	The Company successfully met the increased dividend guidance of 5.38 pence per share for the year to 31 December 2023. The Company's annual dividend target will increase by 7.85% for the year ended 31 December 2024 to 5.80 pence per share.
	Cash dividend cover[12]	Reflects the Company's ability to cover its dividends from the income received from its portfolio.	1.21x	The Company, through DORE Hold Co received distributions of £15.2m from the underlying projects enabling the Company to pay fully covered dividends. £11.5 million was paid up via loan interest from DORE Hold Co in the period.

Objective	KPI and Definition	Relevance to Strategy	Performance	Explanation
Capital preservation with an element of capital growth	NAV per share (pence)[12]	The NAV per share reflects our ability to preserve capital value and provide an element of capital growth throughout the life cycle of our assets.	117.7 pence per share	117.7 pence per share as at 31 December 2023. NAV has decreased since 31 December 2022 from 118.6 pence per share after taking into account dividends paid.
	Total NAV return (%)[12]	The total NAV return measure highlights the gross return to investors including dividends paid.	3.5%	The Company's NAV has decreased due to the downward revaluation of the Company's Investment in Hold Co, however the Total NAV % increased due to dividends paid
	Total Shareholder return since IPO[12]	The share price movement plus reinvested dividends over a period, is a measure of a company's capital growth over the long term.	1.1%	The Company's closing share price as at 31 December 2023 was 90.0 pence per share.
	Ongoing charges ratio[12]	Ongoing charges shows the drag on performance caused by the operational expenses incurred by the Company.	1.6%	Company level budgets are approved annually by the Board and actual spend is reviewed quarterly. Transaction budgets are approved by the Board and potential abort exposure is carefully monitored.

[12] These are alternative performance measures

A glossary of terms can be found on page 169.

Strategy and Business Model continued



DORE Holdco Limited and all subsidiaries are held at Fair Value and not consolidated.

Objectives and Key Performance Indicators

The Company sets out above its KPIs which it uses to track the performance of the Company over time against the objectives, as described in the Sustainability section on page 68. The Board is of the opinion that the KPIs detailed in the table above, alongside the environmental, social and governance objectives set out on page 56 provide shareholders with sufficient information to assess how effectively the Company is meeting its objectives. The Board will continue to monitor these KPIs on an ongoing basis.

The Investment Manager

About Downing

The Company is managed by Downing LLP, an established investment manager with over 30 years' experience and a considerable track record in the core renewables space. Downing is authorised and regulated by the FCA and, as at 31 December 2023, had over £2.0 billion of assets under management.

The Investment Manager has over 210 staff and partners. The team of 44 investment and asset management specialists who focus exclusively on energy and infrastructure transactions are supported by business operations, IT systems specialists, legal, HR and regulatory and compliance professionals.

The Investment Manager is responsible for the day-to-day management of the Company's investment portfolio in accordance with the Company's Investment Objective and Policy, subject to the overall supervision of the Board.

The Investment Manager has managed investments across various sectors in the UK and internationally and identified the Energy & Infrastructure sector as a core area of focus from as early as 2010. Since then, to date it has made over 190 investments in renewable energy infrastructure projects and currently oversees 537 MWp of electricity generating capacity, covering six technologies across c.9,260 installations.

The key individuals responsible for executing the Company's investment strategy are:

Tom Williams

Partner, Head of Energy and Infrastructure

Tom joined the Investment Manager as Partner in the Energy & Infrastructure team in July 2018. Tom heads up the team and has 25 years of experience as principal and adviser across the private equity and private debt infrastructure sectors. Tom has carried out successful transactions totalling in excess of £14 billion in the energy, utilities, transportation, accommodation and defence sectors.

Tom started his career working as a project finance lawyer in 1999 before moving into private equity with Macquarie Group in London and the Middle East. Tom holds a Postgraduate Diploma in Legal Practice from the Royal College of Law and a BA in law from Cambridge University.

The Investment Manager continued

Henrik Dahlström

Investment Director

Henrik joined the Investment Manager as Investment Director in June 2020 to expand its European presence and lead transactions in the Nordic regions. Before joining the Investment Manager, Henrik spent 17 years with Macquarie Infrastructure and Real Assets ("MIRA"). At MIRA, Henrik was a Director responsible for covering the Nordic region. This role included the origination and execution of transactions in the renewable energy and infrastructure sectors as well as holding asset management and board responsibilities.

Henrik has worked across renewable energy and infrastructure sectors as a principal for investments in the UK and in Europe. Henrik holds a master's degree in finance from Gothenburg School of Economics.

Tom Moore

Partner, Head of Private Market Operations

Tom joined the Investment Manager in May 2019 to build a full-service asset management team to provide investors with an efficient and class leading asset management service. Tom is now responsible for fund and portfolio reporting and investment operations across private markets.

Prior to joining the Investment Manager, Tom was a Director at Foresight Group, where he had oversight of a significant portfolio of renewable energy investments.

Tom is a chartered accountant and holds a BSc in Economics from the University of York.

Danielle Strothers

Head of Asset Management

Danielle joined the Investment Manager in September 2019. Danielle manages the asset management function, focussing on asset performance, business operations and compliance. Danielle is also responsible for the coordination of the valuation process across the energy portfolio.

Prior to joining Downing, Danielle was a Senior Portfolio Manager at Foresight Group, where she was responsible for the operations of their renewable energy portfolio.

Danielle is a chartered accountant and holds a BSc in Accounting & Finance from the University of Birmingham.

Portfolio Summary

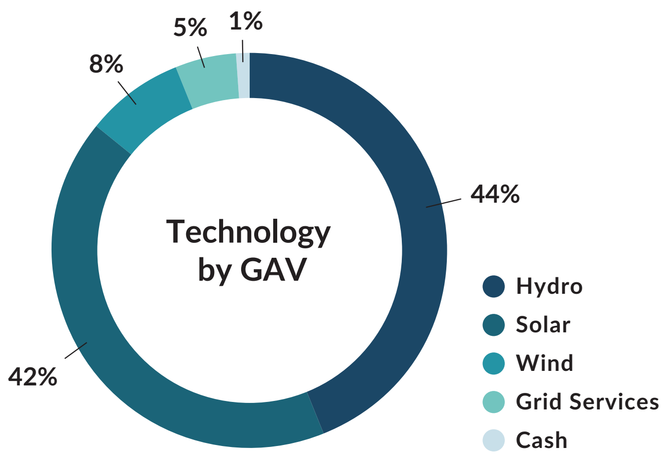
At the year end, through its main subsidiary, DORE Holdco Limited, the Company owned a renewable energy portfolio of hydropower, wind and solar assets, representing 203 MW of installed capacity with expected annual generation of around 424 GWh.

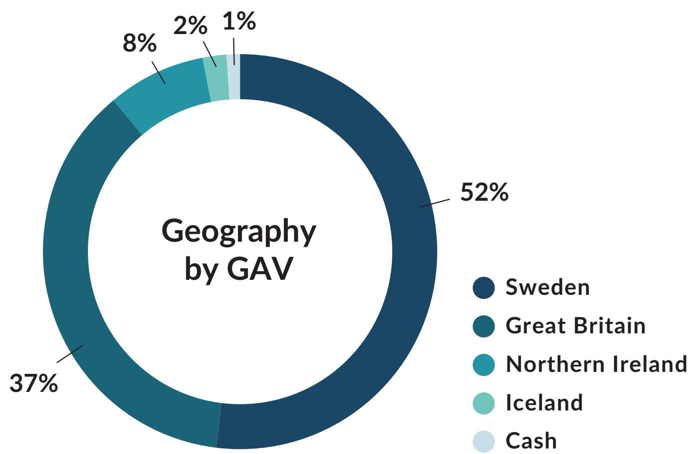
The Company also owns a grid infrastructure portfolio including a shunt reactor that regulates voltage on the UK Transmission System by absorbing 200MVAr reactive power per hour and a Swedish Electricity Distribution System Operator which delivers electricity to c.1,500 domestic and business customers.

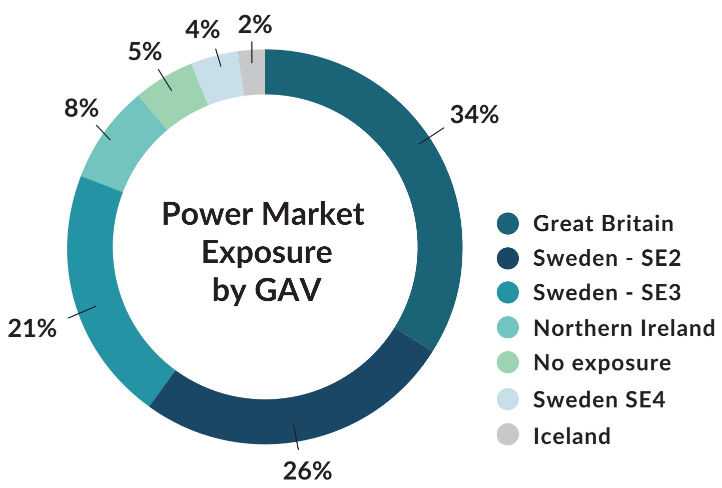
The generating portfolio is diversified across 4,868 individual installations and across five different energy markets. The grid infrastructure portfolio is diversified across two geographies and technologies.

The Group currently has no exposure to any assets under construction.

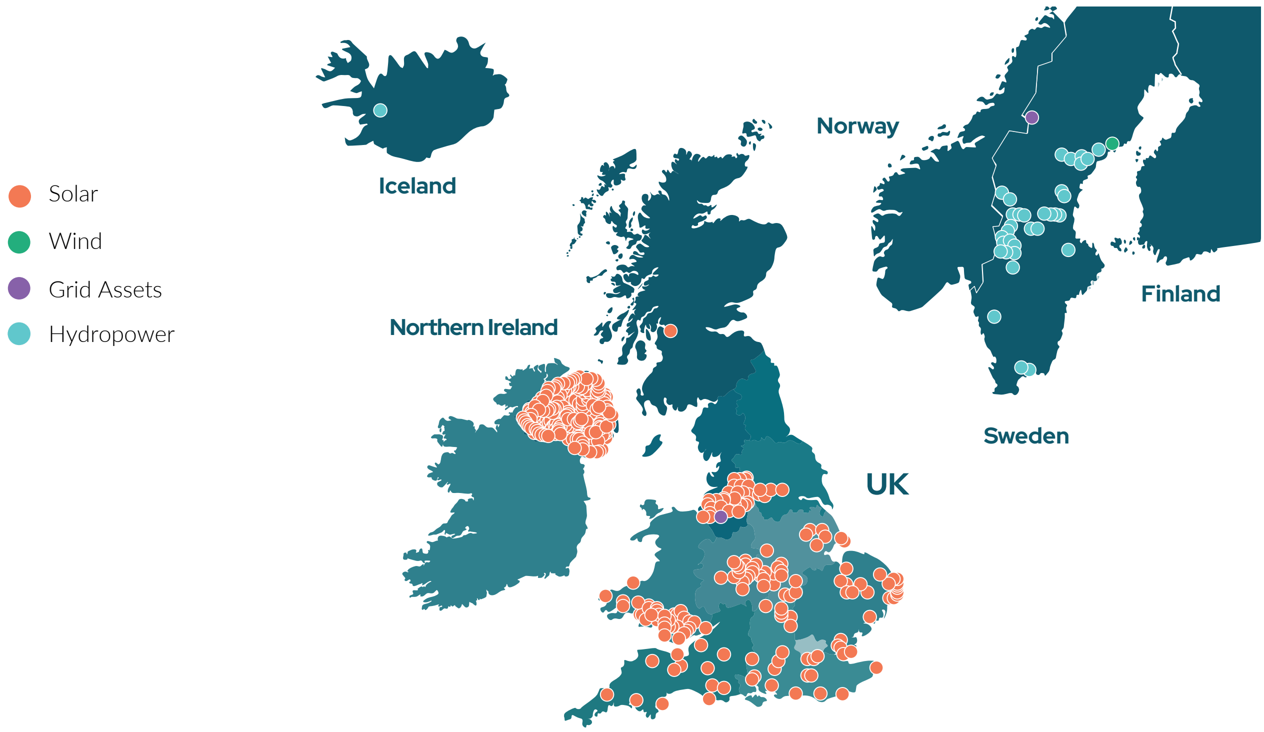
Portfolio composition by valuation, as at 31 December 2023







Portfolio as at 31 December 2023



Source: Downing; Note: For illustrative purposes only; Data as December 2023.

Portfolio continued

Investment	Technology	Date Acquired	Location	Power Market / Subsidy	Installed capacity (MW)	Expected annual generation (GWh)
Ugsi	Hydro	Feb-21	Älvadalen, Sweden	SE3/n/a	1.8	10.0
Båthusströmmen	Hydro	Feb-21	Älvadalen, Sweden	SE3/n/a	3.5	13.7
Åsteby	Hydro	Feb-21	Torsby, Sweden	SE3/n/a	0.7	2.8
Fensbol	Hydro	Feb-21	Torsby, Sweden	SE3/n/a	3.0	14.0
Röbjörke	Hydro	Feb-21	Torsby, Sweden	SE3/n/a	3.3	14.9
Väls	Hydro	Feb-21	Torsby, Sweden	SE3/n/a	0.8	3.2
Torsby	Hydro	Feb-21	Torsby, Sweden	SE3/n/a	3.1	13.2
Tvärforsen	Hydro	Feb-21	Torsby, Sweden	SE2/n/a	9.5	36.9
Sutton Bridge	Solar	Mar-21	Somerset, England	UK/ROC	6.7	6.7
Andover Airfield	Solar	Mar-21	Hampshire, England	UK/ROC	4.3	4.2
Kingsland Barton	Solar	Mar-21	Devon, England	UK/ROC	6.0	5.9
Bourne Park	Solar	Mar-21	Dorset, England	UK/ROC	6.0	6.0
Laughton Levels	Solar	Mar-21	East Sussex, England	UK/ROC	8.3	8.8
Deeside	Solar	Mar-21	Flintshire, Wales	UK/FiT	3.8	3.4
Redbridge Farm	Solar	Mar-21	Dorset, England	UK/ROC	4.3	4.2
Iwood	Solar	Mar-21	Somerset, England	UK/ROC	9.6	9.3
New Rendy	Solar	Mar-21	Somerset, England	UK/ROC	4.8	4.7
Redcourt	Solar	Mar-21	Carmarthenshire, Wales	UK/ROC	3.2	3.2
Oakfield	Solar	Mar-21	Hampshire, England	UK/ROC	5.0	4.7
Kerriers	Solar	Mar-21	Cornwall, England	UK/ROC	10.0	9.7
RSPCA Llys Nini	Solar	Mar-21	Swansea, Wales	UK/ROC	0.9	0.8
Commercial portfolio	Solar	Mar-21	Various, England and Wales	UK/FiT	5.5	4.3
Commercial portfolio	Solar	Mar-21	Various, Northern Ireland	SEM/NIROC	0.7	0.5
Bombardier	Solar	Mar-21	Belfast, N. Ireland	SEM/ROC	3.6	2.8
Residential portfolio	Solar	Mar-21	Various, N. Ireland	SEM/NIROC	13.1	10.1
Lemmån	Hydro	Jan-22	Älvadalen, Sweden	SE3/n/a	0.6	2.6
Ryssa Övre	Hydro	Jan-22	Mora, Sweden	SE3/n/a	0.7	2.6
Ryssa Nedre	Hydro	Jan-22	Mora, Sweden	SE3/n/a	0.6	2.4
Rots Övre	Hydro	Jan-22	Älvadalen, Sweden	SE3/n/a	0.8	2.8
Rots Nedre	Hydro	Jan-22	Älvadalen, Sweden	SE3/n/a	0.3	1.4
Gabrielsberget Syd Vind AB	Wind	Jan-22	Aspeå, Sweden	SE2/n/a	46.0	107.9
Vallhaga	Hydro	Jan-22	Edsbyn, Sweden	SE2/n/a	2.6	12.8
Österforsens Kraftstation	Hydro	Jan-22	Edsbyn, Sweden	SE2/n/a	1.5	11.5
Bornforsen 1	Hydro	Jan-22	Edsbyn, Sweden	SE2/n/a	0.7	2.9
Bornforsen 2	Hydro	Jan-22	Edsbyn, Sweden	SE2/n/a	1.4	9.3
Fridafors Övre	Hydro	May-22	Fridafors, Sweden	SE4/n/a	2.3	10.0
Fridafors Nedre	Hydro	May-22	Fridafors, Sweden	SE4/n/a	2.9	7.7
Hedvigsfors	Hydro	Oct-22	Sweden	SE2/n/a	0.3	1.2
Gysinge	Hydro	Oct-22	Sweden	SE3/n/a	0.3	2.5
Brattfallet	Hydro	Oct-22	Sweden	SE3/n/a	0.5	3.7
Mölnbacka	Hydro	Oct-22	Sweden	SE3/n/a	1.8	3.8
Vårån Övre	Hydro	Oct-22	Sweden	SE3/n/a	0.2	1.2
Vårån Nedre	Hydro	Oct-22	Sweden	SE3/n/a	0.2	1.2
Kristinefors	Hydro	Oct-22	Sweden	SE3/n/a	0.1	0.7
Högforsen	Hydro	Feb-23	Sweden	SE2/n/a	0.35	2.5
Gottne	Hydro	Feb-23	Sweden	SE2/n/a	0.7	5.8
AEE Renewables UK 13	Solar	Apr-23	Devon, England	UK/ROC/FiT	5.6	5.6
Gloucester Wind	Solar	Apr-23	Various, England and Wales	UK/FiT	1.1	.1.2
Hewas Solar	Solar	Apr-23	Various, England and Wales	UK/FiT	2.0	1 .9
Penhale Solar	Solar	Apr-23	Surrey, England	UK/FiT	0.3	0.4
Priory Farm Solar Farm	Solar	Apr-23	Suffolk, England Great Britain	UK/ROC	3.2	2.5

Portfolio continued

Investment	Technology	Date Acquired	Location	Power Market / Subsidy	Installed capacity (MW)	Expected annual generation (GWh)
St Colomb Solar	Solar	Apr-23	Various, England and Scotland	UK/FiT	0.8	0.6
Blåsjön Nat	Grid	Jul-23	Sweden	SE2	n/a	n/a
Mersey	Shunt reactor	Nov-23	United Kingdom	UK/n/a	n/a	n/a
Bruket	Hydro	Dec-23	Sweden	SE2/n/a	0.9	3.9
Nylandsån	Hydro	Dec-23	Sweden	SE2 /n/a	0.55	1.6
Källsjön	Hydro	Dec-23	Sweden	SE2 /n/a	0.25	0.7
Tunsjön	Hydro	Dec-23	Sweden	SE2/n/a	0.25	0.6
Lagmansholm	Hydro	Dec-23	Sweden	SE3/n/a	0.5	2.4
Urðarfellvirkjun	Hydro	Dec-23	Iceland	IS/n/a	1.1	8.3
TOTAL AS AT 31 DECEMBER 2023:					202.9	424.2

Investment Manager's Report

Introduction

We are delighted with the progress made investing in the portfolio during the year. The Company announced eight acquisitions in the hydropower, solar and grid infrastructure sectors totaling £47 million, which support and strengthen the Company's aim of diversification by technology, geography, power market exposure and revenue. During the year GAV increased by 13% from £310 million to £352 million and the expected annual generation of the portfolio grew by 11% from 382 GWh to 424 GWh. In addition, two non-generation assets were acquired, providing revenue streams that are not derived from energy sales.

Acquisitions and Capital Deployment

Although we have focused on growing the core renewables portfolio, we have also prioritised our strategic aim of reducing the proportion of the Company's portfolio that is exposed to merchant power prices through investment in grids and grid infrastructure projects. This is an attractive sector for the Company and one which we believe has huge potential to unlock value.

We delivered further geographical diversification through the acquisition of the Company's first hydropower plant in Iceland, which also benefits from long term, fixed price, inflation linked revenues through its power sales agreement. We believe that Iceland is an attractive market for the Company, particularly given the long term offtake contracts available for generating assets.

A great deal of resource has been dedicated to upgrading the capabilities of the Company's hydropower portfolio, concentrating efforts on the area of the portfolio where the return on investment has the potential to be highest.

Hydropower – Downing Hydro AB ("DHAB")

DHAB is the vehicle through which the Group acquires and owns its portfolio of hydropower plants.

In January 2023, the Group acquired a 2.5 GWh hydropower plant in Högforsen, on the Gillerån river, a tributary to the Indalsälven river in Sweden's SE2 region. The plant was commissioned in 1915 and in 2011, the plant underwent a major renovation, including replacement of generator, turbine and control system.

In March 2023, the Group acquired a 6 GWh hydropower plant in the municipality of Gottne, located on the Moälven river, also in SE2. The plant underwent a major refurbishment in 2015.

In December 2023, the Group acquired a 7 GWh portfolio of four hydropower plants and a reservoir located in the Bruksån tributary in Sweden's SE2. The plants were originally built between 1890 and 1930, three of which were refurbished between 2008 and 2012. All four plants benefit from meaningful reservoir capacity that allows for better water storage and management to optimise production.

Also in December 2023, the Group acquired a 2.4 GWh hydropower plant in the SE3 pricing region located on the Säveån river in south-west Sweden. It includes an upstream weir, which regulates waterflow from a lake, enabling better resource management to improve energy production. The hydropower plant was originally built in the 1930s but underwent extensive refurbishment in 2013. This asset expands the existing portfolio into a new geographical area and river system, further diversifying the portfolio across different water catchment areas.

Investment Manager's Report continued

The above acquisitions increased the total number of DORE's Swedish hydropower plants to 34 with a total annual average production of c. 215 GWh. The new hydropower plants will be integrated into the existing portfolio and will continue to support DORE's highly diversified investment strategy, designed to increase the stability of revenues and consistency of income to shareholders.

The acquisitions were accretive to NAV, due to operational and capital efficiencies resulting from the integration of the assets into the Company's platform. During the period, a £0.3 million increase in NAV was recognised as the new investments were brought into the platform.

Iceland

The Company acquired its first Icelandic asset, an 8 GWh (1.1 MW) hydropower plant, located in south-central Iceland. The Urðafellsvirkjun plant has been operational since 2018 and comprises a powerhouse, penstock and dam facilities. Unlike the Swedish assets, where the freehold land is owned, this asset has a lease agreement that secures the land and water rights for the next 65 years, with strong rights to extend. The useful life of the asset is valued over 30 years, noting that the Swedish assets are perpetual.

Iceland has a unique energy market shaped by its abundant renewable energy resources, primarily geothermal and hydroelectric power, making it one of the cleanest and most sustainable energy markets globally. Energy-intensive industrial consumers have been drawn to Iceland due to its ability to provide consistent and relatively low-cost electricity; causing Iceland to have the highest per capita generation/ consumption of renewable energy in Europe. Similar to other European countries, Iceland is actively progressing towards electrification for vehicles and the maritime sector, further increasing future demand for electricity.

The Icelandic hydropower market provides an attractive investment proposition for the Company, with electricity producers benefitting from 100% inflation-linked take-or-pay offtake arrangements with no exposure to merchant power pricing for the duration of the offtake agreement. In the past few years, power prices have been increasing in Iceland but remain relatively low compared to its European peers providing upside opportunities.

The hydropower plant benefits from a Euro denominated inflation linked, 100% pay-as-produce offtake agreement with HS Orka, the third largest electricity producer in Iceland, running until 2032.

Solar – Domestic Rooftop Portfolio

In April 2023, the Group acquired a portfolio of operational solar PV assets located in the UK for a cash consideration of £12.6 million. The 13.0 MWp portfolio of two ground-mounted sites and approximately 1,600 commercial and residential installations benefits from high levels of feed-in tariffs and renewable obligation certificate subsidies running to 2037. As a result of acquiring these assets, the proportion of revenue derived from subsidies within the solar portfolio has risen from 51% to 54%.

The new portfolio will increase the total number of DORE's solar assets to c.4,800, with a total annual average production of 100 GWh. The new portfolio benefits from high subsidies, equating to c. £122/MWh during the year. In addition, it has benefited from high fixed power purchase agreements, meaning during 2023 the average power price achieved was £105/MWh.

DORE will remain unaffected by the UK's Electricity Generator Levy ("EGL") following this acquisition, with the Company having significant headroom in the EGL's annual allowance.

Investment Manager's Report continued

Grid infrastructure – Blåsjön Nät AB

In July, DORE acquired a Swedish Electricity Distribution System Operator ("DSO"), Blåsjön Nät AB ("Blåsjön"), for £8.5 million. Blåsjön is a regulated electricity distributor, which delivers 16-18 GWh per annum of electricity through medium and low voltage lines to its c.1,500 domestic and business customers in Strömsund, northern Sweden.

The DSO grid network is a monopoly with very long-life assets (comparable to the lifespan of the Company's hydropower portfolio). It is a critical entity within the electricity supply chain that plays a vital role in the efficient and reliable distribution of electrical power to end-users. The electricity distribution system is the part of the power grid responsible for delivering electricity from the generating powerplants to consumers, businesses, and industries at lower voltage levels.

Blåsjön's grid network is 436km in length and comprises overhead lines, three primary and 161 secondary substations. Blåsjön operates a licensed monopoly in a highly regulated environment and generates consistent and predictable cashflows that are not exposed to energy price fluctuations. Long term revenues under the regulatory regime are linked to inflation and interest rates. Blåsjön's revenues are set by Energimarknadsinspektionen, the Swedish electricity market regulator to meet a predetermined return on capital.

Grid infrastructure – Reactive Power

In October, the Group acquired Mersey Reactive Power, a UK-based, fully operational 200 MVAr shunt reactor for a cash consideration of c.£11.0 million. It is located in Frodsham, Merseyside.

This grid infrastructure asset became operational in May 2022 and was the first project to go live as part of the National Grid's Stability Pathfinder initiative. Mersey Reactive Power further increases the Company's long term, inflation linked, fixed revenues, by virtue of its availability-based contract with National Grid ESO which runs until 2031.

The project, which has an expected asset life of 40 years, supports the UK's electricity system in voltage management, providing reactive power to increase network resilience, reducing costs to consumers and lowering carbon emissions.

Mersey Reactive Power supports the balancing of real and reactive power through a shunt reactor, a piece of electrical equipment used in high-voltage electricity transmission systems. It is a passive device, meaning it does not generate electricity itself but rather helps to regulate the flow of electricity on the power grid.

Traditionally, reactive power services have been provided by large fossil fuel plants, but to support the transition to low and zero carbon energy, new sources and providers of reactive power are needed. The Mersey region has been identified as a key problem area for reactive power, an issue which is expected by National Grid ESO to become more acute as fossil fuel generation assets continue to be decommissioned across the network, positioning the Mersey project well for the future.

Blåsjön and Mersey account for 6.5% of the portfolio's annualised revenues, providing a steady stream throughout the year with low seasonal variations.

Investment Manager's Report continued

Market Development and Opportunities in the Frequency Regulation Markets

The outlook for the Company is very encouraging, given the strong operational performance of the existing assets and eight new acquisitions signed in 2023, including the Company's first two grid infrastructure assets, which further diversify the portfolio.

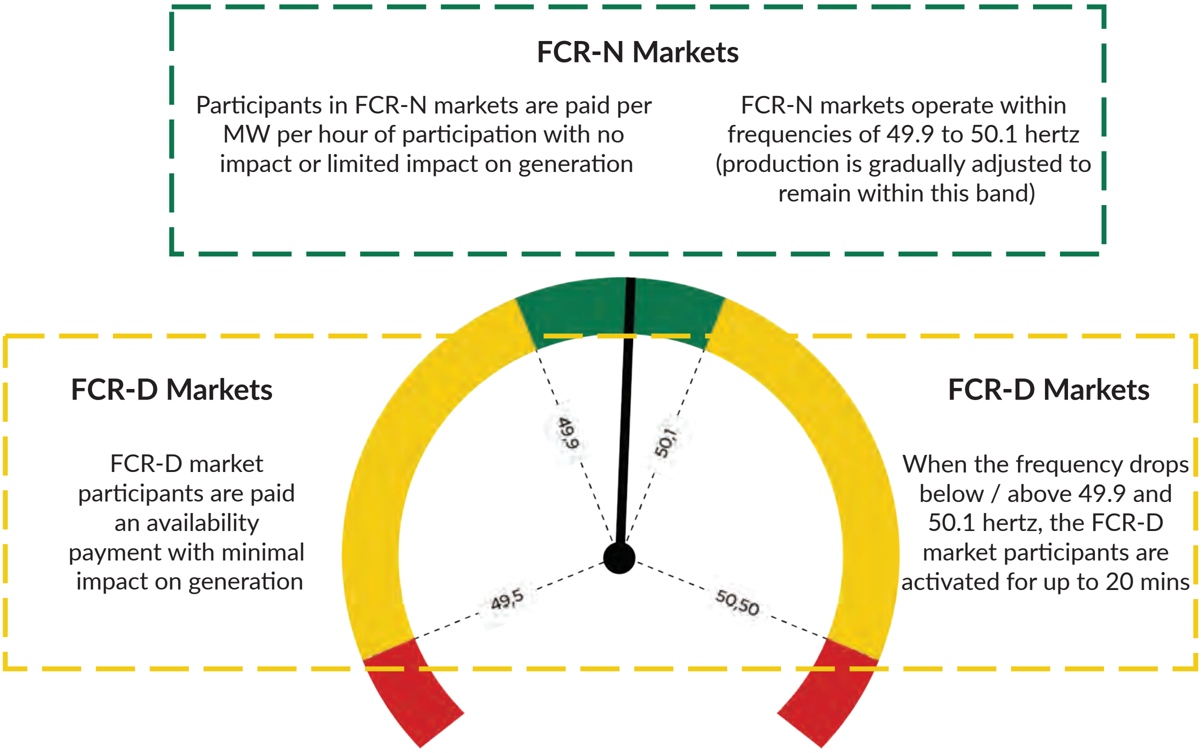
The Investment Manager is focussed on deploying capital into areas of the portfolio where the potential return on capital is the greatest. Accordingly, the Investment Manager is pursuing opportunities to gaining access to the attractive Swedish Frequency Containment Reserve ("FCR") market by building out the hydropower plants into power generation stations through the installation of add-on equipment and software. The Investment Manager has also been identifying sites for the installation of battery energy storage systems ("BESS"), often located on land owned by the hydropower portfolio, which will enable DORE to gain access to the Fast Frequency Reserve ("FFR") markets, thus creating additional revenue streams and increasing productivity of the site.

The FFR market requires instantaneous reactions to address immediate frequency deviations, while FCR provides a slightly more gradual response to maintain overall grid stability. Both reserves play crucial roles in ensuring reliable electricity supply.

The combination of an increasingly centralised operation system across the hydropower portfolio and software and hardware upgrades will enable the Company to regulate its power production to such an extent that it can bid to participate in the FCR markets. The storage capability of hydropower plants acts in a similar but slower manner to that of a battery, allowing hydropower production to be adjusted relatively quickly (up or down) to assist in stabilising the grid.

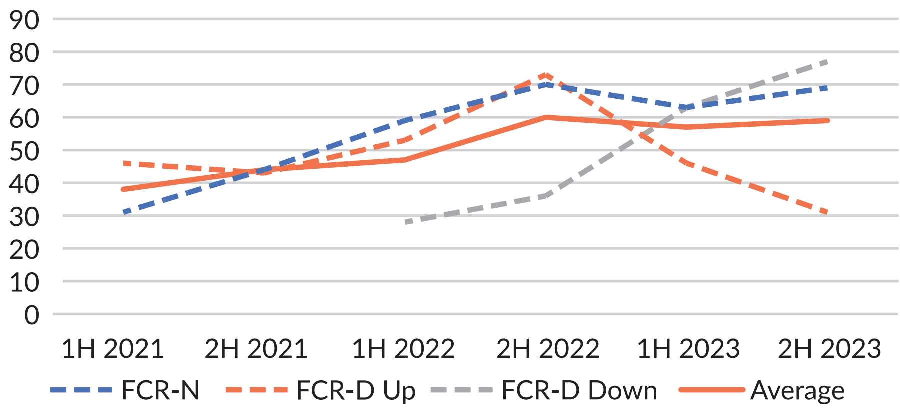
Downing LLP, a professional Asset Manager (the "Asset Manager") has now upgraded hardware and software at 20 hydropower sites to enable the additional functionality required to participate in these markets, and it is now anticipated that the first of the Swedish hydropower plants will be able to participate in Q2 2024.

Most of DORE's hydropower plants can participate in the Frequency Containment Reserve for Normal Operation ("FCR-N") market with some assets also deemed suitable for the Frequency Containment Reserve for Disturbances ("FCR-D") market. This opens up the portfolio to new revenue streams with limited capital investment requirement.



Limited supply in the FCR / FFR markets, combined with increased underlying demand resulting from an increased share of intermittent generation in the electricity system, has created high FFR and FCR prices, making the Swedish market particularly attractive.

The graph below shows the price achieved per MW per hour sold in the FCR markets.



Source: mimer.svk.se

The Investment Manager has estimated the additional value of the revenues from the FCR-N and FCR-D markets at 4-5% of the net asset value of the hydropower portfolio. Given the advanced status of the programme, approximately 50% of this value is now reflected in the valuation of the hydropower portfolio at 31 December 2023.

A project is also underway to register the Swedish windfarm Gabrielsberget Syd Vind AB for manual Frequency Restoration Reserve ("mFRR") in the Nordics. To enable this, the Asset Manager is upgrading the current hardware onsite to allow for remote power down and this project is expected to be complete in Q2 2024. No value has been included in the valuation of the Swedish windfarm for potential future mFRR revenues.

Portfolio Performance

For the year to 31 December 2023, the 4,866 core renewable energy assets produced approximately 396 GWh of renewable electricity. Operating profit increased 27% and generation increased 21% in the year.

From a financial perspective, the portfolio generated an operating profit of £24.7 million[8], which was below expectations. Operating profit variance was primarily caused by low electricity prices across the Nordics resulting from high levels of hydropower generation in the region during a particularly wet summer, combined with low demand from the European market where there has been high levels of gas storage throughout the year. This had a direct impact on the revenues generated by the wind and hydropower portfolios.

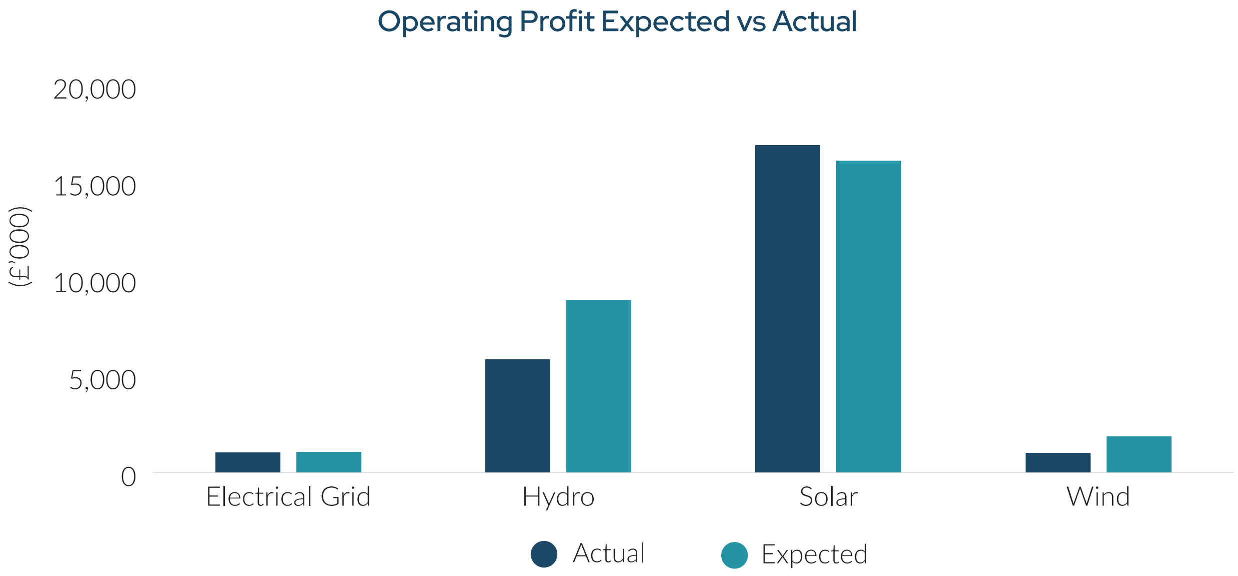
Contributions to operating profit from the underlying technologies varied. Operating profit across the solar portfolio exceeded expectations at £16.9m, driven by strong Renewable Energy Guarantee of Origin ("REGO") pricing. Generation from the solar portfolio was 95 GWh across the year and was moderately impacted by proactive interventions to replace and / or upgrade electrical equipment across several ground mount sites. Examples of these projects include replacing PV connectors and panels and a full inverter repowering project in Andover. These workstreams completed during the period now position the portfolio well for improved technical performance going forwards. As previously reported the dynamic spare parts strategy implemented in 2022 continues to support the solar portfolio in mitigating the risk of downtime through prolonged equipment lead times.

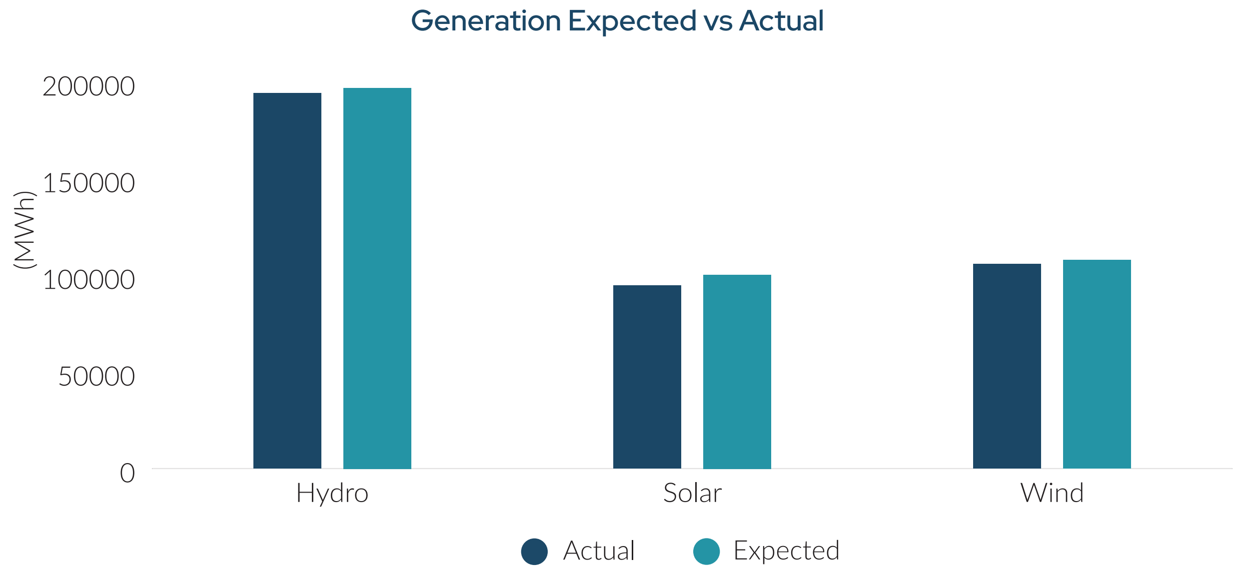
Operating profit for the hydropower portfolio was £5.8m, which was lower than expected, despite generation being broadly in line with expectations at 194 GWh. This was driven by power prices in Sweden (which started the year at relatively high levels as a result of the invasion of Ukraine) reducing to more normalised levels more quickly than expected. Operational performance was broadly in line with expectations in the wind portfolio, with generation at 106 GWh. Operating profit was £1.0m, also below budget for the same reasons as the hydropower portfolio.

Investments in new technologies during the period brought additional revenue streams to the portfolio. The grid infrastructure assets had an operating profit of £1m, which was in line with expectations. The UK grid stability asset, Mersey, performed very well during the period, driven by strong availability, enabling the asset to benefit from its fixed revenue contract to provide a reactive power stabilisation service to the National Grid. This was offset by the Swedish electricity distribution grid, Blåsjön, incurring excess costs for storm damage repairs. Costs were also incurred for grid and land works required to set up new customer connections, the benefit of which will be reaped in future periods.

[8] Based on underlying spv management accounts

Investment Manager's Report continued





	2023					2022				
	Hydro	**Wind**	**Solar**	**Grid/Grid Stability**	**Total**	**Hydro**	**Wind**	**Solar**	**Grid/Grid Stability**	**Total**
GWh generated	194.2	105.8	94.7	N/A	**394.7**	128.3	108.0	89.9	N/A	**326.3**
Average price per MWh	€55.98	€30.60	£216.0	N/A	**£49.0**	€72.9	€29.9	£65.5	N/A	**£51.0**
Revenues (£m)	9.5	3.3	21.5	2.0	**36.3**	8.2	3.1	15.4	N/A	**26.7**
Operating profit (£m)	5.8	1.0	16.9	1.0	**24.7**	6.0	1.0	12.5	N/A	**19.5**

Portfolio and Asset Management

The Investment Manager has continued to invest and strengthen its capabilities, with seven additional hires during the period. The 31 strong team is located in offices in London, Stockholm and Glasgow, where the skill set and expertise spans a broad range of specialisms such as power markets, engineering, data analytics, finance, and commercial management.

The asset management team works in parallel to the investment team and ensures work is started long before an asset is acquired. Prior to any acquisition being completed, the asset management team carries out a comprehensive onboarding process to ensure that new assets are transitioned smoothly into the wider energy portfolio resulting in an optimised performance from that asset from day one of ownership.

The onboarding captures all key milestones that need to be completed as part of the transition, including the collection of key documents such as project contracts and design documents, and the assets are embedded into existing processes, such as contract management and compliance, incident tracking, monitoring, and reporting. Assets are fully incorporated within the asset management team's portfolio reporting systems within 60 days of completion of an acquisition.

This dynamic onboarding process not only enables a smooth transition of new assets but is also critical in supporting the team's data led approach to asset management. By focussing on the collection and quality of the portfolio data set and deploying the latest technologies and tools, the team of data analysts have been able to deploy the latest technologies and tools to optimise strategies such as preventative maintenance or water dispatch to increase power generation and therefore returns to investors.

The effectiveness of having such a dynamic and efficient onboarding process was demonstrated during the period as the asset management team onboarded two new grid technologies. As a result of well-established systems and processes, the asset management team quickly completed onboarding and have now fully incorporated these new technologies into normal operations and existing systems.

Optimisation

During the period, the asset management team continued to develop and implement performance and proprietary data optimisation strategies, the latter enhancing Downing's data driven approach to asset management.

Significant progress has been made on the previously reported hydropower digitalisation project. Four pilot hydropower sites were successfully connected to a centralised control and data system and performance of these sites can now be remotely monitored and controlled. Furthermore, the sites are now being integrated into GPM software, which will allow extended analytics and insights and mark the completion of the pilot project. This will also enable the Asset Manager to use real-time data on reservoir levels and flow rates, alongside the Optimal Price Analysis tool to make flexible decisions on optimal periods of generation. Given the success of the pilot projects, the digitalisation programme is now being rolled out across the balance of the hydropower portfolio.

The asset management team has undertaken several optimisation projects to replace and improve technical equipment within the UK ground-mounted solar portfolio. Having recognised a systematic issue with inverters at one 4.3 MW site, the asset management team successfully replaced all

200 inverters during the period, with old inverters now kept in stock as spare parts. Inverters at five additional sites were upgraded during the period to improve heat dissipation which will reduce failure rates and downtime in the future. The asset management team has also been active in pursuing a number of warranty claims against panel manufactures where systematic panel defects exist. So far these claims have been successful at two sites where 100% of panel connectors have been replaced by the manufacturer.

Ongoing active power price management ensures revenues are optimised in the UK and Nordic markets. This included the forward sale of REGO and Guarantee of Origin (GOO) certificates which will enable the portfolio to benefit from the current strong market pricing of these certificates and fix strong and stable revenues for several years into the future.

Health and Safety

The health and safety of contractors and the public is a fundamental part of management processes. Throughout the period, the Investment Manager maintained a range of workstreams in line with the Company's approach to Health and Safety management and continued to actively review the approach to ensure continuous improvement.

Following the investment in Blåsjön, a Swedish Electricity Distribution System Operator delivering electricity to c.1,500 domestic and business customers, the Investment Manager has undertaken a thorough review of operational procedures which confirmed adherence to Swedish Standard Electrical Safety Guidelines (ESAs) procedures for the asset. The asset runs at a significant distance through rural mountainous areas of Sweden where access is often difficult and requires specialist vehicles such as snowmobiles. To enhance contractor safety and optimise grid stability in the case of cables impacted by adverse weather conditions, a phased programme is underway to upgrade the isolation methods of overhead cables.

A rolling programme of Health and Safety audits continues across the portfolio. These audits are based on a two-tier approach, where risks and procedures are audited at the site level and the operator level. Downing has a process of continuous assessment and feedback of site and operator practices, ensuring effective management systems are in place and adhered to.

Finally, IT systems are used to thoroughly track all incidents. As well as these systems enabling performance measurement and trend analysis, they also ensure the effective communication, escalation, and management of incidents.

Financing and Capital Structure

The Company, through its subsidiary DORE Holdco Limited adopts a prudent approach to leverage. Its objective is that each asset will be financed appropriately for the nature of its underlying cashflows. Long-term debt may be used where appropriate at the SPV level to facilitate acquisitions, refinancing, capital expenditure or construction of assets.

Total long-term structural debt will not exceed 50% of the prevailing Gross Asset Value. At 31 December 2023, including project level financing, the Company and its subsidiaries' leverage stood at 40%.

In addition, the Company and/or its subsidiaries may also make use of short-term debt, such as a revolving credit facility, to assist with the acquisition of suitable opportunities as and when they become available.

Revolving Credit Facility

As at 31 December 2023, the Group had entered into a loan agreement through its main subsidiary DORE Hold Co Limited for a £25 million RCF with Santander UK plc. The RCF is available until December 2025, with the possibility to be extended for a further year. On 26 January 2023, the Company announced that the RCF had been increased to £40m further facilitating the execution capabilities of the Company's pipeline. As at 31 December 2023, the total drawn amount under the RCF was £18.6 million.

The terms of the RCF now includes a 'Green Projects' initiative, operating under the Loan Market Association's (LMA) Green Loan Principles, a framework of market standards and guidelines that provides a consistent methodology for use across the green loan market.

Under the 'Green Projects' criteria, the RCF can only be used in connection with assets that present environmental benefits and appropriate green credentials. The RCF is available to be drawn for the funding of investments and working capital requirements. Additional monitoring and reporting obligations on the environmental benefits delivered by such assets will be required, which comfortably aligns with DORE's current investment strategy as an Article 9 fund.

The RCF has the additional benefit of being able to be drawn in both GBP and EUR (with the ability to also able to make use of funds in other currencies) and is priced at the Sterling Overnight Index Average ("SONIA") or Euro Interbank Offered Rate ("EURIBOR") plus 2.25% per annum.

Refinancing of Hydropower Assets

The Group initially acquired DHAB, its Swedish hydropower portfolio, on an unlevered basis in February 2021, shortly after the Company's IPO. Given the strong transaction pipeline and ongoing capital expenditure requirements, DHAB entered into a seven-year bullet repayment EUR 43.5 million debt facility with SEB, a leading corporate bank in the Nordics.

In December 2023, the SEB facility was increased from EUR 43.5 million to EUR 68.5 million to fund future capital expenditure requirements and further acquisitions. The total all-in cost of the drawn debt for 2024 is c. 3.3%, benefitting from swaps until end of 2033.

As of 31 December 2023, DHAB has drawn down EUR 49.4 million under the facility, predominately as source of funding for acquiring further hydropower plants in Sweden during 2023 but also to fund some of the capital expenditure in DHAB.

Investment Manager's Report continued

UK Solar Portfolio

Long term amortising debt (September 2034 maturity) is in place for the UK solar portfolio and, as at 31 December 2023, comprised outstanding principal amounts of £68.3 million lent by Aviva and £10.5 million lent by institutional investors managed by Vantage Infrastructure.

Approximately 12% of this debt is nominal with a fixed interest rate of 3.37%. The interest rate is fixed in real terms on the remaining balance at 0.5%. The debt service of this larger debt tranche is inflation-adjusted, with indexation tracking UK RPI.

A summary of the debt across the portfolio (excluding the RCF) can be found in the table below:

	2023						2022					
	Hydro	Wind	Solar	Grid infra-structure	Working capital	Total	Hydro	Wind	Solar	Grid infra-structure	Working capital	Total
Equity value (£'m)	111.5	27.2	68.1	19.6	4.3	**230.7**	103.0	26.4	62.6	n/a	26.9	**218.9**
Debt (£'m)	42.8	0.0	78.7	0.0	0.0	**121.5**	23.0	0.0	68.5	n/a	0.0	**91.5**
GAV (£'m)	154.3	27.2	146.8	19.6	4.3	**352.2**	126.0	26.4	131.1	n/a	26.9	**310.4**

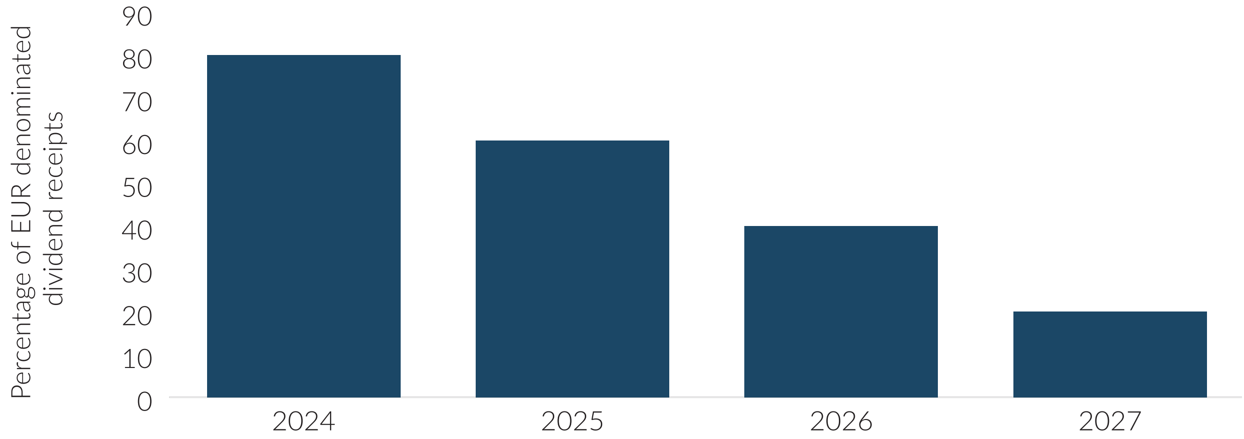
Foreign Exchange

The Group's generating assets in Sweden earn revenues in EUR and incur some operational cost in SEK. Blåsjön revenues and costs are in SEK. From 1 March 2024, Urðafellsvirkjun's revenues exposure is Euro. Assets in UK operate entirely in sterling.

The Group, together with its foreign exchange advisor, has developed and implemented its foreign exchange risk management policy in line with the Prospectus. The policy targets hedging the short to medium-term distributions (up to five years) from the portfolio of assets (that are not denominated in GBP) on a "linear reducing basis", whereby a high proportion of expected distributions in year one are hedged and the proportion of expected distributions that are hedged reduces in a linear fashion over the following four years. This is a rolling programme and each year further hedges are expected to be put in place to maintain the profile.

In total, 46% of the Group's EUR dividend receipts from SPVs out to March 2027 were hedged as at the reporting date. In addition, 54% of the Group's EUR denominated NAV is hedged.

Dividend hedges

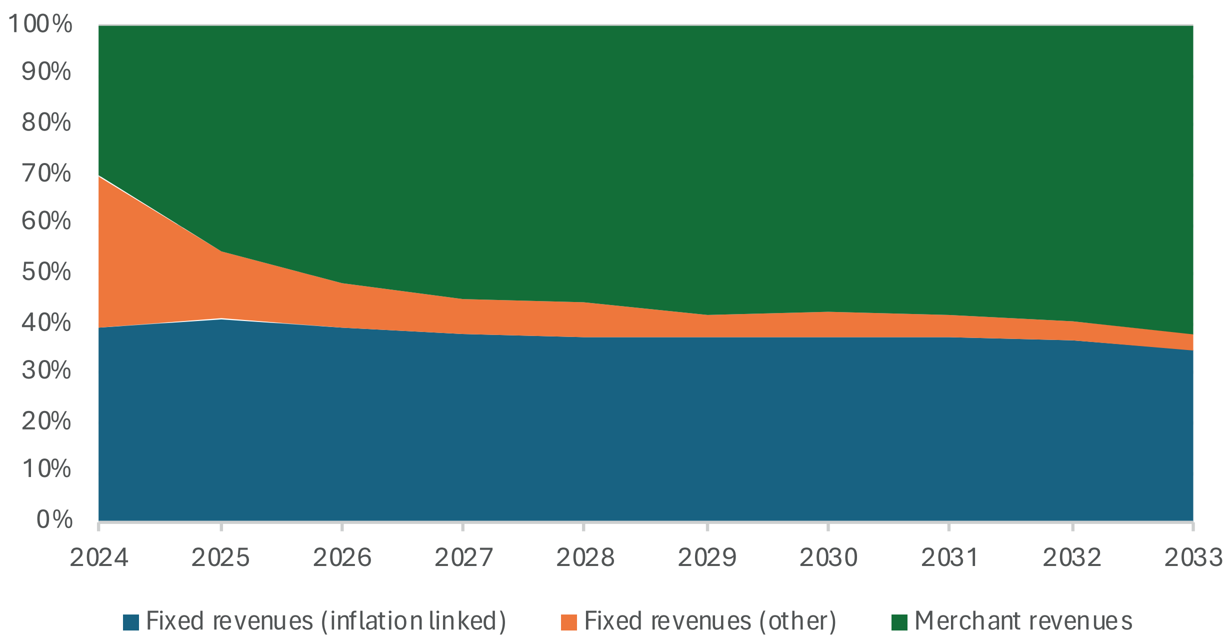


Power markets and exposure

Through its portfolio companies, the Group adopts a medium to long-term power price hedging policy for its generation assets, providing an extra degree of certainty over a portion of the Company's cash flows. The fixed price generation position for the portfolio as of 31 December 2023 is set out in the chart below, showing the benefits of the combination of subsidy and fixed income from power sales. The hedging positions are continuously reviewed to ensure an appropriate position is maintained and new hedges are taken out as appropriate.

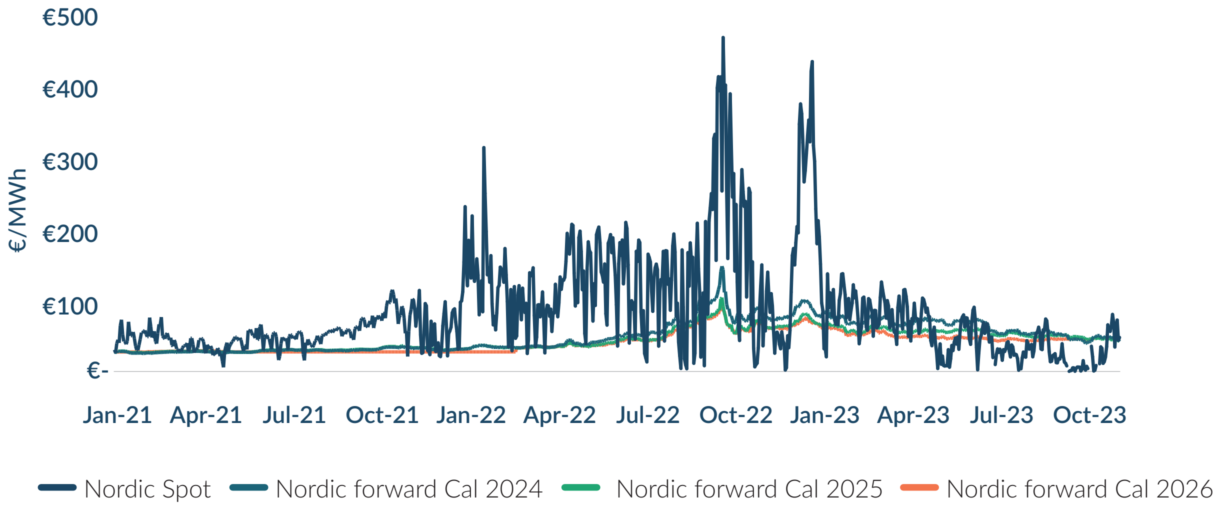
The war in Ukraine will continue to have a major impact on power prices in Europe and the UK where gas supply is dominated by Russia. Consequently, the UK gas and UK power markets are likely to stay volatile as long as the uncertainty about the Russian gas supply continues. The Company is well-protected from this volatility, due to its high level of fixed pricing over the short to medium term, which can be seen in the chart below.

Power Prices – Fixed vs Merchant



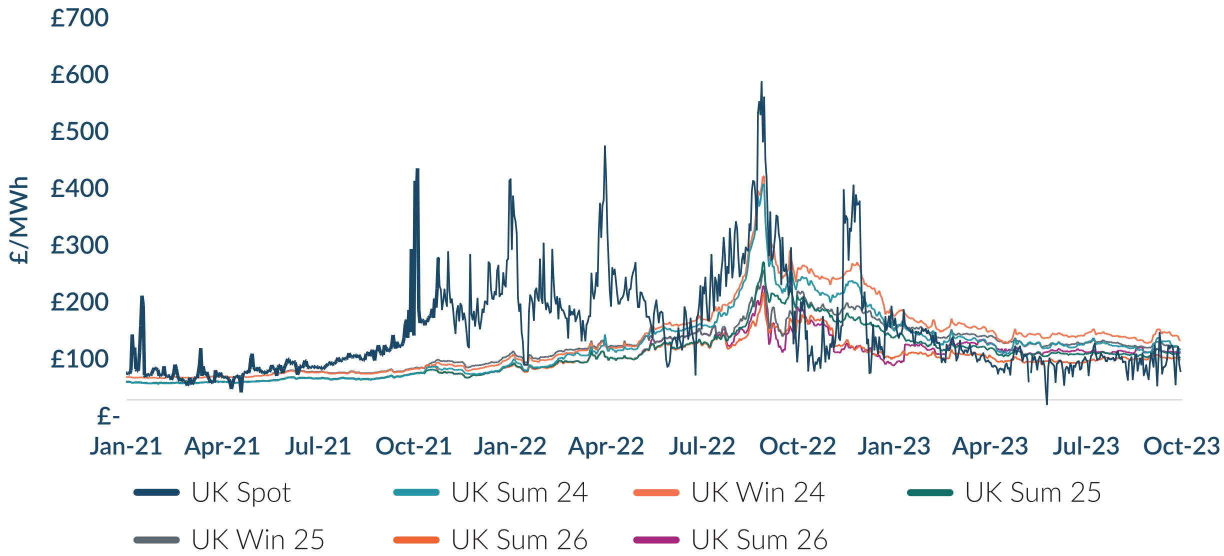
Nordic power market

The Nordic power market was dominated by the falling gas and power prices on the continent, a cold spell resulting in demand increase and a delayed spring flood. Prolonged outages with Swedish and Finnish nuclear facilities also contributed. Consequently, the market remained volatile, albeit less volatile than for the last quarter of 2022. The variability in wind generation added to the volatility on the spot market. The news about the cracks in some the French nuclear facilities also resulted in some bullish news for the Nordic power markets at the end of March. The latter part of Q1 and the beginning of Q2 saw a cold snap in the Nordic regions. The weather then became warmer than is seasonally typical by the end of May, which resulted in the delayed spring flood and sudden hydro inflows at approximately twice the seasonal average. The high hydro levels combined with high wind and PV solar generation lead to very low (sometimes negative) spot prices across the Nordics and Europe. In June, prices increased due to high continental temperatures and lower precipitation, combined with reduced French nuclear availability and low renewable generation. However, prices decreased again in Q3 due to high precipitation. The spot market occasionally traded at negative prices because of low demand and high wind generation.



UK power market

Weather and LNG supply dominated the evolution of forward power prices in the UK throughout the year. Prices gradually came down from the previously reported extreme highs in September 2022. Power prices are now trading below the levels of just before the Ukraine war but still higher than the longer historical price range. The market witnessed a number of mini rallies due to industrial action in France, news about potential new cracks in French nuclear power plants, extreme temperature spikes on the continent in the Summer and news about potential supply issues in the gas markets. As cold weather combined with signs of tightness in physical supply, National Grid ESO ordered three coal-fired units to be readied for production. Potential gas supply issues included North Sea gas outages, threats to global gas supply due to potential industrial actions from Australian LNG workers and rising maintenance restrictions. These mini rallies were short lived, however, as overall gas reserves have been high due to a relatively mild winter and relatively wet summer, pushing prices down.



Dividends

The Company achieved a cash dividend cover of 1.21x post debt service and 1.78x before debt service for dividends of 5.285 pence per share paid during the year. Cash dividend cover has been calculated on a cash basis of income received by the Company and its immediate subsidiary.

The Board has resolved to pay the Company's fourth interim dividend of the year of 1.345 pence per share, equivalent to £2.4 million, in respect of the three months to 31 December 2023. This will bring total dividends paid in respect of the financial year to 5.38 pence per share, which is in line with the Company's dividend guidance. The fourth interim dividend is not reflected in the accounts to 31 December 2023.

The Company has chosen to designate part of each interim dividend as an interest distribution for UK tax purposes. Shareholders in receipt of such a dividend will be treated for UK tax purposes as though they have received a payment of interest in respect of the interest distribution element of this dividend. This will result in a reduction in the corporation tax payable by the Company.

Dividends in respect of the financial year to 31 December 2023 are as follows:

For the Period Ended	Dividend Paid	No. of Shares	Total Dividend (pence per share)	Interest Element (pence per share)	Dividend Element (pence per share)
March 2023	June 2023	184,587,487	1.345	0.875	0.470
June 2023	September 2023	183,919,987	1.345	1.076	0.269
September 2023	December 2023	181,411,624	1.345	1.143	0.202
December 2023	March 2024	180,247,124	1.345	1.009	0.336

The Company intends to continue to pay dividends on a quarterly basis, with dividends typically declared in respect of the quarterly periods ending March, June, September and December. Payment of the relevant dividend declared is expected be made within three months of the relevant quarter end.

The target dividend for the year from 1 January 2024 has been increased by 7.85% to 5.80 pence per ordinary share. On a 3 year average basis, future dividend cover is expected to exceed 1.35x.

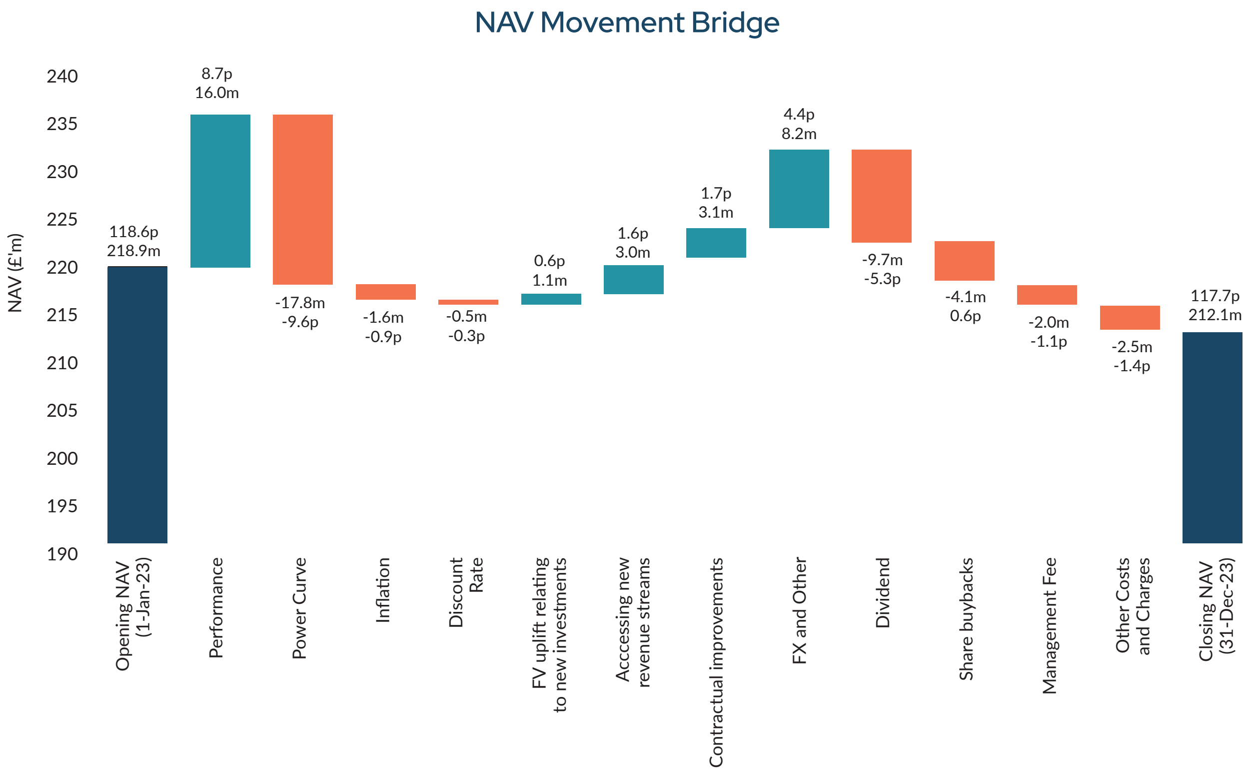
Net asset value and Portfolio Valuation

The Company's NAV decreased by 3.1% during the year from £218.9 million to £212.1 million. The NAV movement comprised a positive contribution of £11.5 million from valuation gains, offset by dividends and share buybacks of £13.8 million combined, and management and other costs of £4.5 million.

At a per share level, the effect of the share buyback was to increase the NAV per share by 0.6p, partially offsetting the overall NAV per share decrease of 0.8% from 118.6 pence per share to 117.7 pence per share as at 31 December 2023.

Investment Manager's Report continued

The bridge below shows the movement in NAV during the period, with each step explained further below.



Opening

Represents the NAV at 31 December 2022.

Performance[1]

Represents the difference between the expected performance, and actual performance of the portfolio companies throughout the year.

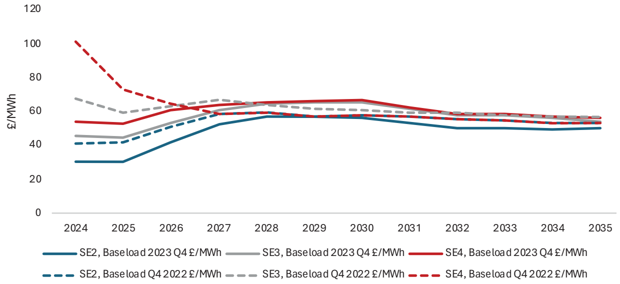
Power Prices[1]

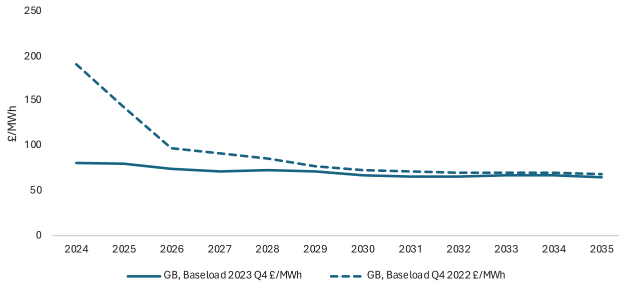
The Group uses long-term, forward-looking power price forecasts from third party consultants for the purposes of asset valuations. In the UK an equal blend is taken from the most recent central case forecasts from two leading consultants, whilst in Sweden an equal blend is taken from the most recent central case forecasts from three leading consultants. This is then blended with actual pricing for forward market trades for the next four years in Sweden and the next three years in the UK enabling a more holistic view of the power market to be included in the valuation. Where fixed price arrangements are in place, the financial model will reflect this price for the relevant time frame. The impact of our short-term power hedging strategy is also included in this step.

[1] This is a component of the Fair Value of Investment.

Investment Manager's Report continued

The power price forecasts that are used in the valuations are set out below, alongside a comparison against the last reporting period.





Inflation[1]

2023 inflation forecasts were revised during the period reflecting the increasing rate of inflation and in line with government forecasts.

The Group is now using the near-term (calendar year 2024) inflation forecast of 3.46% for the purposes of UK asset valuations, falling to a medium-term inflation forecast of 3.00% from 2025. From 2030 onwards, this forecast reduces to 2.25% in line with the RPI reform announced by the UK Government.

A near-term inflation (calendar year 2024) forecast of 4.60% is used for the Swedish asset valuations. The forecast in the medium term (2025 onwards) to long term reduces to 2.00%, in line with the long term Swedish central bank's target inflation rate.

Models are also updated quarterly to reflect actual inflation to date.

Discount rate[1]

Discount rates used for the purpose of the valuation process are representative of the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile.

As a result of movements in the risk-free rate in the UK, the weighted average discount rate of the levered and unlevered Solar portfolio increased by 0.2% to 8.0%. The increased discount rates took effect as at 30 June 2023.

Discount rates in use across the portfolio range from 6.3% to 8.05%, with the weighted average value at 7.7%.

Acquisitions[1]

The difference between the original cost of an investment and the revaluation of that investment throughout the year.

Accessing new revenue streams[1]

Net present value of 50% of budgeted FCR revenues on the hydro portfolio after significant progress has been made in the hardware and software upgrades to participate in the FCR markets.

[1] This is a component of the Fair Value of Investment.

Investment Manager's Report continued

Contractual Changes[1]

Reflects changes to underlying valuations as a result of changes to operational contracts (such as insurance).

FX and Other[1]

The impact of foreign exchange movements on underlying investment valuations. The impact of the foreign exchange hedging activity is included in this movement.

Cashflows from assets that are generated in a non-sterling currency are converted in each period they are earned using the actual hedges in place, with the residual amounts converted at the relevant exchange rate.

The relevant exchange rate is taken from a forward curve provided by the Company's foreign exchange advisors for ten years, at which point the exchange rate is held constant due to the impracticalities of hedging currency further into the future.

Other reflects changes to the underlying valuations as a result of changes to long term capital expenditure assumptions and long term debt pricing, along with other minor changes including increases relating to improved spot rates and impact from increasing the size of the facility.

Dividends

Distributions paid by the Company in the period.

Share buybacks

This is the cost of repurchasing shares in the market.

Management Fee

Fees charged to the Company by the Investment Manager.

Other costs and charges

Charges incurred by the Company, and its immediate subsidiary DORE Hold Co Limited, in its normal operations. No transaction costs are included.

Asset life

Where the land is owned by an external landlord, which is the case for the UK solar, Icelandic Hydro and Swedish wind assets, asset operations have been modelled to the earlier of the expiry of the planning or permit, and the lease agreement. As well as these factors, life assumptions are also capped at the useful economic life of the specific equipment installed on site.

As such, a useful economic life of 30 years is assumed for the Swedish wind portfolio commencing 2010.

An average useful economic life of 25 years is used for the UK solar portfolio. It is noted that over the last few years the market has started to assign economic value to years 25-40 for solar assets, where lease and planning arrangements allow. Downing has and will continue to explore opportunities with

[1] This is a component of the Fair Value of Investment.

local councils and landlords to extend existing planning permissions and lease agreements. In several cases this has been successful and extensions to planning permission have been granted.

Where the land is owned with the asset, which is the case for the Swedish hydro assets, there are no constraints in terms of lease agreements that need to be considered in the valuation. Also, due to the nature of hydro as an asset class, the assets have a very long life assuming an appropriate level of capex to maintain the equipment and dams etc.

Portfolio Valuation sensitivities

The NAV reflects the fair market valuation of the Company's portfolio based on a discounted cash flow analysis over the life of each of the Group's assets plus the cash balances of the Company and its holding Company and other cash and working capital balances in the Group.

The portfolio valuation is the largest component of the NAV and the key sensitivities to this valuation are considered to be the discount rate and the principal assumptions used in respect of future revenues and costs.

A broad range of assumptions are used in the Company's valuation models. These assumptions are based on long-term forecasts and are generally not affected by short-term fluctuations in inputs, whether economic or technical.

The Investment Manager exercises its judgement and uses its experience in assessing the expected future cash flows from each investment.

The impact of changes in the key drivers of the valuation are set out below.

Discount Rate

The weighted average discount rate of the portfolio at 31 December 2023 was 7.7%.

The Investment Manager considers a variance of plus or minus 1.0% is to be a reasonable range of alternative assumptions for discount rates.

Energy Yield / Availability

For the solar assets, our underlying assumption set assumes the so called P50 level of electricity output based on reports by technical advisors. The P50 output is the estimated annual amount of electricity generation that has a 50% probability of being exceeded and a 50% probability of being underachieved.

For hydropower assets, the expected annual average production is applied to the valuation, similar to the P50 assumption applied to solar and wind assets. Given the long operational record of the hydropower assets, the annual production forecast is derived from historic datasets and validated by technical advisors.

Grid infrastructure assets do not generate energy. For Mersey, a shunt reactor, availability is used as a comparable sensitivity. Blåsjön is not dependent on availability, as the regulator sets the total revenue cap and therefore its result does not vary in this sensitivity.

The Energy Yield sensitivities uses a variance of plus or minus 5% applied to the generation.

Investment Manager's Report continued

Price

The power price sensitivity assumes a 10% increase or decrease in power prices relative to the base case for each year of the asset life.

While power markets can experience volatility in excess of +/-10% on a short-term basis, the sensitivity is intended to provide insight into the effect on the NAV of persistently higher or lower power prices over the whole life of the portfolio, which is a more severe downside scenario.

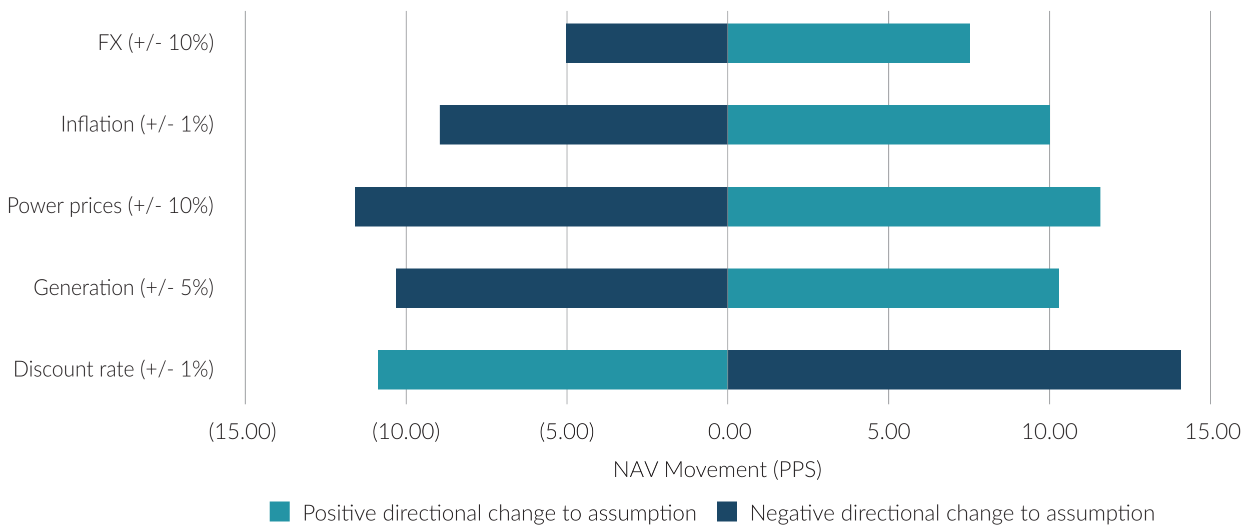
Grid infrastructure assets do not generate energy and are therefore not reliant on power prices. Mersey is reliant on a contract with National Grid which is currently in place until 2032. After this agreement expires the price is unknown; pricing after 2032 has been sensitised relative to the base case. Blåsjön is reliant on the WACC assumption which is set by the regulator and drives the regulatory cap. The WACC assumption can be used as a comparable sensitivity for pricing.

Inflation

The Company's inflation assumptions are set out above. A long-term inflation sensitivity of plus and minus 1.0% is presented below.

Foreign Exchange

The Company's foreign exchange policy is set out above. A sensitivity of plus and minus 10% is applied to any non-hedged cashflows derived from non-sterling assets. The Company will also try to ensure sufficient near-term distributions from any non-sterling investments are hedged.



Sustainability and Responsible Investment

As an active owner of renewable energy assets, our investments naturally contribute to climate change mitigation by reducing the greenhouse gas emissions from burning fossil fuels to generate power.

There was some manoeuvring in reverse gear over 2023 on commitments to decarbonise in the UK, Germany and elsewhere, such as over dates for full implementation of EVs and air source heat pumps. Perhaps this is understandable as policymakers have a tight space to move in: a century of fossil fuels (still 80% of power), the need for energy security in home and industrial settings and the fact that netting to zero carbon will not be cheap. Nonetheless, DORE's portfolio companies help to facilitate the UK, Sweden and Iceland in achieving their aims of net zero and furthers related green energy strategies.

The deployment of current renewable energy technologies has continued in DORE's 2023 financial year. Positive signs are being seen in the wind sector, in which DORE is starting to see increased capacity plans, and for battery storage which complements renewable energy's intermittency. Major power utilities are decarbonising, with emissions reduction targets, green capex, lobbying, and ESG disclosure becoming more and more common. Big oil companies continue either researching or constructing facilities for carbon capture, utilisation and storage, not least because this offers a future revenue source in a greener world. However, there exist counterweights to these developments. There are delays and problems in permitting for renewable installations and grid connectivity, with appreciation of this in 2023, but no real action yet taken to address them.

DORE delegates the day-to-day management of its portfolio to the Asset Manager. In April 2023, the Asset Manager signed up to the Net Zero Asset Managers initiative along with 301 other signatories with a combined assets under management of $59 trillion. The recent progress update from the Climate Change Committee "CCC" to help the UK government is prescient. It expects shifts towards actual implementation – including renewables, heat pumps, hydrogen, and carbon capture – in order to meet stated targets and carbon budgets. Returning to policy and elections, political and economic factors can clash with climate science and recommendations for policymakers – not just for the CCC but as the UN's Intergovernmental Panel on Climate Change also encounters at each year's COP (at Dubai certainly and likely the same for Baku later this year). Whichever temperature target is agreed upon, renewable power plays a central role.

The Asset Manager has a robust process for identifying and managing both ESG risk and opportunity through our sustainable investment approach. This includes:

i. the identification of material factors given the type of infrastructure asset;

ii. detailed assessments for deals, referencing guidance from the Global Real Estate Suitability Benchmark (GRESB), Taskforce for Climate Related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB), and the Sustainable Finance Disclosures Regulation (SFDR); A new section on the Asset Manager's ESG scorecards looks at the social impacts of infrastructure, and 'green collar' workers.

iii. discussion and governance at investment committee;

iv. a list of sustainability actions for asset management. These include reporting emissions consumed, planning for biodiversity and engaging with suppliers and communities.

ESG scorecard assessments were carried out on DORE’s assets at inception (ii above), which provided insights on performance and areas to improve (iv).

For carbon management, as with many other investors, DORE’s main focus for the first half of this decade is data. Greenhouse gas emissions are already reported. With new data and models, the Asset Manager has begun looking at the embodied lifecycle carbon of existing wind, solar and hydro assets.

Following investment, DORE is an active owner. The Asset Manager monitors the portfolio’s emissions – made and avoided – and other ESG credentials, such as jobs created and biodiversity impacts.

Land management in Sweden

Biodiversity/Nordic land management

DORE has previously committed to identify, refine and optimize its contribution to target 15 of the UN Sustainable Development Goals (Life on Land). As reported in the Company’s interim report, ecological surveys were conducted during the summer on its Swedish land holdings. During the surveys it was established that the Company is currently managing some high value habitats with important biodiversity. These habitats include old deciduous forest, nature conservation area and grasslands. Within the owned land, 20 ancient monuments or possible ancient monuments were also identified: from stone age ruins, border marks, bridges and roads. The majority of the managed land is forested area, with coniferous production forest accounting for 57% of all the habitats the Company own and manages.

As previously reported, optimization suggestions have been received on a site by site basis. The suggestions can be categorized into three main areas:

> To diversify the age of the habitats through selective forestry in order to allow different species to thrive

To let habitats freely develop

> To limit the extent of invasive species and lower quality habitats

During 2024 the Asset Manager will refine an ecological optimisation plan which can be rolled out in the coming years. When creating this plan, there are some key considerations that need to be taken into account. For example, dam safety will always be the first priority in the management of hydropower sites; free habitat development can be enabled as long as it doesn't affect the functionality and safety of the hydropower activities. Other considerations such as carbon footprint will also be taken into account, as detailed below.

Carbon uptake – an informant for sustainable land management

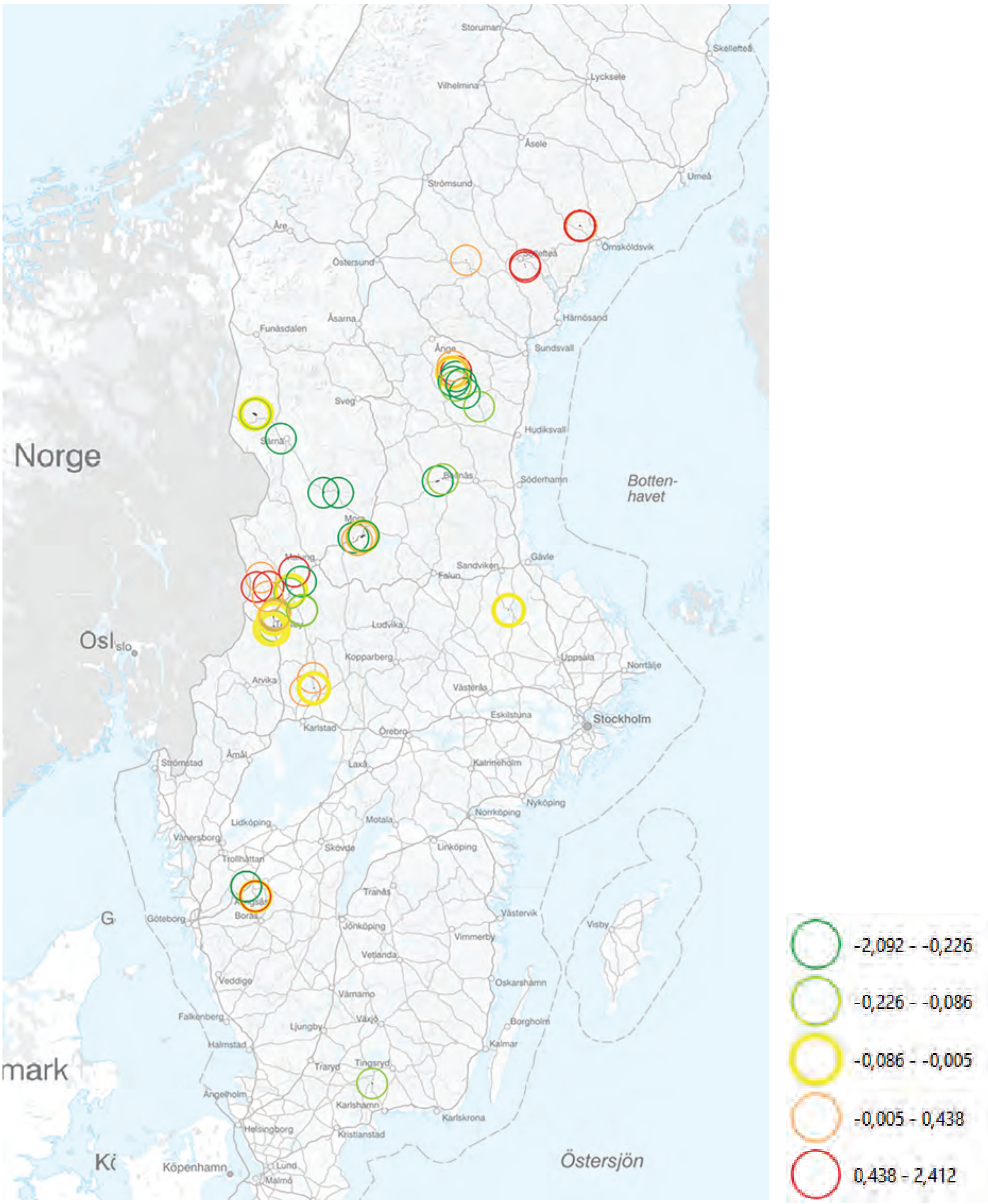
When making land management choices, we strive to consider multiple perspectives and understand the impact of those decisions on both local biodiversity and the climate. During the period the Company commissioned and assessment of carbon storage on the c.630 acres of land owned in Sweden, establishing a new angle of insight to inform responsible choices in land management.

The Company's Swedish land is assessed to be a net carbon sink, with a total net movement value of c.-0.061 tCO2eq/ha/yr. This means more carbon is stored than released and therefore having an overall positive impact on the climate. This characteristic is a function of the land and the state in which DORE acquired it but understanding this data will help support future decision making around the use of the land.

The map below shows the net carbon storage position across the land owned in Sweden. As indicated by the map key, green circles represent the highest uptake, whilst red and orange represent areas where the ground is releasing more carbon. The majority of our land areas are yellow, indicating that in most areas the uptake is just slightly higher than the release. In these yellow areas, we are content that a focus on maintaining thriving native and natural habitats is an an important aspect of mitigating climate change and optimizing carbon absorption.

Carbon uptake – an informant for sustainable land management continued

Figure 1 – a map showing all the Swedish properties owned by the Company. Coloured circles are showing the net carbon storage for each property, with green circles representing the biggest uptake and orange and red circles indicating a bigger release of carbon than uptake. The total sums to the total net value of c.-0.061 $tCO_2eq/ha/yr$, as noted above.



Biodiversity and habitats by the Mölnbacka hydropower plant

During 2023, the Company acquired the 1.8 MWp hydropower plant, Mölnbacka, located in western Sweden. The areas surrounding this power plant are included in an agreement between the Company and the County Administrative Board to protect the cultural and ecological values in the area. These include:

> An area with coniferous forest mostly consisting of oak and birch, with some of the oaks estimated to be c. 700 years old. Ecologically important forest structures like hollowed trees and diversity in age of the trees can be found. This provides good shelter for birds and other animal species.

> The biggest and most developed terminal moraine area in the municipality covering a length of 3.4 km. This forms an ecologically important record of the glacial debris and withdrawal.

> Meadowed areas with older oaks and high biodiversity in the field, which enables insects, butterflies and bird species in the area to find both nourishment shelter and living habitat.

In a part of Sweden where production forests take up a big part of the landscape, these areas are incredibly valuable for both plants and animals and their further development. Plants that can be found in the meadows around this power plant are cow parsley, bluebells and germander speedwell. The species beach violet is also found, which is categorized as vulnerable in the Swedish Redlist. These plant species serve as an important food source for pollinating insects. The water running through this area is creating a moist landscape which is favorable to many different lichen and moss species. A local biologist has also spotted traces of otters, wolverines and lynx by the water line. The yellow-hammer has also been spotted in the area in the wintery landscape. This species is categorized as nearly threatened in the Swedish Redlist.

Picture by Jan Bengtsson – a yellowhammer

Enhancing the land around our renewable energy sites: Båthusströmmen hydropower plant

As a conscientious community member and business that owns c.630 acres of rural land across Sweden, we strive to be good stewards of the land and give back to the local community when possible. The Company has recently enabled several enhancements on a beach adjacent to the hydropower plant Båthusströmmen that provides access to the river powering our hydro plant. The Company provided funds to develop this area into a recreational space for community members to enjoy.

The developments include:

> Construction of a large wooden deck platform with an attached coffee table overlooking the river. This provides an ideal spot for people to relax next to the river and enjoy the views

> Installation of a high-quality BBQ area with commercial grade stainless steel grills. This enables people to hold barbecues and cookouts by the river

> Seeding of lush grass increasing the usable green space

> Creation of designated parking spots for boats, along with a new wide gravel ramp directly into the river, facilitating easy launching of small watercraft

The recreational area enhances community members' quality of life, while also fostering increased goodwill and positive relationships between Downing and neighborhoods near the plant. This demonstrates a real-world example of our commitment environmental stewardship and corporate social responsibility in the places we generate renewable energy.

Historically significant hydropower sites

Our Swedish hydropower portfolio contains plants which were commissioned as early as 1916. With some hydropower acquisitions, the Company also acquires land area and buildings of historical and cultural significance.

Case study on the blacksmith at Torsby Hydropower plant

Within the Torsby hydropower plant's land area in western Sweden, there is a culturally significant and protected building, previously used as a blacksmith's workshop. The building has been officially protected by the county administrative board as a result of a previous attempt to demolish it. This smithy can be traced back to the end of 1800s and has been a part of the utility operations in this area which spanned from woodworking to agriculture. This property later came to form the foundation of the city Torsby which now spans around the old works and hydropower plant.

Historically significant hydropower sites continued

The building previously used as a smithy has undergone restoration works over the last few years. This has been possible through donations and volunteering from businesses and individuals in the community. Through these efforts, the building can now be used for art shows and other cultural community events. The company is happy to support and enable the usage and continued efforts to maintain the old blacksmith's building. This underlines DORE's ethos to support local communities as part of its focus on sustainable investing.

Historically significant hydropower sites continued

Case study on the furnace at Gysinge Hydropower plant

Commissioned in 1917, Gysinge is a 0.3 MWp plant located in the middle of Sweden, and is one of the oldest hydropower plants in Company's portfolio. The historical building in which the hydropower plant is located also contains the world's first electric induction furnace for steel production, created by the chemist Fredrik Adolf Kjellin in 1904. He was the first in the world to create steel using electromagnetic coils and the method has since then been patented. The furnace is generally viewed as a piece of world history and even though the building is managed and owned by the Company, the furnace is owned by the Swedish National Museum of Science and Technology.

School visits

The UK programme of school visits

Earth Energy Education
empowering the sustainable future

The Company's agreement with Earth Energy Education continues in the UK, with 6 school visits to sites within the ground mounted solar portfolio and 6 renewable energy workshops carried out during 2023 with c. 250 children attending. The site visits cover both renewable energy and its natural contribution to climate change mitigation, as well as site specific biodiversity of interest. Feedback from one of the teachers after one of the workshops the site visit was: "The children loved that, thank you, it was a fantastic workshop. They really learnt a lot about solar, they are a very lively group, but they really engaged with this and enjoyed making the circuits."

UK biodiversity enhancements

The school visits and biodiversity interest on the Company's ground mounted solar sites are set to be even more exciting in the coming years. During the period, the Company more than doubled the number of bird and bat boxes on the ground mounted solar sites across the portfolio.

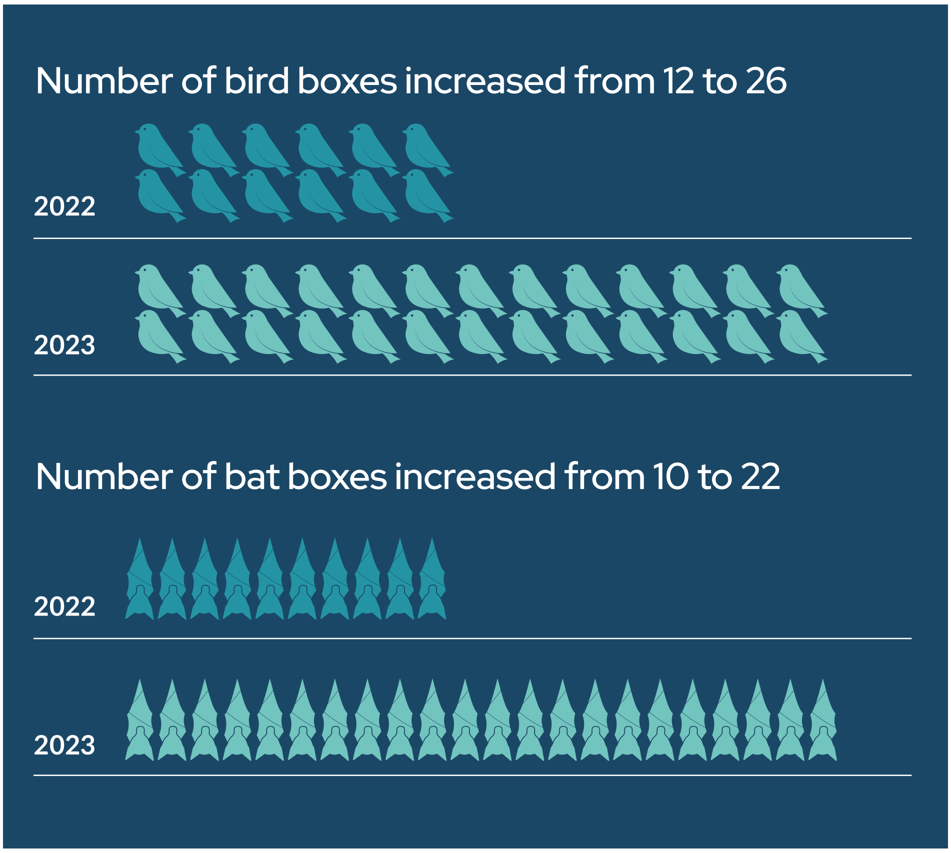
Installing animal boxes leads to increased connectivity in the landscapes, which could enable bats and birds to increase their geographic reach. It provides a safe shelter for animals to eat, sleep and breed. Welcoming bats and birds onto our sites will ideally also allow for further biodiversity to thrive. Bats and birds act as important pollinators and seed dispensers, leading to plant species to further develop and thrive. Birds and bats also provide an important ecosystem service through insect and rodent control. Which in turn keeps the ecosystems on a sustainable path, enabling further biodiversity.

UK biodiversity enhancements continued

School visit at Gottne Hydropower plant

The 0.78 MWp hydropower plant Gottne turned 100 years old in 2021 and is located in Mellansel, Sweden. During the early summer 2023 the Company had a class of 20 school children visit the plant. The children got the opportunity to learn about the use of the river throughout history, for example for saw and flour mills, leading to the building of the hydropower plant in 1921. On their visit, the children toured the facilities to understand how the dam, inlet canal, turbine and other components work together to harness the power of water. They learned how this local plant provides renewable electricity to their community using a natural resource.

Equipping younger generations to participate in environmental decisions as informed citizens helps accelerate responsible growth. As Downing continues enabling renewable projects across Europe, initiatives like this in Gottne serve as a model for industry peers. Ultimately, investing in the younger generation is investing in everyone's collective future.



UK biodiversity enhancements continued

The Company is keeping a close eye on the evolving regulations related to the UK Biodiversity Net Gain ("BNG") scheme anticipated to be released in full during early 2024. This will guide further enhancements scheduled for the UK solar sites. The ecological reports will also be updated to ensure compliance with the latest BNG trading Metric.

Downing's Approach to Sustainability

Downing is an active participant in wider sustainably sector initiatives and policy advocacy. Downing is a signatory to: the UN Principles for Responsible Investment, the Financial Reporting Council's UK Stewardship Code, and the UN Global Compact. We are also members of GRESB (including its Technical Expert Group for Infrastructure), the Institutional Investors Group on Climate Change (including the Climate Action 100+ investor collaboration and its UK Taxonomy working group, advising HM Government on the new regulation). We publicly support TCFD and the Transitions Pathway Initiative. These commitments share Downing's integration of ESG factors in its investment process, from pre-deal screening through to active asset management, and then active ownership and transparency on outcomes.

Downing's Approach to Sustainability continued

Given their nature, DORE's investments can play a role in enabling and making a positive contribution to several UN Sustainable Development Goals, and their sub-targets:

Target 7.1:

By 2030, ensure universal access to affordable, reliable and modern energy services.

Target 7.2:

By 2030, increase substantially the share of renewable energy in the global energy mix.

Target 9.4:

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Target 13.3:

Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Target 13.2:

Integrate climate change measures into national policies, strategies and planning.

Target 15.5:

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Target 15.9:

By 2030, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.

Target 15.a:

Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.

Climate Disclosure, based on the recommendations of the Task Force for Climate Related Financial Disclosures

The Company is not required to disclose under TCFD. We are supporting the TCFD ethos and its purpose of addressing the systemic financial market risk of climate change by integrating climate as a factor to governance, strategy, risk and metrics activity. We are pleased to share our climate disclosure below.

The TCFD Recommendations are structured around four content pillars: 1. Governance; 2. Strategy; 3. Risk Management; and 4. Metrics & Targets.

The Company strives to maintain the highest standards of corporate governance and effective risk management at both a Company and a portfolio level. Although the Company is not required to report under the recommendations of the TCFD, many of those recommendations are voluntarily followed in order to enhance the Company's disclosures. As reporting climate impacts under TCFD becomes a mandatory requirement for more entities, these disclosures shall be enhanced to ensure full compliance with all the recommendations of the framework and any sector specific additional guidance.

1. Governance

Governance is the responsibility of the Board, with key functions delivered through delegated committees with the oversight of the Board and the ongoing support of the Investment Manager.

The Board meets on at least a quarterly basis, with additional ad-hoc meetings arranged as appropriate. Information relating to the Company's activities in fulfilling its sustainable Investment Objective are presented on at least a quarterly basis. This data enables the Board to satisfy itself that it is fulfilling the climate mitigation obligations explicit in the Company's sustainable Investment Objective; "to accelerate the transition to net zero through its investments, compiling and operating a diversified portfolio of renewable energy and infrastructure assets to help facilitate the transition to a more sustainable future. This directly contributes to climate change mitigation."

On at least an annual basis the Board reviews climatic data, specific to the geographies and asset types in the portfolio, in order to review and develop the Company's strategy in relation to the risks and opportunities from climate change.

The remit of the Board and its committees are set out in more detail in the Corporate Governance Statement on pages 89 to 99. However, specifically the role of the Audit and Risk Committee is to monitor the effectiveness of the Company's financial reporting, its auditor, systems of internal control and risk management, and the integrity of the Company's external audit processes. In fulfilling this purpose, the Committee has oversight of financial disclosures, including TCFD reporting.

In addition to the Board's oversight functions, the Directors have appointed an Investment Manager and delegated the day-to-day management of the Company to the Investment Manager. Rather than creating new structures to govern and oversee the management of climate change risks and opportunities, the Investment Manager has integrated climate change into its existing structures, processes and risk registers. On the instruction of the Board, the Investment Manager gathers portfolio data on an ongoing basis, that enables the board to oversee the delivery of the Company's sustainable Investment Objective.

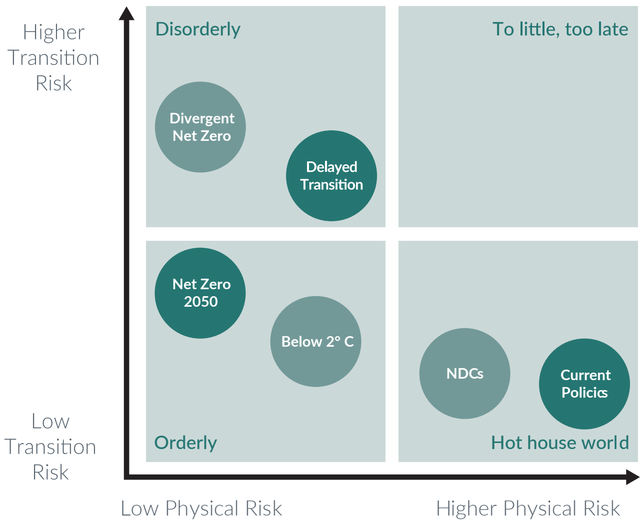
The Investment Manager also provides dedicated subject matter expertise to support the Board's annual review and development of strategy in relation to climate change risks and opportunities. The Investment Manager integrates Environmental, Social and Governance factors into its investment processes, with climatic factors forming integral components of the investment thesis. Finally, the Investment Manager operates an Investment Committee to oversee and approve the acquisition and disposal of assets on behalf of the portfolio. Climatic factors are reviewed as critical components of the investment thesis.

2. Strategy

Scenario Analysis for Strategy Development

In order to analyse the potential range of risks and opportunities associated with climate change, the Board selected three scenarios from the potential six developed by The Central Banks and Supervisors Network for Greening the Financial System ("NGFS"). Selecting one scenario from each of the available boxes enabled the board to consider the possible combinations of physical and transitional risks.

NGFS Scenarios



Physical risks arise from the changes in weather and climate that impact infrastructure and economic activity. They are typically sub-divided into acute risks such as extreme weather events or chronic risks such as rising sea levels, differentiated by the time taken to have a given effect.

Transition risks are the societal changes arising from a transition to a low-carbon economy. They could arise from changes in public sector policies, innovation or the affordability of certain technologies, investor or consumer sentiment towards behaviours or products.

Downing's Approach to Sustainability continued

The three selected scenarios are:

1. **The Current Policies Scenario (Base Case)** assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow until 2080 leading to about 3°C of warming and severe physical risks. This includes irreversible changes like higher sea levels.

2. **The Delayed Transition Scenario** assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited. This scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies.

3. **The Net Zero 2050 Scenario** is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050. Some jurisdictions such as the US, UK, EU and Japan reach net zero for all greenhouse gases by this point. This scenario assumes that ambitious climate policies are introduced immediately. Physical risks are relatively low, but transition risks are high.

Scenario Probabilities

These scenarios are not predictions and instead are presented as hypothetical outcomes. However, an analysis of their relative probability indicates how strategy may develop over time or indeed where the Board focused their analysis.

At this point in time, the Net Zero 2050 Scenario is assessed to be the least probable of the three scenarios recognizing the lack of sufficient international consensus, co-operation and investment. The Net Zero 2050 Scenario is dependent upon near term variables and so without significant change, its probability will drop sharply in the near term.

Whilst the Current Policies Scenario is regulary rerviewed, it remains the base case scenario with the greatest probability. If policy progress remains limited, the probability attributed to this >3˚C scenario will increase over time.

The probability of achieving a Delayed Transition Scenario is dependent upon future unknown variables, therefore without any significant change over the medium term, its probability will likely increase over time.

Recognising that the Current Policies Scenario is considered the most probable, the Board's analysis of Climate risks was focused on an assumption of higher physical risks and lower transitional risks. The relative probability of these scenarios will be reviewed on at least an annual basis and will inform future strategy development.

Downing's Approach to Sustainability continued

Analysis Periods for Strategy Development

Recognising the international climate policy focus on the next 30 years and the projected lifespan of a number of the assets within the Company's portfolio, the Board's scenario analysis was considered over a 30-year period, sub divided into three time horizons: short-term 2023-2030; medium term 2031–2040; and long-term 2041-2050.

The illustrative table below shows how the relative combinations of physical and transitional risks might be expected to develop over time and why the Board's analysis focused on physical risks.

Illustrative Risk Composition over time

	Risk Composition	Short Term 2023 - 2030	Medium Term 2031 - 2040	Long Term 2041 - 2050
Current Policies	Physical	High	Higher	Highest
	Transitional	Low	Low	Low
Delayed Transition	Physical	High	Higher	Low
	Transitional	Low	Highest	High
Net Zero 2050	Physical	Low	Lower	Lowest
	Transitional	Low	Lower	Lowest

Physical Factors, Portfolio Impacts and Modelling

Whilst climate change is a complex phenomenon, physical risks and opportunities to the portfolio were identified across four principal factors: air temperature change, wind speed change, precipitation level change and change to incidence rate of extreme weather events.

In addition to the data above, portfolio efficiency, micro and macro-economic data is reported to the Board on a quarterly basis. Data relating to generation and portfolio efficiency is utilised to assess the effect of any physical risks to the portfolio and the Company's delivery of its sustainable Investment Objective. Micro and macro-economic data, for example energy commodity prices, carbon emissions allowance prices and subsidy rates are utilised to assess the impact of transitional risks.

For each risk factor, the portfolio technology and geographic exposure were considered to assess the potential impact on the portfolio. An appropriate modelling input was then identified to enable the Board to assess the potential impact of the factor.

For example, the table below describes how a projected change in precipitation may require changes to ground maintenance activity associated with the solar portfolio and therefore how operational costs could change over time to reflect this. Meanwhile changes to precipitation rates could affect generation from hydropower assets.

Downing's Approach to Sustainability continued

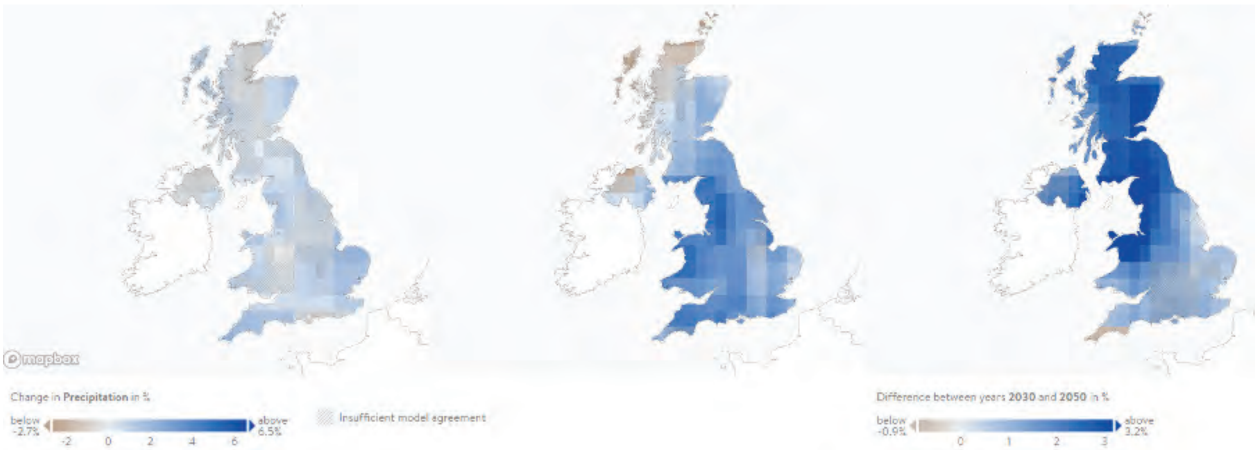
Physical Factors, impact and modelling table

	Physical Factors							
	Solar		Hydropower		Wind		Grid	
	Impact on Portfolio	**Assumption to flex**	**Impact on Portfolio**	**Assumption to flex**	**Impact on Portfolio**	**Assumption to flex**	**Impact on Portfolio**	**Assumption to flex**
Air Temperature Δ	Change in tech efficiency due to temperature fluctuations.	Performance ratio	Timing of spring melt	Generation profile	Non-measurable impact on performance	N/A	Non-measurable impact on performance	N/A
Wind Δ	Mounting structure maintenance, potential to reduce surface temperature of modules	Operational costs	Nil	N/A	Higher levels of generation	Generation	Non-measurable impact on performance	N/A
Precipitation Δ	Ground maintenance activity, potential to impact on surface dust of modules	Operational costs relating to land management	More water flow and generation capability	Generation	Non-measurable impact on performance	N/A	Non-measurable impact on performance	N/A
Extreme Weather Δ	Damage to equipment	Operational costs (insurance premiums) / Capex on drainage	Spill (efficiency during high water flow) / equipment damage	Generation / Capex	Reduced availability due to high winds/ equipment damage	Generation/ Opex	Damage to equipment	Operational costs (insurance premiums)/ Capex on drainage

A worked example – precipitation change under the current policies scenario

The company's solar assets are predominantly located in the United Kingdom. The left and middle maps show the projected change in Precipitation (in %) in United Kingdom since the reference period 1986-2006, in the years 2030 and 2050 under a NGFS current policies scenario. The third map shows the difference between the two.

Precipitation Change UK



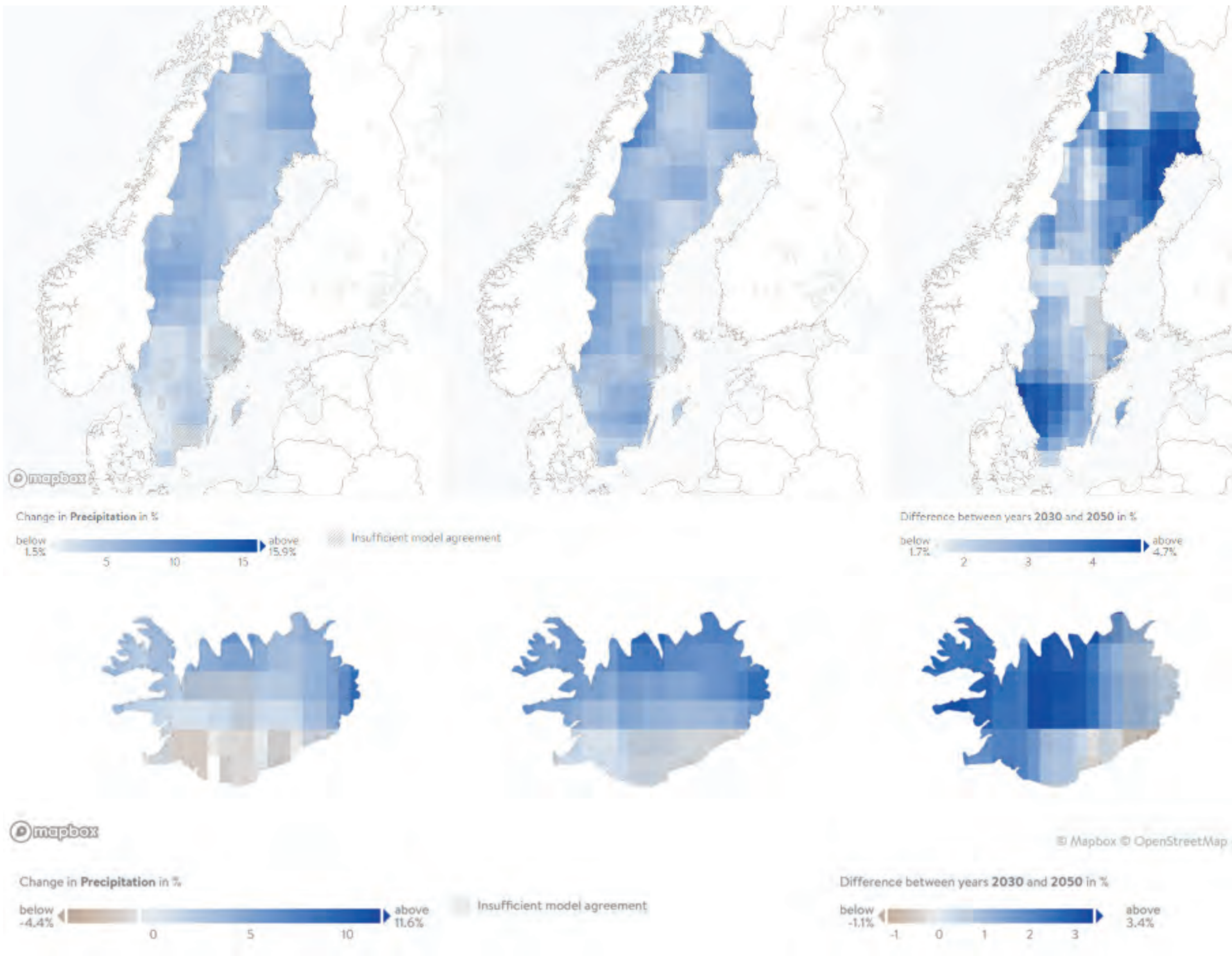
Downing's Approach to Sustainability continued

Short Term: Solar modules are typically hydrophobic, making it unlikely that increased precipitation would result in mineral build-up on the modules, however prolonged periods of cloud cover may marginally reduce generation over the short term. Increased precipitation could increase growth of vegetation around module arrays and require more frequent maintenance as a result. To monitor these short-term effects, the efficiency of modules and their generation profiles are monitored on an ongoing basis with this data built into ongoing portfolio valuations. Valuation models already allow for ad hoc maintenance costs within operational expenditure.

Medium Term: Consistently higher precipitation rates may require additional capital expenditure to improve site drainage.

The Company's hydropower assets are predominantly located in Sweden. The left and middle maps show the projected change in Precipitation (in %) in Sweden since the reference period 1986-2006, in the years 2030 and 2050 under a NGFS current policies scenario. The third map shows the difference between the two.

Precipitation Change Sweden & Iceland



Downing's Approach to Sustainability continued

Short, Medium and Long Term: Increased precipitation rates are likely to have a positive effect on generation from hydropower assets. Marginal increases to routine maintenance are likely to be offset by increased generation.

These worked example focused solely on projected precipitation changes in isolation from other factors, across two technology types and geographies. When considered alongside other factors like changes in air temperature and wind speed, the potential future variation in water supply to Nordic and Icelandic hydropower assets were assessed to have a more significant potential impact on portfolio valuations than the marginal impact from UK based solar assets. For this reason, significant work is undertaken before the acquisition of the hydropower portfolio and the forecast impact of climate change on the specifics assets was included within financial pricing models.

Increased precipitation, both on an annual basis and on shorter timeframes can challenge the ability to handle high water flow. Temperature drives the melting of snow reservoirs and milder winters can result in earlier spring floods and increased flow during the winter months.

When the data is available, we consider using seasonal inflow a more accurate measure than precipitation alone as it reflects the dimensioned flow that the power plant will get, both in terms of production and excess water flow.

The projected changes to the climate bring several other considerations in terms of potential impact to asset valuations. Increased inflow during winter months can be beneficial if, through dispatch control, it correlates with higher electricity market prices, although changes can also impact the level of wind generation and changing demands for heat.

The relative impact of Physical and Transitional risks

Changes to physical factors are projected from modelled greenhouse gas emissions, extrapolated principally from population growth, economic activity, energy utilisation and the generation mix. Many of these physical factors are omni-directional and the potential effects are assessed to be gradual.

Transitional factors can have a much wider spread of potential outcomes as a result of concentrated human decision-making. For example, population growth is influenced by billions of unconnected human decisions and therefore the probability of directional changes to population growth over the short term are extremely low. In contrast policy changes to government subsidies can be influenced by a relatively small number of people over a short period of time.

Across each of the three scenarios there is an assumption that policies and consumer preferences are likely to become more supportive of renewable energy generation over time. Whilst harder to project than the portfolio effects of physical risks, transitional factors are likely to remain supportive of portfolio valuations.

Portfolio Sensitivity Analysis

Building on the scenario modelling and assumptions set out above, and data provided by NGFS for the most likely scenario we are able to quantify the impact on environmental factors over an appropriate timeframe. The percentage change in each metric is compared to the base year of 2020.

Downing's Approach to Sustainability continued

	Metric	2030	2040	2050
United Kingdom				
Air Temperature Δ	temperature of air masses two meters above the Earth's surface	0.3%	0.5%	0.7%
Wind Δ	velocity of an air mass 10 metres above ground	-0.8%	-0.9%	-1.8%
Precipitation Δ	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.5%	2.3%	3.2%
Extreme Weather Δ	Percentage change in the cost of damage from such events	7.7%	13.0%	20.9%
Sweden				
Air Temperature Δ	temperature of air masses two meters above the Earth's surface	0.4%	0.7%	1.0%
Wind Δ	velocity of an air mass 10 metres above ground	-0.8%	-1.1%	-1.5%
Precipitation Δ	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.9%	1.4%	1.9%
Extreme Weather Δ	level of damage from river floods that is expected to occur every year, measured in USD.	32.3%	57.1%	35.7%
Iceland				
Air Temperature Δ	temperature of air masses two meters above the Earth's surface	0.1%	0.5%	0.8%
Wind Δ	velocity of an air mass 10 metres above ground	-1.1%	-1.3%	-1.6%
Precipitation Δ	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.2%	1.3%	1.7%
Snow Δ	mass of water falling on the Earth's surface in the form of snow	-2.7%	-4.6%	-9.0%

Taking the changes into account and making appropriate adjustments to valuation assumptions, through generation profiles and levels, operational expenditure (including insurance premiums) and capital expenditure, provides us with an estimate of the potential financial impact of climate change to the Company. The estimated impact on the NAV of the Company would be approximately 0.86 pence per share.

Strategic Implications and Resilience of DORE's Climate Change strategy

The physical risks of climate change present manageable risks to the portfolio, as described throughout the first section of this report, however society's transition to a lower carbon economy presents significant opportunities and upside potential for the Company. The Company's Investment Objective is to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe.

Significant growth in renewable energy and its associated infrastructure is critical to meeting the required emission reductions across an expanding electricity generation sector. This positions the Company well to continue delivering value to investors through its robust climate change strategy.

Downing's Approach to Sustainability continued

3. Risk Management

The ongoing performance of the Company's portfolio and all material factors affecting valuation are reviewed by the Board on a quarterly basis. Market, climatic factors and events affecting valuation are constantly monitored by the Investment Manager, with any extraordinary events leading to material changes to valuation communicated to investors.

4. Metrics and Targets

The following data is currently utilised to support modelling of risks and opportunities in relation to the portfolio's technical generation mix and geographic exposure. The three common factors across analysis of the portfolio are air temperature, wind speed and precipitation. In addition to these three common factors a fourth data source has been selected for each geography and portfolio technology, as a proxy for potential changes to costs of extreme weather events. The common source of the data is the NGFS Current Policies Scenario and the time period selected aligns to the short, medium and long term horizons identified during scenario analysis for strategy development.

Projected Air Temperature Change (UK and Sweden)

Projected Wind Speed Change (UK and Sweden)

Projected Precipitation Rate Change (UK and Sweden)

Projected annual % change in cost of expected damage from tropical cyclones (UK)

Projected annual % change in cost of expected damage from river floods (Sweden)

These data sources will be updated and reviewed on an at least an annual basis to continue to support scenario analysis and strategy development. Over time, additional data sources may be selected to reflect the portfolio's diversification by technology and geography.

In addition to the data above, portfolio efficiency, micro and macro-economic data is reported to the Board on a quarterly basis. Data relating to generation and portfolio efficiency is utilised to assess the effect of any physical risks to the portfolio and the Company's delivery of its sustainable Investment Objective. Micro and macro-economic data, for example energy commodity prices, carbon emissions allowance prices and subsidy rates are utilised to assess the impact of transitional risks.

Scope 1 Emissions: When considering the direct emissions of the Company, we assess these to be negligible because DORE does not own or lease building or vehicles. In addition, the majority of the Company's business has been conducted virtually.

Scope 2 Emissions: The Scope 2 emissions of the portfolio during the period are estimated to be 8 tC02e. These emissions stem principally from electricity utilised by the hydropower assets within the portfolio and are estimated on the basis of electricity usage and geographically specific residual grid emissions factors.

Downing's Approach to Sustainability continued

Scope 3 Emissions: The Scope 3 emissions of the portfolio are estimated to be 340 tCO_2e. During the 2023 period, an assessment was carried out on the emerging Scope 3 reporting standards expected from the Company as an infrastructure investor, using guidance from the Greenhouse Gas Protocol. As a result, Scope 3 emissions reporting has been significantly enhanced to cover more factors in the Company's value chain. The emissions reported come from equipment purchased for maintenance, operational waste, grass-cutting, solar panel cleaning and the accrued mileage of contractors making routine site visits throughout the reporting period.

The Company does not yet set specific climate or GHG emission reduction targets.

Key Performance Indicators

Key Performance Indicators	1 Jan 2023 – 31 Dec 2023	1 Jan 2022 – 31 Dec 2022
Environmental performance		
Number of renewable generation assets	4,868	3,260
MW of installed renewable generation capacity	202.9	184.5
GWh renewable energy generated	395	326
Share of non-renewable energy production	0%	0%
GHG emissions avoided (tCO2e) (Scope 4)	186,348	153,457
Equivalent UK homes powered	146,183	112,523
Equivalent trees planted	1,096,166	902,689
GHG emissions (Scope 1) (tCO2e)	0	0
GHG emissions (Scope 2) (tCO2e)	8	21
GHG emissions (Scope 3) (tCO2e)	340	390
Total GHG emissions (tCO2e)	348	411
Carbon footprint (tCO2e/€m)	1.1	1.2
GHG intensity of investee companies (tCO2e/€m)	9.7	23.4
Share of non-renewable energy consumption	65%	59%*
Energy consumption intensity per high impact climate sector (gWh/€m)	0.04	0.05
Reservoir capacity managed (Mm^3)	213.2	114.3
Acres of land managed	1070	945
Acres of habitat removed	0	Not reported
Acres of habitat enhanced or restored	0	Not reported
Acres of Habitat protected (on-site)	32.1	Not reported
Acres of Habitat protected (off-site)	61.7	Not reported
Acres of habitats maintained	414.5	Not reported
Acres of land grazed	313	272
Number of beehives	17	7
Number of bird boxes	26	12
Number of bat boxes	22	10
Environmental incidents (including non-compliance with permits/regulations)	0	0
Activities negatively affecting biodiversity sensitive areas	0	0
Hazardous waste ratio (tonnes/€m)	0	0
Wildlife fatalities	5	0

Key Performance Indicators continued

Key Performance Indicators	1 Jan 2023 – 31 Dec 2023	1 Jan 2022 – 31 Dec 2022
Social performance		
O&M FTE jobs supported	28	16
Number of health and safety audits	35	28
Number of serious accidents or injuries	0	0
Number of engagements with stakeholders including local community complaints	No complaints	No complaints
Number of sites able to host educational visits	3	2
Number of renewable energy education events sponsored	13	13
Community funding	£114,908	£28,762
GWh free or discounted renewable energy to homes and businesses	20	18
Value of free or discounted renewable energy to homes and businesses	£5.2m	£4.7m
Exposure to companies active in the fossil fuel sector	0%	0%
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	No	No
Exposure to controversial weapons	0%	0%
Investee countries subject to social violations	0	0
Governance performance		
Unadjusted gender pay gap	N/A	N/A
Portfolio board gender diversity (female %)	44%	33%

* DORE's Swedish assets' energy supply comes from the typical fuel mix of the grid in Sweden which, whilst containing significant renewables, is assumed not to be 100% renewable

Culture and Values

The overarching duty of the Board is to promote the Company's success for the benefit of investors while taking other stakeholders' interests into consideration. The Company strives to maintain the highest standards of business conduct and corporate governance, and the Investment Manager ensures that appropriate oversight, control, and policies are in place to ensure that the Company treats its stakeholders fairly.

Through ongoing dialogue and engagement with its key stakeholders, the Board seeks to ensure that its purpose, values, and strategy are aligned with this culture of openness, debate, and integrity. The Board, which consists of two male and one female members, aims to create a supportive business culture while also providing constructive challenge, as well as to provide shareholders and other stakeholders with regular information.

Although the Company has no employees, it is committed to respecting human rights in its broader relationships. Both the Company and the Investment Manager have anti-bribery and corruption policies in place to ensure business integrity, a commitment to truth and fair dealing, and compliance with all applicable laws and regulations.

To assist in maintaining a culture of good governance, the Company has several policies and procedures in place, including those relating to diversity, anti-bribery (including the acceptance of gifts and hospitality), tax evasion, conflicts of interest, and Directors' dealings in the Company's shares.

The Board assesses and monitors compliance with these policies on a regular basis through Board and Committee meetings. The Board seeks to appoint the most appropriate service providers for the Company's needs and evaluates their services on a regular basis. The Board considers the culture of the Investment Manager and other service providers through regular reporting, receiving regular information, and ad hoc interactions.

Section 172(1) Statement

The Directors confirm that they have acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to the matters set out in Section 172(1) of the Companies Act 2006 ("s.172 matters"). To ensure that the Directors are aware of and understand their duties, they are provided with regular and ongoing updates on the relevant matters, as well as having continued access to the advice and services of the Company Secretary and, when necessary, the Directors can seek independent professional advice. The following disclosures describe how the Directors have regard for the s.172 matters.

Section 172(1)	Description
(a) the likely consequences of any decision in the long term	The aim of the Board and of the Investment Manager is to ensure the long-term sustainable success of the Company and, therefore, the likely long-term consequences of any decision are a key consideration. The Board and Investment Manager believe they have acted in good faith in managing the Company during the year, with a view to promoting the Company's long-term sustainable success and achieving its wider objectives for the benefit of our shareholders as a whole, having regard to our wider stakeholders and the other matters set out in Section 172 of the Companies Act.
(b) the interests of the company's Employees	As a closed-ended investment company, the Company has no employees; however, the interests of any employees within project companies are considered when making decisions.
(c) the need to foster the company's business relationships with suppliers, customers and others	The Board's approach is described under 'Stakeholder Engagement' below.
(d) the impact of the company's operations on the community and the environment	The Board places a high value on monitoring ESG issues and establishes the overall strategy for ESG matters pertaining to the Company. The Board is responsible for managing any climate-related risks for the group, including transparent disclosure of these risks, and taking mitigating actions to reduce or eliminate them where possible. During the year DORE donated £30,000 to Piddlehinton Gym to put towards the challenging project of repairing the roof. Piddlehinton gym is a community hub closely located to DORE's Bourne Park Solar Farm, which provides facilities to enhance the wellbeing of local residents and the Solar Farm employees. A description of the Company's sustainable and responsible Investment Policy is set out on pages 56 to 67.
(e) the desirability of the company maintaining a reputation for high standards of business conduct	The Board's approach is described under 'Culture and Values' below.
(f) the need to act fairly as between members of the company	The Board's approach is described under 'Stakeholder Engagement' below.

Section 172(1) Statement continued

Stakeholder Engagement

This section describes how the Board engages with its key stakeholders, how it considers their interests and the outcome of the engagement when making decisions, the long-term consequences of any decision, and how it maintains a reputation for high standards of business conduct.

Stakeholder	Why is it important to engage?	How has the Company communicated and engaged?	What were the key topics of engagement?	Key strategic decisions impacting stakeholder groups during period
Shareholders	Shareholders and their ongoing support are critical to the business's continued existence and the deployment of our long-term investment strategy.	The Board is committed to maintaining open channels of communication and to engage with shareholders in ways that are meaningful in order to gain an understanding of their views. The Company makes regular market announcements where appropriate and publishes quarterly fact sheets which are available on the Company's website. Shareholder attendance and participation is welcomed at the Company's AGM and where possible shareholders will have the opportunity to meet the Directors and Investment Manager to address questions to them directly. Views and feedback are sought from institutional investors via the Company's corporate broker.	A number of investor meetings were held during the year to engage shareholders with the Company's strategy, as well as an investor presentation which has held by the Investment Manager to discuss recent acquisitions in the portfolio and to receive questions from shareholders. Prior to the AGM in June 2023, shareholders were given the opportunity to engage with the Board and the Investment Manager, and are encouraged to do so at other times throughout the year. Key topics discussed at the AGM included the annual report and financial statements and the Company's decision to purchase ordinary shares in the market.	The Company has made acquisitions during the year which should be accretive to the NAV over the long-term. The Company has invested in new technologies and a new geography in the year, further showing commitment to diversification of the portfolio. The Company acquired 8 assets in the year for £47 million across grid infrastructure, hydro and solar.
Investment Manager	The Investment Manager is responsible for carrying out the Investment Objective within the parameters of the Company's Investment Policy.	The Board maintains regular and open dialogue with the Investment Manager at Board meetings and has regular contact on operational and investment matters outside of meetings.	In addition to all matters concerning the Company's Investment Objective, the Board met with the Investment Manager to discuss the Group's structure and the interpretation of investment restrictions.	Determination that the Investment Manager maintains a strong internal control environment and that the Investment Manager's continued appointment is in the best interests of shareholders.

Section 172(1) Statement continued

Stakeholder	Why is it important to engage?	How has the Company communicated and engaged?	What were the key topics of engagement?	Key strategic decisions impacting stakeholder groups during period
Service providers	As an externally managed Company, we are reliant on our service providers to conduct our core activities. We believe that fostering constructive and collaborative relationships with our service providers will assist in the promotion of the success of the Company.	The Board maintains regular contact with its service providers, both through Board and Committee meetings as well as outside the regular meeting cycle. The Management Engagement Committee is responsible for conducting periodic reviews of service providers to ensure service providers continue to function at an acceptable level and are appropriately remunerated to deliver the expected level of service.	Throughout the year, the Board has worked closely with its professional service providers, such as its external auditors, joint corporate brokers, legal counsel, and the company secretary, to ensure that the Company is managed efficiently and accurately in accordance with applicable laws, regulations, and best practices.	During the year, the Management Engagement Committee assessed and recommended the appointment of a new AIFM. Effective 1 February 2024, JTC Global AIFM Solutions Limited was appointed as the Company's new AIFM and JTC (UK) Limited as the Company's new fund administrator. The Company's other key service providers have been retained, providing continuity of service and familiarity with the objectives of the Company. It was considered that this was in the best interests of the Company and its shareholders.
Asset-level counterparties	Asset-level counterparties are an essential stakeholder group and engagement with them is important to ensure assets are operating safely and effectively and performing as expected.	As part of continual monitoring of investments, we have a regular dialogue with these counterparties.	The key engagement with asset-level counterparties was during the due diligence process prior to completing the investment	Acquired eight new assets during the period, increasing ongoing servicing requirements from O&M counterparties.
Debt-providers	Providers of long-term debt are key to supporting the Company's long- term objectives through enabling the continued financing of investment opportunities.	The Company and its unconsolidated subsidiaries provide regular updates on covenant compliance and current positioning.	Pricing and sizing of the debt was a key consideration for the Company.	Debt will be a key component of the Company's funding strategy looking forward and the portfolio will utilise the RCF debt facility when beneficial. At the start of the year the RCF was increased from £25m to £40m, which was utilised throughout the year for acquisitions in the portfolio.

Risks and Risk Management

The Board recognises that effective risk management is key to the Group's success and that a proactive approach is critical to ensuring the sustainable growth and resilience of the Group. Risk is described as the potential for events to occur that may result in damage, liability or loss. Should any of these events occur, the Company may well be adversely impacted, potentially leading to the disruption of the Company's business model, as well as potential damage to the reputation or financial standing of the Company.

The benefit of a risk management framework is that it allows for potential risks to be identified in advance and may enable these risks to either be mitigated or possibly even converted into opportunities. The Company's Prospectus, issued in June 2022 detailed the potential risks that the Directors considered were material that could occur during the process of implementing the Company's Investment Policy.

The Directors have overall responsibility for risk management and internal control within the Company, and have delegated responsibility for the assurance of the risk management process and the review of mitigating controls to the Audit and Risk Committee. The Board, through delegation to the Audit and Risk Committee, has undertaken a robust assessment and review of the principal and emerging risks facing the Company, including those that would threaten its business model and future performance.

Principal Risks and Uncertainties

Procedures to identify principal or emerging risks

It is not possible to eliminate all risks that may be faced by the Company.

The objective of the Company's risk management framework and policies adopted by the Company is to identify risks and enable the Board to respond to risks with mitigating actions to reduce the potential impacts should any of the risks materialise.

The Board, through the Audit and Risk Committee, regularly reviews the Company's risk register, with a focus on ensuring appropriate controls are in place to mitigate each risk. Taking considered risk is the essence of all business and investment activity.

The Board considers the following to be the principal risks faced by the Company along with the potential impact of these risks and the steps taken to mitigate them.

Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
Exposure to wholesale electricity prices and risk to hedging power prices	The Company makes investments in Assets with revenue exposure to wholesale electricity prices. The market price of electricity is volatile and is affected by a variety of factors, including market demand for electricity, levels of electricity generation, the generation mix of power plants, government support for various forms of power generation and fluctuations in the market prices of commodities and foreign exchange.	Market demand for electricity can be impacted by many factors, including changes in consumer demand patterns, increased usage of smart grids, a rise in demand for electric vehicle charging capacity and residential participation in renewable energy generation. Such changing dynamics could have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares. To the extent that the Company or an SPV enters contracts to fix the price it receives on the electricity generated or enters into derivatives with a view to hedging against fluctuations in power prices, the Company or SPV, may be exposed to risk related to delivering an amount of electricity over a specific period. If there are periods of non-production the Company or an SPV may need to pay the difference between the price it has sold the power at and the market price at that time.	The Investment Manager closely monitors exposure to power price movements. Sensitivity to long term forecasts will be disclosed to investors and the Board on a regular basis. Many assets are expected to have a significant proportion of revenue that is not linked to power price forecasts including subsidies such as feed-in-tariffs. In addition, assets are geographically diverse, spreading exposure across different power markets and price drivers. Short and medium-term exposure to power prices will be managed by locking power prices on a rolling basis. See chart on page 36 for an illustration of the portfolio's current fixed vs merchant revenues.
Exposure to the transactional effects of foreign exchange rate fluctuations and risks of foreign exchange hedging	To the extent the Company invests in non-sterling jurisdictions, it may be exposed to foreign exchange risk caused by fluctuations in the value of foreign currencies when the net income and valuations of those operations in non-Sterling jurisdictions are translated into Sterling for the purposes of financial reporting.	While the Company and SPVs may enter derivative transactions to hedge such foreign exchange rate exposures, there can be no guarantee that the Company and/or SPVs will be able to, or will elect to, hedge such exposures, or that were entered into, will be successful. The Company and/or SPVs may be required to satisfy margin calls in respect of hedges and in certain circumstances may not have such collateral readily available. In these circumstances, the Company could be forced to sell an Asset or borrow further funds to meet a margin call or take a loss on a position. To the extent that the Company and/or SPVs do rely on derivative instruments to hedge exposure to exchange rate fluctuations, they will also be subject to counterparty risk. Any failure by a hedging counterparty to discharge its obligations could have a material adverse effect on the Company's profitability, the NAV and the price of the Ordinary Shares.	Natural hedging of foreign exchange exposure will occur due to an element of costs and debt (for capital structuring purposes) being linked to the local currency. The Company will hedge expected income from foreign assets up to five years in advance.

Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
Non-compliance with the investment trust eligibility conditions under sections S1158/ S1159 of the CTA 2010	As an approved investment trust, the Company is exempt from UK corporation tax on its chargeable gains and capital profits on loan relationships.	If the Company fails to maintain its investment trust status from HMRC, in such circumstances, the Company would be subject to the normal rates of corporation tax on chargeable gains and capital profits arising on the transfer or disposal of investments and other assets. Which could adversely affect the Company's financial performance, its ability to provide returns to its shareholders or the post-tax returns received by its shareholders.	The Company has contracted out the relevant monitoring to appropriately qualified professionals. The Investment Manager also monitors relevant qualifying conditions. The Investment Manager and the Company Secretary report on regulatory matters to the Board on a quarterly basis. The assessment of regulatory risks forms part of the Board's risk management framework.
Construction risks for certain renewable energy projects	SPVs may undertake projects that are in the Construction Phase or are construction ready which may be exposed to certain risks, such as cost overruns, construction delays and construction defects that may be outside the Company's control.	Should completion of any project overrun (both in terms of time and budget), there is a risk that payments may be required to be made to (or withheld by) a counterparty in relation to the delay. If the completion of a project overruns, it would also result in a delayed start to receipt of revenues, which could affect the Company's ability to achieve its target returns, depending on the nature and scale of such delay. Additional costs and expenses, delays in construction or carrying out repairs, failure to meet technical requirements, lack of warranty cover and/ or consequential operational failures or malfunctions may have a material adverse effect on the Company's profitability, the NAV and the price of the ordinary shares.	The Investment Manager will monitor construction carefully and report frequently to the Board and AIFM. The Investment Manager has an experienced asset management team including technical experts to oversee construction projects. The Investment Manager will undertake an extensive due diligence process prior to investment with input from the Board (including technical expertise). Third party experts will be used as required to enhance knowledge and experience.
Reliance on third-party service providers	The Company, whose Board is non-executive, and which has no employees, is reliant upon the performance of third-party service providers for its executive function. The Company relies on the Investment Manager and other service providers and their reputation in the energy and infrastructure market.	The third-party provider may prove to be insufficiently skilled for the role or perform the roles required to an inadequate level, which may cause the Company to underperform, to breach regulations, or in extremis to go into administration.	There are clear service level agreements in place for all third-party providers and provisions are in place that any provider can be replaced, subject to an initial term or a breach of the agreement occurring. They have all been chosen for being skilled and experienced in their areas of expertise. The Board has regular oversight over all the other providers.

Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
Lack of availability of suitable renewable energy projects	Competition for renewable energy projects in the primary investment or secondary investment markets, may result in the Company being unable to make investments or on terms that enable the target returns to be delivered.	If the Investment Manager is unable to source sufficient opportunities within a reasonable timeframe, whether by reason of fundamental change in market conditions creating lack of available opportunities, too much competition or otherwise. A greater proportion of the Company's assets will be held in cash for longer than anticipated and the Company's ability to achieve its Investment Objective may be adversely affected.	The Company has an Investment Manager in place with a strong track record, who continues to strengthen their team to meet investment needs. Through extensive industry relationships the Investment Manager provides access to a significant pipeline of investment opportunities.
Conflicts of interest	The Investment Manager and the AIFM may manage from time-to-time other managed Funds pursuing similar investment strategies to that of the Company and which may be in competition with the Company.	The appointment of the AIFM is on a non-exclusive basis and each of the AIFM and Investment Manager manages other accounts, vehicles and funds pursuing similar investment strategies to that of the Company. This has the potential to give rise to conflicts of interest. The Company may also be in competition with other Downing Managed Funds for Assets. In relation to the allocation of investment opportunities.	The AIFM and the Investment Manager have clear conflicts of interest and allocation policies in place. Transactions where it is perceived that there may be potential conflicts of interest are overseen by the Investment Manager's Conflicts Committee, an independent fairness opinion on valuation may also be commissioned where deemed necessary. The application of allocation policy is reviewed by the Investment Managers Compliance Department, and by the Board on annual basis. Further information on these procedures can be found in the Company's Prospectus dated 12 November 2020.
Risks relating to the technical performance of assets	The long-term performance of the assets acquired does not match the expectations at the time of the acquisition.	Incorrect assumptions against technical performance of assets, or the availability of natural resources may lead to additional costs and expenses, carrying out repairs, or reduced revenues. Any delays or reduction in the production or supply of energy may have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to shareholders.	The Company will appoint third party technical advisors for every transaction. The advisors will undertake a review of the technology, design, installation (if applicable), and natural resource availability and provide an analysis of expected long term generation yields. Where Assets are going through construction, appropriate contractual guarantees will be provided. Operators will often provide guarantees as to the availability or performance of Assets.

Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
Counterparties' ability to make contractual payments	The Company's revenue derives from the renewable energy projects in the portfolio, the Company and its SPVs will be exposed to the financial strength of the counterparties to such projects and their ability to meet their ongoing contractual payment obligations.	The failure by a counterparty to pay the contractual payments due, or the early termination of a PPA by an Offtaker due to insolvency, may materially affect the value of the portfolio and could have a material adverse effect on the performance of the Company, the NAV, the Company's earnings and returns to shareholders.	The Investment Manager will look to build in suitable mechanisms to protect the income stream from the relevant renewable energy projects, which may include parent guarantees and liquidated damages payments on termination. Exposure to defaults may be further mitigated by contracting with counterparties who are public sector or quasi-public sector bodies or who are able to draw upon government subsidies to partly fund contractual payments. As part of the acquisition process, the Investment Manager conducts a thorough due diligence process on all projects.
Risks associated with Cyber Security	There exists an increasing threat of cyber-attack in which a hacker may attempt to access the Company's website or its secure data, or the computer systems that relate to one of its Assets and attempt to either destroy or use this data for malicious purposes.	Increased regulation, laws, rules and standards related to cyber security, could impact the Company's reputation or result in financial loss through the imposition of fines. Suffering a cyber breach will also generally incur costs associated with repairing affected systems, networks and devices. If one or several Assets became the subject of a successful cyber-attack, to the extent any loss or disruption following from such attack would not be covered or mitigated by any of the Company's insurance policies, such loss or disruption could have an adverse effect on the performance of the affected Asset and consequently on the Company's profitability, the NAV and the price of the Ordinary Shares.	Cyber security policies and procedures implemented by key service providers are reported to the Board regularly to ensure conformity. Thorough third-party due diligence is carried out on all suppliers engaged to service the Company. All providers have processes in place to identify cyber security risks and apply and monitor appropriate risk plans.

Further financial risks are detailed in note 16 of the financial statements.

Emerging Risks

Emerging risks are characterised by a degree of uncertainty; therefore, the Investment Manager and the Board consider new and emerging risks every six months. The risk register is then updated to include these considerations. The Board has a process in place to identify emerging risks, such as climate related risks, and to determine whether any actions are required. The Board relies on regular reports provided by the Investment Manager and the Fund Administrator regarding risks that the Company faces. When required, experts are employed to provide further advice, including tax and legal advisers.

Climate Change

Environmental laws and regulations continue to evolve as the UK, Europe and the rest of the world continue to focus their efforts on the goals laid out by the Paris Agreement. In jurisdictions where the Company's Assets are located, newly implemented laws and/or regulations may have an impact on a given Asset's activities.

These laws may impose liability whether or not the owner or operator of the Assets knew of or was responsible. There can be no assurance that environmental costs and liabilities will not be incurred in the future. In addition, environmental regulators may seek to impose injunctions or other sanctions on an Asset's operations that may have a material adverse effect on its financial condition and valuation. Climate change may also have other wide-ranging impacts such as an increased likelihood of market reform, insurance coverage availability and cost.

Climate change may also lead to increased variability in average weather patterns such as periods of increased or reduced wind speeds or rainfall as well as extreme events which may affect the performance of the Company's investments.

Physical Effects of Climate Change

While efforts to mitigate climate change continue to progress, the physical impacts are already emerging in the form of changing weather patterns. Such as the recent heatwaves experienced in North America and recent flash flooding seen throughout the UK and Europe.

Extreme weather events can result in flooding, drought, fires and storm damage, which may potentially impair the operations of existing and future portfolio companies at certain locations or impacting locations of companies within their supply chain.

Transition Risks

Much of the conversation around climate change focuses on environmental impacts, such as rising temperatures and extreme weather events. A big part of climate risk, however, involves transition risk – or the risk that results from changing policies, practices and technologies that arise as countries and societies work to decrease their reliance on carbon. In the near and medium term, transition risks to portfolio investments may arise from any unexpected changes to existing government policies. An increase in renewables build-out ambition without sufficient demand could reduce power price forecasts. This consideration has been built into long term power price assumptions however could have a larger negative impact on the valuation of the Company's assets than forecast.

Going Concern and Viability Statement

Going Concern

The Board, in its consideration of the going concern position of the Company, has reviewed comprehensive cash flow forecasts prepared by the Company's Investment Manager which are based on market data and believes, based on those forecasts, the assessment of the Company's subsidiary's banking facilities and the assessment of the principal risks described in this report, that it is appropriate to prepare the financial statements of the Company on the going concern basis.

In arriving at their conclusion that the Company has adequate financial resources, the Directors were mindful that the Company and its subsidiary had cash of £6.3 million as at 31 December 2023. The Group utilised EUR 49.4 million of its facility with SEB to help fund the additional hydropower acquisitions. There is EUR 19.1 million remaining available to be drawn on this facility. The directors are provided with base cash flow forecasts and potential downside scenarios.

Through its subsidiary, DORE Hold Co Limited, the Company has access to a £40 million RCF, of which £18.6 million has been drawn, the remaining balance is available for either new investments or investment in existing projects and working capital.

The Company's net assets at 31 December 2023 were £212.5 million and total expenses for the period ended 31 December 2022 were £3.2 million, which represented approximately 1.5% of average net assets during the period.

The Directors are satisfied that the Company has sufficient resources to continue to operate for the foreseeable future, a period of 5 years from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Viability Statement

In accordance with Principle 21 of the AIC Code, the Board has assessed the prospects of the Company over a period longer than 12 months required by the relevant 'Going Concern' provisions. In reviewing the Company's viability, the Directors have assessed the viability of the Company for the period to 31 December 2028 (the 'Period'). The Board believes that the Period, being approximately five years, is an appropriate time horizon over which to assess the viability of the Company, particularly when considering the long-term nature of the Company's investment strategy, which is modelled over five years, and the principal risks outlined above. Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue to operate and to meet its liabilities as they fall due over the period to 31 December 2028.

In making this statement, the Directors have considered and challenged the reports of the Investment Manager in relation to the resilience of the Company, taking account of its current position, the principal risks faced in severe but reasonable scenarios, including a stressed scenario, the effectiveness of any mitigating actions and the Company's risk appetite.

Going Concern and Viability Statement continued

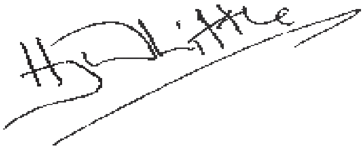
Sensitivity analysis has been undertaken to consider the potential impacts of such risks on the business model, future performance, solvency and liquidity over the period, both on an individual and combined basis. This has considered the achievement of budgeted energy yields, the level of future electricity and gas prices, continued government support for renewable energy subsidy payments and the impact of a downside scenario which includes significant reduction of projects' yields under severe power price and generation volume assumptions.

The Directors have determined that a five-year look forward to December 2028 is an appropriate period over which to provide its viability statement. This is consistent with the outlook period used in medium-term forecasts regularly prepared for the Board by the Investment Manager and the discussion of any new strategies undertaken by the Board in its normal course of business.

These reviews consider both the market opportunity and the associated risks, principally the ability to raise third-party funds and invest capital, or mitigating actions taken, such as a reduction of dividends paid to shareholders or utilisation of additional borrowings available under the RCF.

Board approval of the Strategic Report

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



Hugh W M Little
Chair
10 April 2023

Governance

Board of Directors

Hugh W M Little (Chair)

Hugh was appointed as Chair and Director of the Company on 28 October 2020, as well as serving as Chair of the Company's Management Engagement Committee ("MEC").

Hugh qualified as a chartered accountant in 1982. In 1987 he joined Aberdeen Asset Management ("AAM") and from 1990 to 2006 oversaw the growth of the private equity business before moving into the corporate team as Head of Acquisitions. Hugh retired from AAM in 2015.

In addition to his directorships at Downing Renewables & Infrastructure Trust plc, Hugh serves as a Director of Dark Matter Distillers Limited and as a governor of Robert Gordon's College. In recent years, Hugh has also been Chair of Drum Income Plus REIT plc and CLAN Cancer Support, a local charity. Hugh won the 'Non-Executive Director of the Year' award at the Institute of Directors, Scotland awards ceremony held in 2019.

Joanna Holt (Non-Executive Director)

Joanna was appointed as a Director of the Company on 28 October 2020 and serves as Chair of the Company's Nomination Committee.

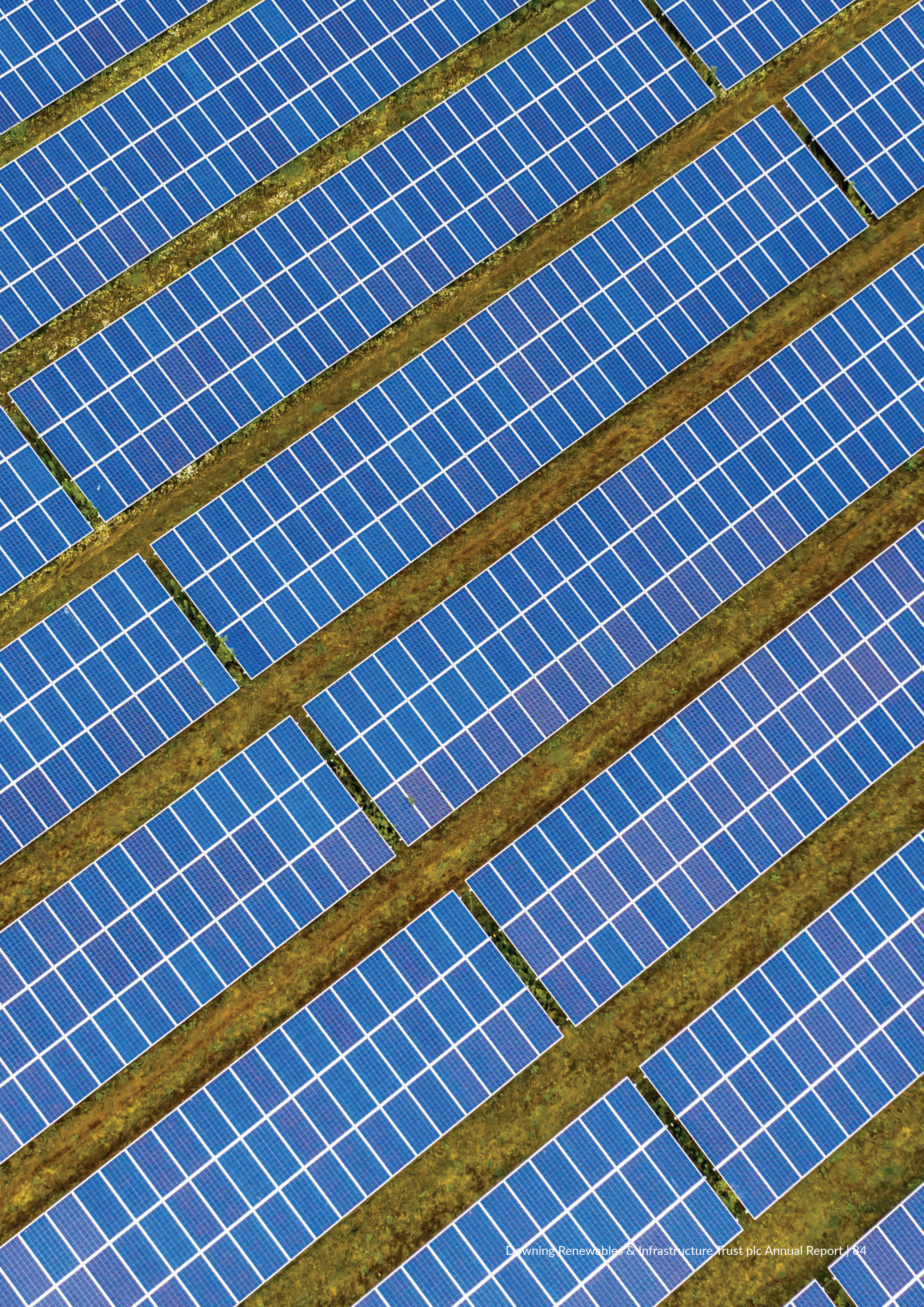
Joanna is a specialist in the technical and commercial elements of energy projects, with over 20 years' experience in renewable energy and flexibility investments, building on her academic engineering background. In 2015, Joanna co-founded international consultancy company Everoze; a company that provides a broad range of engineering and strategic consulting services, as well as the development of other start-ups in this space. Prior to co-founding Everoze, Joanna led the global Project Engineering Group within DNV Renewables and was a member of the DNV Renewable Advisory Board. Joanna's early career included management consultancy (PWC) and project finance (Fortis Bank). Joanna has previously used the name Joanna De Montgros.

Ashley Paxton (Non-Executive Director)

Ashley was appointed as a Director of the Company on 28 October 2020 and serves as Chair of the Company's Audit & Risk and Remuneration Committees.

Ashley has over 30 years of experience serving the funds and financial services industry in London and Guernsey, with deep sectoral experience supporting listed funds. Ashley was a partner with KPMG in the Channel Islands ("C.I.") from 2002 and transitioned from audit to become its C.I. Head of Advisory in 2008; a position he held through to his retirement from the firm in 2019.

Ashley is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW) and a resident of Guernsey. In addition to his directorships at Downing Renewables & Infrastructure Trust plc, he serves as a Director of JZ Capital Partners Limited and as chair of Twentyfour Select Monthly Income Fund Limited, and on a number of other unlisted company boards. He plays an important role in the local third sector as Chair of the Youth Commission for Guernsey & Alderney; a locally based charity delivering high quality targeted services to children and young people to support the development of their social, physical and emotional wellbeing.



Directors' Report

The Directors of the Company are pleased to present their report for the year ended 31 December 2023.

Directors

The Directors who held office during the year and as at the date of this report are detailed on page 83.

Details of the Directors' terms of appointment can be found in the corporate governance statement and the Directors' remuneration report.

Share Capital

The Company was granted authority at the 2023 Annual General Meeting ("AGM") to issue up to 18,458,700 Ordinary Shares (equivalent to 10% of the Company's issued share capital as at the latest practicable date before publication of the Notice of the AGM) on a non-pre-emptive basis until the conclusion of the Company's next AGM in 2024. The Company was also granted additional authority at the 2023 AGM to issue up to 18,458,700 Ordinary shares (equivalent to a further 10% of the Company's issued share capital as at the latest practicable date before publication of the Notice of the AGM) to be used only for the purposes of the financing (or refinancing, if the authority is to be used within 12 months after the original transaction) of an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding 12 month period and is disclosed in the announcement of the allotment, on a non-pre-emptive basis until the conclusion of the Company's next AGM in 2024.

No ordinary shares have been allotted under either authority during the year. As at the date of this report, the Company may allot further ordinary shares up to an aggregate nominal amount of £369,174 under its existing authority (equivalent to 20% of the Company's issued Ordinary Share capital as at the latest date before publication of the Notice of AGM), provided that any amount above 10% is used only in connection with an acquisition or specified capital investment as detailed above.

A special resolution was passed at the 2023 AGM granting the Directors authority to repurchase up to 27,669,664 Ordinary Shares (representing 14.99% of the Company's issued share capital as at the date of the AGM) during the period, expiring on the earlier of the Company's AGM to be held in 2024 or 31 December 2024. This authority will expire at the conclusion of, and renewal will be sought at, the AGM to be on 6 June 2024. Ordinary Shares purchased by the Company may be held in treasury or cancelled. During the year, the Company bought back a total of 4,375,363 Ordinary Shares of 1p each with a nominal value of £43,753.63 at a total cost of £4,065,545. This represented 2.37% of the issued share capital at 31 December 2023. The shares bought back are held in treasury.

As at 31 December 2023, the Company had 184,622,487 Ordinary Shares in issue, 4,375,363 of which were held in treasury. The total voting rights of the Company at 31 December 2023 were 180,247,124.

Subsequent to the year end and up to the date of this Annual Report, the Company bought back 2,544,899 Ordinary Shares of 1p each with a nominal value of £25,449 at a total cost of £2,111,382. This represents 1.38% of the issued share capital as at 31 December 2023. The shares bought back are held in treasury. As at the date of this Annual Report, the Company has 184,622,487 Ordinary Shares in issue, 6,920,262 of which are held in treasury. The total voting rights of the Company at the date of this Annual Report are 177,702,225. No shares have been disposed of from treasury during the year ended 31 December 2023 and up to the date of this Annual Report.

Shareholders' Rights

At general meetings of the Company, ordinary shareholders are entitled to one vote on a show of hands and, on a poll, to one vote for every ordinary share held.

Substantial Shareholdings

The Directors have been informed of the following notifiable interests in the Company's voting rights as at 31 December 2023:

Shareholder	Number of Ordinary Shares	% of Total Voting Rights
Bagnall Energy Limited	27,501,267	15.04
T Choithram & Sons Ltd (UK)	10,000,000	5.41
EFG Private Bank Limited	9,031,331	4.89

Information About Securities Carrying Voting Rights

The following information is disclosed in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and DTR 7.2.6 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules:

- the Company's capital structure and voting rights and details of the substantial shareholders in the Company are set out above;
- proposals to grant powers to the Board to issue and buy back the Company's shares will be set out in the notice of AGM; and
- there are no restrictions concerning the transfer of securities in the Company or on voting rights, no special rights regarding control attached to securities and no agreements between holders of securities regarding their transfer known to the Company.

Dividends and Dividend Policy

Dividends paid in respect of the year ended 31 December 2023 are set out on in note 20 to the financial statements.

The Company will target a dividend of 5.80 pence in respect of the 12 months ending 31 December 2024, a 7.85% increase from 2023. The Company adopts a progressive dividend policy taking into consideration the prevailing inflationary environment. Given the nature of the Company's income streams, the Board expects that this will result in increases to the dividend in the medium term.

The Company pays dividends on a quarterly basis with dividends typically declared in respect of the quarterly periods ending March, June, September and December and paid in June, September, December and March respectively. Dividends on Ordinary Shares shall be declared and paid in Sterling. The Company may, where the Directors consider it appropriate, use the special distributable reserve created by the cancellation of its share premium account to pay dividends. Distributions made by the Company may take either the form of dividend income, or of "qualifying interest income" which may be designated as interest distributions for UK tax purposes.

Significant Agreements

On 3 December 2021, the Company's wholly owned subsidiary, Dore Holdco Limited, executed a £25 million multi-currency revolving credit facility with Santander UK plc, as arranger, agent and security trustee ("Santander"). The RCF was increased from £25 million to £40 million on 26 January 2023. The facility can be extended for a further year at Santander's approval. The facility can be drawn in GBP and EUR (with the Company also able to make use of funding in other currencies). As at the 31 December 2023, drawings and commitments under the Company's Revolving Credit Facility are £18.6 million.

Further details regarding the principal agreements between the Company and its service providers, including the Investment Manager, are set out in note 4 to the financial statements.

Financial Risk Management

Information about the Company's financial risk management objectives and policies is set out in note 16 to the financial statements.

Greenhouse Gas Emissions and Task force on Climate-Related Financial Disclosures

Information about the Company's GHG emissions and the Company's reporting against the TCFD recommendations is set out in the strategic report on pages 56 to 69.

Requirements of the Listing Rules

Listing Rule 9.8.4 requires the Company to include specified information in a single identifiable section of the annual report or a cross reference table indicating where the information is set out. The information required under Listing Rule 9.8.4(7) in relation to allotments of shares is set out on page 85. The Directors confirm that no additional disclosures are required in relation to Listing Rule 9.8.4.

Disclosure of Information to the Auditor

The Directors holding office at the date of this Annual Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Streamlined Energy Carbon Reporting

As the Company has outsourced operations to third parties, there are no significant greenhouse gas emissions to report from the operations of the Company. The Company qualifies as a low energy user due to producing less than 40,000 kWh and is therefore exempt from disclosures on greenhouse gas emissions and energy consumption.

Further detail on the Company's environmental reporting can be seen in the Sustainability Report on pages 44 to 69.

Future Developments

Further information regarding likely future developments in the business of the Company is set out in the Investment Manager's Report on page 28.

Charitable and Political Donations

During the year the Company made a charitable donation of £30,000 (2022: nil) in the UK, to Piddlehinton Gym Limited (Charity number: 1119693) to put towards the repair of the gym's roof. Piddlehinton gym is a community hub closely located to the Company's Bourne Park Solar Farm, which provides facilities to enhance the wellbeing of local residents and the Solar Farm employees.

No political donations were made during the year (2022: nil).

Post Balance Sheet Events

Dividends

On 20 February 2024, The Board declared an interim dividend of 1.345 pence per share with respect to the period ended 31 December 2023.

The Dividend was paid on 28 March 2024 to shareholders on the register on 1 March 2024. The ex-dividend date is 29 February 2024.

Acquisitions

The Company made the following acquisitions throughout the year:

- through its main subsidiary, two operational hydropower plants located in Sweden for £5.1 million;
- a portfolio of operational solar PV assets located in the UK for £12.6 million;
- Mersey Reactive Power in the UK for £11 million; and
- a Swedish Electricity Distribution System Operator for £7 million.
- Operational 1.1 MW hydropower plant located in Iceland for £5 million.
- Five hydropower plants in Sweden for £6 million.

The Directors' Report has been approved by the Board.

By order of the Board

Link Company Matters Limited
Company Secretary
10 April 2024

Corporate Governance Statement

This corporate governance statement forms part of the Directors' report.

Introduction from the Chair

I am pleased to present the corporate governance statement for the year ended 31 December 2023. The Company reports on its compliance with the AIC Code in this statement, as well as how the Board and its committees have operated over the past year and how the Board exercises effective stewardship over the Company's activities in the interests of shareholders. The Board is accountable to shareholders for the governance of the Company's affairs and is committed to upholding the highest level of corporate governance for the Company's long-term success.

The Company assesses its governance standards against the principles and recommendatlons of the AIC Code, as published in 2019, and endorsed by the FRC.

The Board believes that reporting against the principles and recommendations of the AIC Code provides better information to shareholders because it addresses all of the principles set out in the UK Code while also establishing additional principles and recommendations on issues of particular relevance to investment companies. According to the terms of the FRC's endorsement, AIC members who report against the AIC Code and the AIC Guide fully meet their obligations under the UK Code and the related disclosure requirements contained in the FCA's listing rules.

A copy of the AIC Code can be found at www.theaic.co.uk. A copy of the UK Code can be obtained at www.frc.org.uk.

Statement of Compliance with the AIC Code

According to the FCA's listing rules, the Company is required to provide shareholders with a statement on how the AIC Code's main and supporting principles have been applied, as well as whether the Company has complied with the AIC Code's provisions. The Board recognises the importance of a strong corporate governance culture and has established a framework for corporate governance which it considers to be appropriate to the business of the Company as a whole.

It should be noted that, because the Company is an externally managed investment trust, all of its Directors are non-executive, the Company has no internal operations and the majority of the Company's day-to-day responsibilities are delegated to third parties. As a result, the Company has not reported on the UK Code provisions relating to the role of the chief executive, executive remuneration or internal audit, as for the reasons set out in the AIC Guide, the Board considers that these provisions are not relevant to the position of the Company.

The Board has reviewed the principles and recommendations of the AIC Code and considers that it has complied throughout the year, except that Directors are not appointed for a specific term and the Company has adopted a policy of all Directors, including the Chair, standing for annual re-election. The Board is mindful of and will have regard to corporate governance best practice recommendations with respect to the tenure of the Chair and in future succession planning. The Company does not have a Senior Independent Director. The Board believes that the appointment of a Senior Independent Director is not necessary at present given the size of the Company, however this is kept under continual review.

The Principles of the AIC Code

The AIC Code is comprised of 18 Principles and 42 Provisions over five sections covering the following areas:

1. Board Leadership and Purpose;
2. Division of Responsibilities;
3. Composition, Succession and Evaluation;
4. Audit, Risk and Internal Control; and
5. Remuneration

The Board's Corporate Governance Statement sets out how the Company has complied with each of the Principles of the AIC Code.

AIC Code Principle	How the Company Complies
A. A successful company is led by an effective board, whose role is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.	Members of the Board are fully engaged and bring diverse skills to the table fostering healthy debate. The Investment Objective is to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe. As part of this, the opportunities and risks faced by the business are considered, monitored and assessed on a regular basis, both in terms of potential and emerging risks that the Company may face. More detail regarding the principal risks and uncertainties and the sustainability of the business model can be found in the Strategic Report on pages 8 to 82.
B. The Board should establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.	The purpose of the Company is also the Investment Objective which is to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe. The investment processes followed by the Investment Manager is set out on pages 12 to 18. The Board embraces a culture of inclusivity, fairness and responsibility, adopting a responsible governance culture. Transparency and openness are important values both amongst Board members and in the Board's dealings with the Company's stakeholders. The Board assesses and monitors its own culture as part of the annual Board evaluation process, including its policies, practices and behaviour to ensure that it is appropriately aligned to the Company's activities.
C. The Board should ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them. The Board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.	The Board and the Management Engagement Committee regularly review the performance of the Company and the performance and resources of the Investment Manager and other key service providers to ensure that the Company can continue to meet its objectives. The Audit and Risk Committee is responsible for assessing and managing risks. Further information about how this is done can be found in the Audit and Risk Committee Report on pages 106 to 109.

AIC Code Principle	How the Company Complies
D. In order for the Company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties.	The Board understands its responsibilities to shareholders and stakeholders and stakeholder considerations form an important part of decision making. Further information on the Company's engagement with stakeholders is set out in the Section 172 statement on pages 71 to 73. The Board considers the impact any decision will have on all relevant stakeholders to ensure that they are making a decision that promotes the long-term success of the Company, including those in relation to dividends, new investment opportunities and capital requirements. The Directors welcome the views of all shareholders and place considerable importance on communications with them. All shareholders are encouraged to attend the AGM, where they will be given the opportunity to question the Chair, the Board and representatives of the Investment Manager. In addition, the Directors are available to meet shareholders. Shareholders wishing to communicate with the Chair, or any other member of the Board, may do so by writing to the Company Secretary at dorecosec@linkgroup.co.uk. The Management Engagement Committee reviews the performance and continuing appointment of the Company's key service providers annually to ensure that performance levels are satisfactory and any service issues can be discussed, as appropriate.
F. The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all Non-Executive Directors, and ensures that Directors receive accurate, timely and clear information.	The Chair is responsible for leading the Board and is responsible for its overall effectiveness in directing the affairs of the Company. The Chair ensures that all Directors receive accurate, timely and clear information and promotes a culture of openness and debate in Board meetings and within the Company by encouraging and facilitating the effective contribution of other Directors. There is a clear division of responsibilities between the Chair, the Directors, the Investment Manager and the Company's other third-party service providers. The Board meets regularly throughout the year and representatives of the Investment Manager are in attendance, when appropriate, at each meeting and most Committee meetings. The Board has agreed a schedule of matters specifically reserved for decision by the Board which is available on the Company's website. Prior to each Board and Committee meeting, Directors are provided with a comprehensive set of papers giving detailed information on the Company's investment performance, transactions and financial position. All Directors have timely access to all relevant management, financial and regulatory information. The review of the performance of the Chair was carried out during the year by external evaluator Valerie Stogdale of Stogdale St James, the results of which were then discussed with Joanna Holt as the Chair of the Nomination Committee as part of the Board evaluation exercise. The document setting out the role of the Chair is available on the Company's website. This review concluded that the Chair conducts meetings effectively, encourages individual contribution and ensures constructive, rigorous debate. The Chair continues to make significant contributions to the Company, devotes sufficient time to its affairs and displays excellent leadership.

AIC Code Principle	How the Company Complies
G. The Board should consist of an appropriate combination of Directors (and, in particular, independent non-executive Directors) such that no one individual or small group of individuals dominates the Board's decision making.	All of the Directors are non-executive and are independent of the Investment Manager and the other service providers. The Chair, Hugh Little, was independent of the Investment Manager at the time of his appointment in 2020 and remains so. No Director is a director of another investment company managed by the Company's Investment Manager.
H. Non-executive Directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third party service providers to account.	As part of the Board evaluation process, the contributions of each Director, as well as their time commitments are considered and reviewed. The Directors' other commitments are regularly reviewed, and any new appointments are considered by the other Directors to ensure there is no conflict of interest or risk of over boarding. Following the Board evaluation, it was concluded that each Director provides appropriate levels of challenge and provided the Company and the Investment Manager with strategic guidance and specialist advice when required. The Management Engagement Committee reviews the performance and cost of the Company's third-party service providers on an annual basis. More information regarding the work of the Management Engagement Committee can be found on pages 104 to 105.
I. The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.	The Directors have access to the advice and services of the Company Secretary through its appointed representatives and the Company Secretary is responsible to the Board for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. The Company Secretary is also responsible for ensuring good information flows between all parties.
Composition, succession and evaluation	
J. Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	The Board has established a Nomination Committee, comprising all Directors. This Committee will lead the appointment process of new Directors as and when vacancies arise and as part of the Directors' ongoing succession planning. More information regarding the work of the Nomination Committee can be found on pages 100 to 103. In accordance with the AIC Code, the Board is comprised of a mixture of individuals who have an appropriate balance of skills and experience to meet the future opportunities and challenges facing the Company. Appointments are made first and foremost on the basis of merit and taking into account the recognised benefits of all types of diversity. The Board ensures that diversity is an important consideration and part of the selection criteria used to assess candidates to achieve a balanced Board. The Company's policy on diversity can be found on pages 100 to 103.

AIC Code Principle	How the Company Complies
K. The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.	The Directors bring a wide range of skills, experience and knowledge to the Board. Further details are set out in their biographies on page 83. The Directors' skills, experience and knowledge are reviewed as part of the annual Board evaluation process. When considering new appointments in future, the Board will review the skills of the Directors and seek to add persons with complementary skills or who possess skills and experience which fill any gaps in the Board's knowledge or experience and who can devote sufficient time to the Company to carry out their duties effectively.
L. Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.	The Board conducted an external Board evaluation for the period under review, further information on which can be found in the Nomination Committee report on page 102. The Nomination Committee considers the findings of the evaluation process when making a recommendation to the Board regarding the election and re-election of Directors. Following this review, the Board is satisfied that the structure, mix of skills and operation of the Board is effective and relevant and that each Director continues to demonstrate the appropriate skills, experience and commitment to contribute effectively to the Board. It is therefore recommended that shareholders vote in favour of the election of all the Directors at the AGM to be held in June 2024. Further information regarding the proposed election of each Director can be found in the Notice of AGM.
Audit, risk and internal control	
M. The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements.	The Audit and Risk Committee ensures that any work outside the scope of the standard audit work requires prior approval by the Audit and Risk Committee. This enables the Committee to ensure that the Auditor remains fully independent. The Audit and Risk Committee carries out a review of the performance of the Auditor on an annual basis. Feedback from other third parties, including the Investment Manager, is included as part of this assessment to ensure that the Audit and Risk Committee takes into account the views of different parties who have a close working relationship with the Auditor. Further information regarding the work of the Audit and Risk Committee can be found on page 106.
N. The Board should present a fair, balanced and understandable assessment of the Company's position and prospects.	The Board, through the Audit and Risk Committee, has considered the Annual Report and financial statements as a whole and agreed that the document presents a fair, balanced and understandable assessment of the Company's position and prospects.
O. The Board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.	The Audit and Risk Committee reviews reports from the principal service providers on compliance and the internal and financial control systems in operation and relevant independent audit reports thereon. The Audit and Risk Committee has carried out an annual review of the effectiveness of the Company's systems of internal control. Given the nature of the business, and being an Investment Trust, the Company is reliant on its service providers and their own internal controls. The Audit and Risk Committee reviews the control systems in operation at the Company's key service providers on an annual basis, insofar as they relate to the affairs of the Company. As set out in more detail in the Audit and Risk Committee on pages 106 to 109 the Company has in place a detailed system for assessing the adequacy of those controls.

AIC Code Principle	How the Company Complies
P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.	As outlined in the Remuneration Policy on page 114, the Company follows the recommendation of the AIC Code that non-executive Directors' remuneration should reflect the time, commitment and responsibilities of the role. The Company's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole and be determined with reference to comparable organisations and appointments. Directors are not eligible for bonuses, share options, long-term incentive schemes or other performance-related benefits as the Board does not believe that this is appropriate for non-executive Directors. The Remuneration Policy is therefore designed to attract and retain high quality Directors, whilst ensuring that Directors remain focused and incentivised to promote the long-term sustainable success of the Company. All Directors hold shares in the Company, all of which were purchased in the open market and using the Directors' own resources. More information regarding the work of the Remuneration Committee can be found in the Remuneration Report and Policy which are set out on pages 110 to 114.
Q. A formal and transparent procedure for developing policy on remuneration should be established. No Director should be involved in deciding their own remuneration outcome.	The Remuneration Policy has been developed with reference to the Company's peer group and the principles of the AIC Code. There are agreed Directors' remuneration levels for the non-executive Directors (irrespective of experience or tenure), for the Audit and Risk Committee Chair and for the Chair of the Company. Any changes to the Chair's fee is considered by the Remuneration Committee as a whole, with the exception of the Chair who excuses himself for this part of the meeting.
R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.	Any decision regarding remuneration is taken after considering the performance of the Company and wider market conditions and circumstances.

Board of Directors

Under the leadership of the Chair, the Board of Directors is collectively responsible for the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. It provides overall leadership, sets the strategic aims of the Company and ensures that the necessary resources are in place for the Company to meet its objectives and fulfil its obligations to shareholders, within a framework of high standards of corporate governance and effective internal controls. The Directors are responsible for the determination of the Company's Investment Policy and investment strategy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Investment Manager.

The Board consists of three non-executive Directors. It seeks to ensure that it has an appropriate balance of skills and experience, and considers that, collectively, it has substantial recent and relevant experience of investment trusts and financial and public company management. The Chair of the Audit and Risk Committee, Ashley Paxton, has recent and relevant financial experience as set out in his biography on page 83.

The terms and conditions of the appointment of the Directors are formalised in letters of appointment, copies of which are available for inspection from the Company's registered office. None of the Directors has a contract of service with the Company nor has there been any other contract or arrangement between the Company and any Director at any time during the year. Directors are not entitled to any compensation for loss of office.

Board Operation

The Directors have adopted a formal schedule of matters specifically reserved for the approval of the Board. These include the following:

> approval of the Company's Investment Policy, long-term objectives and investment strategy;

> approval of acquisitions from, divestments to, or co-investments by the Company with other funds which are managed by the Investment Manager;

> approval of Annual and Interim Reports and financial statements and accounting policies, prospectuses, circulars and other shareholder communications;

> approval of the raising of new capital and major financing facilities;

> approval of dividends and the Company's dividend policy;

> Board appointments and removals;

> appointment and removal of the Investment Manager, AIFM, Auditor and the Company's other service providers; and

> approval of the Company's operating budgets.

Board Meetings

The Company has four scheduled Board meetings a year, with additional meetings arranged as necessary.

At each Board meeting, the Directors follow a formal agenda which is circulated in advance by the Company Secretary. The Investment Manager, Fund Administrator, AIFM and Company Secretary regularly provide the Board with financial information, including an annual expenses budget, together with briefing notes and papers in relation to changes in the Company's economic and financial environment, statutory and regulatory changes and corporate governance best practice.

At each Board meeting, representatives from the Investment Manager are in attendance to present reports to the Directors covering the Company's current and future activities, portfolio of assets and its investment performance over the preceding period. The Board and the Investment Manager operate in a fully supportive, co-operative and open environment and ongoing communication with the Board is maintained between formal meetings.

Committees

The Board has established four committees to assist its operations: the Audit and Risk Committee, the Management Engagement Committee, the Remuneration Committee and the Nomination Committee. The delegated responsibilities of each committee are clearly defined in formal terms of reference, which are available on the Company's website.

Given the size and nature of the Board it is felt appropriate that all Directors are members of all committees.

Audit and Risk Committee

The Audit and Risk Committee meets at least twice a year and is chaired by Ashley Paxton.

The Committee ensures that the Company's financial performance is properly monitored, controlled and reported. The Committee has direct access to the Company's Auditor and provides a forum through which the Auditor reports to the Board. Representatives of the Auditor attend the scheduled meetings of the Committee.

Further details about the Audit and Risk Committee and its activities during the year under review are set out on pages 106 to 109.

Nomination Committee

The Nomination Committee meets once a year and is chaired by Joanna Holt. The Committee oversees Board recruitment and succession planning and the annual Board evaluation process. Given the limited size of the board, the entity feels it's appropriate to have all members of the board fulfil the role.

Further details about the Nomination Committee and its activities during the year under review are set out on pages 100 to 103.

Management Engagement Committee

The Management Engagement Committee meets once a year and is chaired by Hugh Little. The Committee reviews the performance and continuing appointment of the Investment Manager and the Company's other principal service providers.

Further details about the Management Engagement Committee and its activities during the year under review are set out on page 104.

Remuneration Committee

The Remuneration Committee meets once a year and is chaired by Ashley Paxton. The Committee conducts an annual review of the remuneration of the Directors. Given the limited size of the board, the entity feels it's appropriate to have all members of the board fulfil the role.

Further details about the Remuneration Committee and its activities during the year under review are set out on pages 110 to 114.

Corporate Governance Statement continued

Meeting Attendance

The number of Board and Committee meetings held during the period ended 31 December 2023 and the attendance of the individual Directors is shown below:

	Board		Audit and Risk Committee		Nomination Committee		Remuneration Committee		Management Engagement Committee	
	Number of meetings held	Number attended	Number of meetings held	Number attended	Number of meetings held	Number attended	Number of meetings held	Number attended	Number of meetings held	Number attended
Hugh Little	4	4	4	4	1	1	1	1	4	4
Ashley Paxton	4	4	4	4	1	1	1	1	4	4
Joanna Holt	4	4	4	4	1	1	1	1	4	3

During the financial year ended 31 December 2023, the Company held additional ad hoc Management Engagement Committee meetings to discuss the change of the Company's AIFM.

Induction of New Directors

A procedure for the induction of new Directors has been established, including the provision of an induction pack containing relevant information about the Company, its processes and procedures. New appointees have the opportunity of meeting with the Chair, relevant persons at the Investment Manager, the Company Secretary and the Company's other service providers.

Election/Re-election of Directors

Under the Company's Articles of Association and in accordance with the AIC Code, Directors are required to retire at the first AGM following their appointment. Thereafter, at each AGM all Directors will seek annual re-election. Following the formal performance evaluation as detailed later on in this report, the Board strongly recommends the re-election of each of the Directors based on their experience and expertise in investment matters, their independence and continuing effectiveness and commitment to the Company.

Conflicts of Interest

It is the responsibility of each individual Director to avoid an unauthorised conflict of interest situation arising. The Director must request authorisation from the Board as soon as he/she becomes aware of the possibility of an interest that conflicts, or might possibly conflict, with the interests of the Company ("situational conflicts"). The Company's Articles of Association authorise the Board to approve such situations, where deemed appropriate.

A register of conflicts is maintained by the Company Secretary and is reviewed at Board meetings, to ensure that any authorised conflicts remain appropriate. The Directors are required to confirm at these meetings whether there has been any change to their position.

The Board is responsible for considering Directors' requests for authorisation of situational conflicts and for deciding whether or not the situational conflict should be authorised. The factors to be considered will include:

> whether the situational conflict could prevent the Director from properly performing their duties;

> whether it has, or could have, any impact on the Company; and

> whether it could be regarded as likely to affect the judgement and/ or actions of the Director in question.

When the Board is deciding whether to authorise a conflict or potential conflict, only Directors who have no interest in the matter being considered are able to take the relevant decision, and in taking the decision, the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate in the circumstances.

Insurance and Indemnity Provisions

The Board has agreed arrangements whereby Directors may take independent professional advice in the furtherance of their duties. The Company has Directors' and Officers' liability insurance, public offering of securities insurance and professional indemnity insurance to cover legal defence costs. Under the Company's Articles, the Directors are provided, subject to the provisions of UK legislation, with an indemnity in respect of liabilities which they may sustain or incur in connection with their appointment. This indemnity was in force during the year and remains in force as at the date of this report. Apart from this, there are no third-party indemnity provisions in place for the Directors.

Performance Evaluation of the Board

The Directors are aware that they need to continually monitor and improve performance and recognise that this can be achieved through regular Board evaluation, which provides a valuable feedback mechanism for improving Board effectiveness. For the period under review, the Directors opted to engage Valerie Stogdale of Stogdale St James to undertake an external performance evaluation of the Board and of the Chair. The evaluation was specifically designed to assess the strengths and independence of the Board and the Chair, individual Directors and the performance of the Committees. The process is also intended to analyse the focus of Board meetings and assess whether they are appropriate, or if any additional information may be required to facilitate Board discussions. The evaluation of the Chair is carried out by the other Directors of the Company, led by the Chair of the Nomination Committee. The Chair acts on the results of the evaluation by recognising the strengths and addressing any weaknesses of the Board as appropriate. The results of the Board evaluation process were presented to the Board by Valerie Stogdale and discussed in detail by the Board as a whole. The evaluation process is carried out annually. Further information on the Board evaluation can be found in the Nomination Committee report on page 102.

Following the evaluation process conducted during the year under review, the Board considers that all current Directors contribute effectively and have the skills and experience relevant to the leadership and direction of the Company. The Board has satisfied itself that the Directors have enough time to devote to the Company's affairs.

Internal Control Review

The Board is responsible for the systems of internal controls relating to the Company, including the reliability of the financial reporting process and for reviewing the systems' effectiveness. The Directors have reviewed and considered the guidance supplied by the FRC on risk management, internal control and related finance and business reporting and an ongoing process has been established for identifying, evaluating and managing the principal risks faced by the Company. This process, together with key procedures established with a view to providing effective financial control, was in place during the year under review and at the date of this report.

The internal control systems are designed to ensure that proper accounting records are maintained, that the financial information on which business decisions are made and which is issued for publication is reliable, and that the assets of the Company are safeguarded.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's objectives. It should be recognised that such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Directors have carried out a review of the effectiveness of the systems of internal control as they have operated over the year and up to the date of approval of the report and financial statements. There were no matters arising from this review that required further investigation and no significant failings or weaknesses were identified.

Internal Control Assessment Process

Robust risk assessments and reviews of internal controls are undertaken regularly in the context of the Company's overall Investment Objective.

In arriving at its judgement of what risks the Company faces, the Board has considered the Company's operations in light of the following factors:

> the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;

> the threat of such risks becoming reality;

> the Company's ability to reduce the incidence and impact of risk on its performance;

> the cost to the Company and benefits related to the review of risk and associated controls of the Company; and

> the extent to which third parties operate the relevant controls.

A risk matrix has been produced against which the risks identified and the controls in place to mitigate those risks can be monitored. The risks are assessed based on the likelihood of them happening, the impact on the business if they were to occur and the effectiveness of the controls in place to mitigate them. This risk matrix is reviewed twice a year by the Audit and Risk Committee and at other times as necessary. The principal risks that have been identified by the Board are set out on pages 74 to 79.

Nomination Committee Report

I am pleased to present the Nomination Committee Report for the year ended 31 December 2023.

Meetings

The Nomination Committee (the "Committee") comprises all Directors of the Company and met once during the year. Given the limited size of the board, the entity feels it's appropriate to have all members of the board fulfil the role.

Responsibilities of the Committee

The primary responsibilities of the Committee are as follows:

- to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board;
- to give full consideration to succession planning for Directors in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- to identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- to review the results of the Board performance evaluation process that relate to the composition of the Board; and
- to review annually the time required from non-executive Directors.

The Committee's terms of reference are available on the Company's website. The Committee's meeting attendance is set out on page 97.

Appointment of New Directors

The Committee regularly reviews the composition and effectiveness of the Board and its committees with the objective of ensuring that there is the appropriate balance of skills and experience required to meet the current and future opportunities and challenges facing the Company.

During the year, the Committee led a formal process to appoint a fourth Director to the Board. The Committee conducted interviews of a shortlist of candidates, provided by external recruitment consultant, Nurole Ltd. Nurole Ltd is independent and has no connection with the Company or any individual Director. As part of the recruitment process, the Committee actively considered a range of factors, including the expertise and experience required in a prospective candidate and the diversity of the Board, with particular reference to the LR 9.8.6R (9) targets on diversity and inclusion, as set out in the Board Diversity Policy below. To date an appointment has not been made as the Board has not yet identified a candidate that meets the required criteria. Recruitment will be further reviewed throughout 2024.

Diversity Policy

In accordance with the AIC Code, the Board is comprised of a mixture of individuals who have an appropriate balance of skills and experience to meet the future opportunities and challenges facing the Company. Appointments are made on the basis of merit and objective criteria designed to promote diversity of gender, social background, ethnicity, age, sexual orientation, disability, and professional and industry specific knowledge, all of which are important considerations in ensuring that the Board and its committees have the right balance of skills, experience, independence and knowledge to carry out their responsibilities.

The Board supports the introduction of diversity and inclusion targets in the FCA Listing Rules:

a) at least 40% of individuals on the Board are to be women;

b) at least one senior Board position is to be held by a woman; and

c) at least one individual on the Board is to be from a minority ethnic background.

The Board continues to develop succession plans to increase diversity on the Board; however, it also recognises that the size of the Board should be considered alongside the Company's specific needs. Diversity of thought, skills and experience was a key focus for Board selection at IPO and subsequently, and Board composition is felt to be well-rounded and commensurate for the Company's present needs. As the Company continues to grow, any future Board and Committee appointments will, to the extent possible, be made with due consideration to the recommendations of the FTSE Women Leaders Review, the Parker Review and the Financial Conduct Authority's Listing Rule 9.8.6R (9), alongside the established needs of the Company.

The Board recognises that being a recently formed Board of a small size makes it more challenging to achieve the diversity targets in the short term and as such, the Board is not currently compliant with the targets under LR 9.8.6R (9). However, as detailed above, it has strongly considered diversity as part of its recruitment process for an additional Director.

The following tables, show the gender and ethnic background of the Directors as of the date of this report, in accordance with Listing Rule 9 Annex 2.1.

	Gender identity or sex		
	Number of Board members	Percentage on the Board	Number of senior positions on the Board
Men	2	66.6%	
Women	1	33.3%	Not applicable*
Not specified/prefer not to say	0	0	

	Ethnic background		
	Number of Board members	Percentage on the Board	Number of senior positions on the Board
White British or other White (including minority white groups)	3	100%	1
Mixed/Multiple Ethnic Groups	0	0	0
Asian/Asian British	0	0	0
Black/African/Caribbean/Black British	0	0	0
Other ethnic group, including Arab	0	0	0
Not specified/prefer not to say	0	0	0

The data in the above tables was collected through self-reporting by the Directors.

* This column is inapplicable as the Company is externally managed and does not have executive management functions, specifically it does not have a CEO or CFO.

Succession Planning

The Board recognises that an effective and orderly succession plan for the Board, ensuring the right mix of skills and experience of future Board members, is vital. All three Directors were appointed at the same time at IPO and the Committee is mindful of the need for orderly succession planning to avoid significant change to Board membership in a short timeframe. To ease the process of succession, interim reviews of the succession process and earlier tenure end dates will be considered in ongoing annual reviews. The Committee considered succession planning throughout the year.

Performance Evaluation of the Board

In respect of the review of performance of the Board for the year ended 31 December 2023, the Board engaged Valerie Stogdale of Stogdale St James ("Stogdale") to conduct the evaluation. Stogdale is independent and has no connection with the Company or any individual Director.

Stogdale assessed the performance of the Board, the individual Directors and the Chair, as well as the effectiveness of the Company's Committees. In particular the evaluation focussed on board composition, succession planning, investment strategy and performance, risk management, and stakeholder and external relations.

All Directors and the Company Secretary completed a questionnaire and were interviewed via videoconference. Additional interviews were also held with the Company's Broker, Singer Capital Markets, and the Company's Investment Manager, Downing LLP. Stogdale attended the Board and Committee meetings in November 2023 as an observer.

Stogdale issued a formal report to the Chair and the Chair of the Nomination Committee (in the place of a Senior Independent Director) and then presented the results of the evaluation to the full Board via videoconference. The results of the evaluation indicated that the DORE Board is competent, operates effectively, and functions harmoniously and diligently. The Chair leads the Board effectively with professional competence and encourages effective contributions amongst Directors without constraint. Areas identified with scope for improvement, included the development of a comprehensive induction process for any new appointments to the Board, as well as *ongoing refinement of succession planning.*

Further information on the performance evaluation of the Board can be found in the Corporate Governance Statement on page 98.

Tenure Policy and Re-election of Directors

The Board is mindful of, and will have regard to, corporate governance best practice recommendations with respect to the tenure of the Chair and in future succession planning, as appropriate. Directors are not appointed for a specific term and the Company has adopted a policy of all Directors, including the Chair, standing for annual re-election. The Committee has considered each Directors' performance and concluded that each Director continues to demonstrate the appropriate skills, experience and commitment to contribute effectively to the Board, and has sufficient time to allocate to their role. The Committee has recommended to the Board that all Directors be re-elected at the Company's 2024 AGM.

Joanna Holt
Chair of the Nomination Committee
10 April 2024

Management Engagement Committee Report

I am pleased to present the Management Engagement Committee Report for the year ended 31 December 2023.

Meetings

The Management Engagement Committee (the "Committee") comprises all Directors of the Company and met four times during the year. The usual cycle of business is for the Committee to meet once per year, but additional meetings were held to discuss the appointment of the Company's Alternative Investment Fund Manager ("AIFM").

Responsibilities of the Committee

The primary responsibilities of the Committee are as follows:

> to monitor and evaluate the performance of the Investment Manager and its compliance with the terms of the Investment Management Agreement;

> to monitor and evaluate the performance of the AIFM and its compliance with the terms of the AIFM agreement;

> to consider the appropriateness of the Investment Management Agreement, that it is fair, complies with all regulatory requirements, conforms with market and industry practice and remains in the best interests of shareholders;

> to consider the appropriateness of the AIFM agreement, that it is fair, complies with all regulatory requirements, conforms with market and industry practice and remains in the best interests of shareholders;

> to consider and review the level and method of remuneration of the Investment Manager and the AIFM pursuant to the terms of their respective agreements with the Company;

> to consider the continuing appointment of the Investment Manager and AIFM and make recommendations to the Board; and

> to review the performance and services provided by the Company's other service providers and consider whether the continuing appointment of such service providers under the terms of their agreements are in the interests of shareholders as a whole, and make recommendations to the Board.

The Committee's terms of reference are available on the Company's website. Committee meeting attendance is set out on page 97.

Continuing Appointment of the Investment Manager

The Board, through the Committee, keeps the performance and continuing appointment of the Investment Manager under continual review. The Committee conducts an annual review of the Investment Manager's performance and makes a recommendation to the Board about its continuing appointment.

Management Engagement Committee Report continued

The Directors consider that the Investment Manager has executed the Company's investment strategy according to the Board's expectations. Accordingly, the Board believes that the continuing appointment of Downing LLP as the Investment Manager of the Company, on the terms agreed, is in the best interests of the Company and its shareholders.

Change of AIFM

As part of the ongoing review of the performance and continuing appointment of the Company's AIFM and other service providers, a decision was made during the year to change the Company's AIFM from Gallium Fund Solutions Limited to JTC Global AIFM Solutions. The Company's Fund Administrator was also changed from Gallium P E Depositary Limited to JTC (UK) Limited. Following a period of transition covering an agreed notice period, the changes effect on 1 February 2024. Further information can be found on page 16.

Hugh W M Little
Chair of the Management Engagement Committee
10 April 2024

Audit and Risk Committee Report

I am pleased to present the Audit and Risk Committee Report for the year ended 31 December 2023.

Meetings

The Audit and Risk Committee (the "Committee") comprises all Directors of the Company and met four times during the year ended 31 December 2023 and twice post year end.

As Hugh Little was independent on appointment and provides significant contribution to the Committee meetings, the Directors believe it is appropriate for him to be a member of the Committee, despite his role as Chair of the Board.

Responsibilities of the Committee

The primary responsibilities of the Committee are as follows:

> to monitor the integrity of the financial statements of the Company including its annual and interim reports and any other formal announcements relating to its financial performance;

> to review and report to the Board on any significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the Auditor;

> to review the content of the annual report and financial statements and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides shareholders with sufficient information to assess the Company's position and performance, business model and strategy;

> to keep under review the Company's internal financial controls and review the adequacy and effectiveness of the Company's internal control and risk management systems and monitor the proposed implementation of such controls;

> to assess the current position of the Company's emerging and principal risks, including those that would threaten its business model, future performance, solvency or liquidity and reputation, and how they are managed and mitigated, and the prospects of the Company over such period as deemed appropriate;

> to manage the relationship with the Company's external Auditor, including reviewing the Auditor's remuneration, independence and performance and make recommendations to the Board as appropriate;

> to review the Auditor's independence and objectivity and the effectiveness and quality of the audit process; and

> to consider annually whether there is a need for the Company to have its own internal audit function.

Activities in the Year

> conducted a review of the internal controls and risk management systems of the Company;

> agreed the plan and fees with the Auditor in respect of their private report on its limited review of the half-year financial statements for the period ended 30 June 2023 and the statutory audit of the Annual Report for the year ended 31 December 2023, including the principal areas of focus;

> reviewed the Company's interim and annual financial statements and recommended these to the Board for approval;

> reviewed the methodology and assumptions applied in valuing the assets of the Company;

> reviewed whether an internal audit function would be of value and concluded that this would provide minimal additional comfort at considerable extra cost to the Company;

> reviewed the continued application adoption of the investment entity accounting standard; and

> reviewed the viability statement.

Significant issues

The Committee considered the following key issues in relation to the Company's financial statements during the year. A more detailed explanation of the consideration of the issues set out below, and the steps taken to manage them, is set out in the Principal Risks and Uncertainties on pages 74 to 79.

Valuation of Investments

The valuation of the Company's investments, held through DORE Hold Co Limited, is the key driver of the Company's Gross Asset Value and discounted cash flow modelling is typically used to determine their carrying values. Inherent in these models are the discount rates used, which have been selected and recommended by the Investment Manager. On an ongoing basis the Committee considers and challenges the subjectivity and appropriateness of the discount rates and other assumptions used with the Investment Manager relating to all of the Company's investment holdings.

Given the importance of ensuring the Company's investments have been correctly stated, the Committee also discussed the valuation of the Company's investments with its auditor both at the planning stage and as part of the completion of their audit, and detailed consideration has been given (amongst other aspects) to challenging the selection and application of key assumptions used in the models including the discount rates, inflation, asset lives, energy yields and power prices applied.

The Committee is satisfied that the valuation methodology used for the Company's investments is appropriate.

Internal controls

The Committee considers the process for managing the risk of the Company and its service providers on an ongoing basis. The Company's risk matrix continues to be the core element of the Company's risk management to help manage these risks and is formally reviewed by the Committee each quarter. This consideration includes identification of any new risks as well as any changes to the likelihood and impact of previously identified risks against the controls in place to mitigate their impact.

The Committee has also considered the need for an internal audit function. The Committee has decided that the systems and procedures employed by the Investment Manager and the Company's other service providers provide sufficient assurance, that the control environment to safeguard the Company's assets, is properly maintained. An internal audit function specific to the Company is therefore not considered necessary.

Going concern and longer term viability of the Company

The Committee has considered the Company's financial requirements for the next 12 months, as well as the longer term viability covering a five year period to 31 December 2028. Based on this assessment the Committee have a reasonable expectation that the Company will be able to continue to operate and to meet its liabilities as they fall due over the period to 31 December 2028. Additional information can be found on pages 80 and 81.

Adoption of Investment entity accounting standard

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

The Directors have reviewed the criteria and are satisfied that the Company meets the criteria of an Investment Entity under IFRS 10. As explained in note 2 to the financial statements, the Directors are of the opinion that the Company meets the requirements of an "Investment Entity". Assessing whether the Company and certain subsidiaries met the criteria of Investment Entities, in accordance with the definition set out in IFRS 10 was seen as a key judgement. The Committee debated the appropriateness of adopting the standard with the Investment Manager and external Auditor. The Committee concluded that applying the investment entity exemption to IFRS 10 improves stakeholders' understanding of the financial performance and position of the Group.

The Company's viability statement can be found on page 80.

Audit fees and non-audit services provided by the Auditor

The Committee reviewed the audit plan and fees presented by the Auditor and considered its report on the financial statements. Total fees for the year payable to the Auditor amounted to £188,088 (2022: £312,000). This figure includes non-audit fees of £10,000 (2022: £157,500).

All non-audit services provided by the Auditor during the year were approved in advance by the Committee and Directors. Further information on the fees paid to the Auditor is set out in note 6 to the financial statements.

Effectiveness of the external audit

The Committee reviews the effectiveness of the external audit carried out by the Auditor on an annual basis. The Chair of the Committee maintained regular contact with the Company's Audit Partner holding separate meetings with them regularly throughout the year including at the planning stage, and prior to the finalisation of the audit of the Annual Report and financial statements for the year ended 31 December 2023. These meetings were held without the Investment Manager present, to discuss the planning of the audit, the key areas of focus, and the initial findings from such audit and whether any issues had arisen from the Auditor's interaction with the Company's various service providers.

Independence and objectivity of the Auditor

The Committee has considered the independence and objectivity of the Auditor and has conducted a review of the non-audit services the Auditor has provided during the year under review. The Committee receives an annual confirmation from the Auditor that its independence is not compromised by the provision of such non-audit services. Peter Smith is the Audit Partner allocated to the Company by BDO LLP. The audit of the financial statements for the year ended 31 December 2023 is his third as Audit Partner. The Committee is satisfied that the Auditor's objectivity and independence is not impaired by the performance of their non-audit services and that the Auditor has fulfilled its obligations to the Company and its shareholders.

Re-appointment of the Auditor

Following a review of the Auditor's performance, services provided during the year, and independence and objectivity, the Committee has recommended to the Board that BDO LLP be re-appointed as the Company's Auditor. The approval for the re-appointment of BDO as Auditor will be sought from shareholders at the Company's Annual General Meeting on 6 June 2024.

Ashley Paxton

Chair of the Audit and Risk Committee
10 April 2024

Directors’ Remuneration Report

Statement from the Chair of the Remuneration Committee

I am pleased to present the Directors’ Remuneration Report for the year ended 31 December 2023.

As set out in the Corporate Governance statement on pages 89 to 99, the Remuneration Committee (“the Committee”) comprises all Directors and met once during the year ended 31 December 2023. Given the limited size of the board, the entity feels it’s appropriate to have all members of the board fulfil the role.

During the year ended 31 December 2023, the annual fees were set at the rate of £55,000 for the Chair, £45,000 for the Chair of the Audit and Risk Committee and £40,000 for a Director.

At its meeting in November 2023, the Committee compared Directors’ remuneration to that of the Company’s peer group and the average for similar-sized investment trusts. The Committee also reviewed the Trust Associates 2023 Newsletter on Investment Company Non-Executive Directors’ Fees. The Committee agreed that Directors’ fees remained appropriate and therefore there has been no change to the Directors’ fees during the year.

The Remuneration Policy will be implemented in the same manner as it was in the previous financial year. There are no planned changes to the Remuneration Policy in 2024.

Responsibilities of the Committee

The main functions of the Committee include:

- agreeing the policy for the remuneration of the Directors and reviewing and proposing changes to the policy;
- reviewing and considering ad hoc payments to the Directors in relation to duties undertaken over and above normal business; and
- appointing independent professional remuneration advisers.

Directors’ Fee Levels

	Expected fees for the year ending 31 December 2024	Fees for the year ended 31 December 2023
Chair	£55,000	£55,000
Chair of the Audit and Risk Committee	£45,000	£45,000
Director	£40,000	£40,000

The approval of shareholders would be required to increase the aggregate limit for Directors’ fees of £300,000 per annum, as set out in the Company’s articles of association.

Voting at the AGM

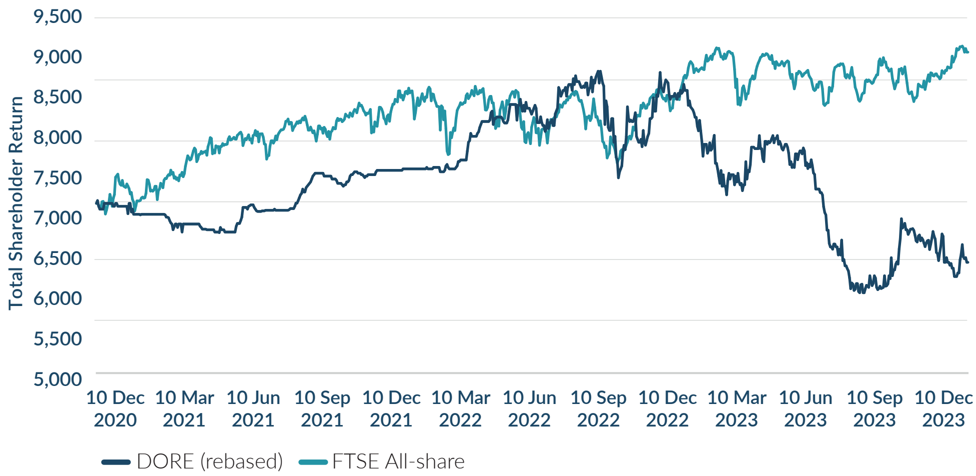
The Directors' Remuneration Report is put to a shareholder vote on an annual basis. The Directors' Remuneration Policy is put to a shareholder vote in the first year of a Company or in any year where there is to be a change to the policy and, in any event, at least once every three years. The Company's Remuneration Report was approved by shareholders at its AGM on 8 June 2023, and the Remuneration Policy was approved by shareholders at its AGM on 6 April 2022. There will be no changes to the policy this year. An ordinary resolution will be put to shareholders at the upcoming AGM in June 2024 to receive and approve the Directors' Remuneration Report for the year ended 31 December 2023.

The votes cast were as follows:

	Directors' Remuneration Report (AGM 2023)		Directors' Remuneration Report (AGM 2022)	
	Number of votes	% of votes cast	Number of votes	% of votes cast
For	86,051,648	99.82	52,151,106	99.82
Against	151,154	0.18	96,528	0.18
Total votes cast	86,202,802	100	52,247,634	100
Number of votes withheld	44,098	–	26,825	–

Performance of the Company

The Company does not have a specific benchmark but has deemed the FTSE All-Share Index to be the most appropriate comparator for its performance. This graph has been chosen as a comparison as it is a publicly available broad equity index which focuses on smaller companies and is therefore more relevant than most other publicly available indices.



Directors' Remuneration Report continued

Directors' Remuneration for the Year Ended 31 December 2023 (audited)

The remuneration paid to the Directors during the year ended 31 December 2023 is set out in the table below:

	Year ended 31 December 2023			Year ended 31 December 2022		
	Fees £	Expenses £	Total £	Fees £	Expenses £	Total £
Hugh W M Little	55,000	529	55,529	51,250	3,744	54,994
Joanna Holt	40,000	1,314	41,314	36,250	2,294	38,544
Ashley Paxton	45,000	3,052	48,052	41,250	3,412	44,662
Total	140,000	4,895	144,895	**128,750**	**9,450**	**138,200**

All Directors were appointed on 28 October 2020. There is no variable component to the Directors' pay, all pay is fixed.

Annual Percentage Change in Directors' Remuneration

The below table sets out the annual percentage change in Directors' fees for the years ended 31 December 2022, and 31 December 2023 and the year ending 31 December 2024.

Director	% from 2023-2024	% from 2022–2023	% from 2021-2022
Hugh W M Little	Nil	7.3%	2.5%
Joanna Holt	Nil	10.3%	3.6%
Ashley Paxton	Nil	9.1%	3.1%

Relative Importance of Spend on Pay

The table below sets out in respect of the year ended 31 December 2023:

a) the remuneration paid to the Directors;

b) the Investment management fee; and

c) the distributions made to shareholders by way of dividend.

Directors' Remuneration Report continued

	Year ended 31 December 2023 £'000	Year ended December 2022 £'000	Percentage change 2022-2023
Directors' remuneration	140	125	12%
Investment management fee	2,044	1,781	15%
Dividends paid to shareholders	9,696	8,039	21%

Directors' Interests (audited)

There is no requirement under the Company's Articles of Association for Directors to hold shares in the Company.

As at 31 December 2023, the interests of the Directors and any connected persons in the shares of the Company are set out below:

	Year ended 31 December 2023 Number of Shares	Year ended 31 December 2022 Number of Shares
Hugh W M Little	204,045	150,000
Joanna Holt	21,085	21,085
Ashley Paxton*	100,000	80,000

* All of Ashley Paxton's shares are held jointly with Alexandra Paxton, a person closely associated with Ashley Paxton.

There have been no changes to any of the above holdings between 31 December 2023 and the date of this report.

None of the Directors or any persons connected with them had a material interest in the Company's transactions, arrangements or agreements during the year.

Remuneration Advisers

The Company has not sought advice or service from any person outside of the Company in respect of consideration of Directors' remuneration.

Remuneration Policy

A resolution to approve this Remuneration Policy was proposed at the Company's AGM on 6 April 2022. The resolution was passed, and the policy provisions outlined below will be in effect until they are next put to shareholders for renewal of that approval, which must happen every three years, or if the Remuneration Policy is changed, in which case shareholder approval for the new Remuneration Policy will be sought.

The Company follows the recommendation of the AIC Code that non-executive Directors' remuneration should reflect the time commitment and responsibilities of the role. The Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole and be determined with reference to comparable organisations and appointments. The fees of the non-executive Directors are determined within the limits set out in the Company's articles of association; the Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. There are no performance conditions attached to the remuneration of the Directors as the Board does not consider such arrangements or benefits necessary or appropriate for non-executive Directors. Under the Directors' letters of appointment, there is no notice period, and no compensation is payable to a Director on leaving office.

It is the Board's policy that Directors do not have service contracts, but Directors are provided with a letter of appointment as a non-executive Director. The terms of their appointment provide that Directors shall retire and be subject to election at the first annual general meeting after their appointment. The Directors are subject to retirement by rotation in accordance with the articles of association; however, the Company has adopted the policy of annual re-election of all Directors.

The Company is committed to ongoing shareholder dialogue and any views expressed by shareholders on the fees being paid to Directors would be taken into consideration by the Board when reviewing the Directors' remuneration policy and in the annual review of Directors' fees.

Approval

The Directors' Remuneration Report was approved by the Board and signed on its behalf by:

Ashley Paxton
Chair of the Remuneration Committee
10 April 2024

Statement of Directors' Responsibilities

In respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare financial statements in accordance with UK adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the Company for that period.

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

> select suitable accounting policies and then apply them consistently;

> state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;

> make judgements and accounting estimates that are reasonable and prudent;

> prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and

> prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Website publication

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

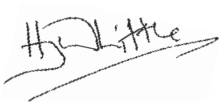
Statement of Directors' Responsibilities continued

Directors' responsibilities pursuant to DTR4

The Directors confirm that, to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards and Article 4 of the IAS regulation and give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.
- The annual report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board.



Hugh W M Little (Chair)
10 April 2024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Independent Auditor's Report

To the members of Downing Renewables and Infrastructure Trust PLC

Opinion on the financial statements of the Remuneration Committee

In our opinion the financial statements:

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

We have audited the financial statements of Downing Renewables and Infrastructure PLC (the 'Company') for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

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

Independence

Following the recommendation of the audit committee, we were appointed by the Board on 10 November 2020 to audit the financial statements for the period ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 3 years, covering the years ended 31 December 2021 to 31 December 2023. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

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

- Assessing and challenging the inputs in the cashflow forecast prepared by the Directors against existing contractual commitments, including performing stress testing considering downside scenarios and assessing the impact on the Company's liquidity position;

- Assessing assumptions used within the valuation models to supporting documentation per the Key audit matter noted below and considering how these impact on the ability of the portfolio companies to make distributions to the Company and therefore on the Company's ability to meet its commitments as they fall due;
- Reviewing the future commitments of the Company and checking they have been appropriately incorporated into the forecast; and
- Reviewing the amount of headroom in the forecasts of both the base case and downside scenarios.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

Overview

		2023	2022
Key audit matters	**Valuation of investments**	**Yes**	**Yes**
Materiality	*Company financial statements as a whole* £3.212m (2022: £3.290m) based on 1.5% (2022: 1.5%) of Net assets		

An overview of the scope of our audit

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

Key audit matters

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

Independent Auditor's Report continued

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of Investments See note 9 and accounting policy on page 131.	100% of the underlying investment portfolio is represented by unquoted equity and loan investments. The valuation of investments is calculated using discounted cash flow models. This is a highly subjective accounting estimate where there is an inherent risk of bias arising from the investment valuations being prepared by the Investment Manager (with the assistance of externally appointed experts), who is remunerated based on the net asset value of the company. These estimates include judgements including future power prices, power generation, discount rates, asset lives and inflation. Investments at fair value through profit or loss is the most significant balance in the financial statements and is the key driver of performance therefore we determined this to be a key audit matter.	In respect of all underlying equity investments valued using discounted cash flow models, we performed the following specific procedures: > For new investments, obtained and reviewed purchase agreements and contracts and considered whether inputs were accurately reflected in the valuation model. > For existing investments, we analysed changes in significant assumptions and inputs compared with assumptions audited in previous periods and vouched these to supporting documentation and independent evidence including industry data. > Used spreadsheet analysis tools to assess the integrity of the valuation models. > Agreed power generation and power price forecasts to power purchase agreements and independent reports prepared by management's experts. We assessed the competency, independence and objectivity of the management's expert. > Challenged the appropriateness of the selection and application of key assumptions in the model including the discount rate, inflation, asset life, energy yield and power price applied by benchmarking to available industry data and with the assistance of our internal valuations experts. > Reviewed the corporation tax workings within the valuation model and considered whether these had been modelled accurately in the context of current corporation tax legislation and rates > Agreed a sample of cash and other net assets incorporated into the valuation to bank statements and investee company management accounts. > Considered the accuracy of forecasting by comparing forecasts to actual results. > Vouched loans to loan agreements, verified the terms of the loans and recalculated interest income and compared to that recorded. For each of the key assumptions in the valuation models, we considered the appropriateness of the assumption by benchmarking to available industry data and consulting with our internal valuations experts and considering whether alternative reasonable assumptions could have been applied. We considered each assumption in isolation as well as in conjunction with other assumptions and the valuation as a whole in order to derive a reasonable range of valuations and assess whether the company's valuation was within that range. **Key observations** Based on our procedures performed we found the valuation of the investment portfolio and judgements applied therein to be acceptable.

Our application of materiality

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

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

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

	Company financial statements	
	2023	**2022**
Materiality	£3.212m	£3.290m
Basis for determining materiality	1.5% of Net Assets	
Rationale for the benchmark applied	Net Asset Value is a key indicator of performance and as such the most relevant benchmark on which to base materiality for the users of the financial statements.	
Performance materiality	£2.248m	£2.303m
Basis for determining performance materiality	70% of Materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including our assessment of the Company's overall control environment and the expected total value of known and likely misstatements and the level of transactions in the year.	

Specific materiality

We also determined that for those items impacting realised return, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users as it is a measure of the Company's performance. As a result, we determined materiality for these items to be £382k (2022: £267k, based on 5% of revenue return before tax (2022: 5%). We further applied a performance materiality level of 70% (2022: 70%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

We used a specific materiality in the current year rather than a lower testing threshold given the presence of a dividend target and therefore an enhanced incentive to overstate revenue returns.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £160k (2022: £65k) and for those items impacting realised return £19k (2022: £5k). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Corporate governance statement

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

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

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

Other Companies Act 2006 reporting

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

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

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Our procedures in response to the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management, the board and relevant Service Organisations regarding known or suspected instances of non-compliance with laws and regulation and fraud. We corroborated our enquiries through our review of board meeting minutes for the year and other evidence gathered during the course of the audit; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations
- Re-performing an assessment of the company's investment trust status as of year-end, in order to ensure that all eligibility conditions outlined under section 1158 of Corporation tax act 2010 are met.

We assessed the susceptibility of the financial statements to material misstatement, including fraud and considered the fraud risk areas to be the valuation of investments, revenue recognition and management override of controls.

Our procedures in response to the above included:

- The procedures set out in the Key Audit Matters section above;
- Obtaining independent evidence to support the ownership of investments;
- Recalculating the service fees received from DORE Hold Co Limited;
- Recalculating interest income in total and agreeing receipts to bank;
- Testing a risk based sample of journal entries to supporting documentation;
- Evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud;

- Evaluating whether the judgments and estimates made in selecting the significant assumptions indicate possible management bias; and
- Incorporating an element of unpredictability by testing a judgemental sample of smaller expense items that would not otherwise be selected for testing.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

Use of our report

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

DocuSigned by:
Peter Smith
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Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom
10 April 2024

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

Financial Statements

Statement of Comprehensive Income

For the year from 1 January 2023 to 31 December 2023

	Notes	Revenue 31 December 2023 £'000s	Capital 31 December 2023 £'000s	Total 31 December 2023 £'000s	Revenue 31 December 2022 £'000s	Capital 31 December 2022 £'000s	Total 31 December 2022 £'000s
Income							
Return on investment	5	10,872	(564)	10,308	8,044	28,058	36,102
Total income		**10,872**	**(564)**	**10,308**	**8,044**	**28,058**	**36,102**
Expenses							
Investment management fees	4	(2,043)	–	(2,043)	(1,781)	–	(1,781)
Directors' fees	18 & 22	(150)	–	(150)	(125)	–	(125)
Other expenses	6	(1,191)	–	(1,191)	(1,001)	–	(1,001)
Total expenses		**(3,384)**	**–**	**(3,384)**	**(2,907)**	**–**	**(2,907)**
Profit before taxation		**7,488**	**(564)**	**6,924**	**5,137**	**28,058**	**33,195**
Taxation	7	**–**	**–**	**–**	**–**	**–**	**–**
Profit after taxation		7,488	(564)	6,924	5,137	28,058	33,195
Profit and total comprehensive income attributable to:							
Equity holders of the Company		7,488	(564)	6,924	5,137	28,058	33,195
Earnings per share – Basic & diluted (pence)	8	4.1	(0.3)	3.8	3.2	17.4	20.6

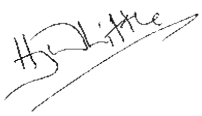
The total column of this statement is the Statement of Comprehensive Income of the Company prepared in accordance with International Financial Reporting Standards (IFRS) as adopted. The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

Statement of Financial Position

As at 31 December 2023

	Notes	31 December 2023 £'000s	31 December 2022 £'000s
Non-current assets			
Investments at fair value through profit and loss	9	212,030	196,866
		212,030	**196,866**
Current assets			
Trade and other receivables	10	337	567
Cash and cash equivalents	15	1,778	23,328
		2,115	**23,895**
Total assets		**214,145**	**220,761**
Current liabilities			
Trade and other payables	11	(2,083)	(1,862)
		(2,083)	**(1,862)**
Total liabilities		**(2,083)**	**(1,862)**
Net assets		**212,062**	**218,899**
Capital and reserves			
Called up share capital	12	1,846	1,846
Share Premium		65,910	65,910
Special distributable reserve	13	107,341	114,618
Treasury Account	12	(4,065)	–
Revenue reserve		6,209	1,140
Capital reserve		34,821	35,385
Shareholders' funds		**212,062**	**218,899**
Net asset value per ordinary share (pence)	14	**117.65**	**118.57**

The audited financial statements of Downing Renewables & Infrastructure Trust PLC were approved by the Board of Directors and authorised for issue on 10 April 2024 and are signed on behalf of the Board by:



Hugh W M Little
Chair

Company registration number 12938740

Statement of Changes in Equity

For the year ending 31 December 2023

	Notes	Share Capital £'000s	Share Premium £'000s	Capital Reserve £'000s	Treasury Account £'000s	Revenue Reserve £'000s	Special Distributable Reserve £'000s	Total £'000s
Net cash attributable to shareholders at 31 December 2021		**1,370**	**14,506**	**7,327**	**–**	**203**	**118,436**	**141,841**
Gross proceeds from share issue		476	52,375	–	–	–	–	52,851
Share issue costs		–	(971)	–	–	–	22	(949)
Dividends		–	–	–	–	(4,201)	(3,840)	(8,041)
Total comprehensive income for the year		–	–	28,058	–	5,137	–	33,195
Net assets attributable to shareholders at 31 December 2022		**1,846**	**65,910**	**35,385**	**–**	**1,140**	**114,618**	**218,899**
Share issue costs	12	–	–	–	–	–	–	–
Shares bought back	12	–	–	–	(4,065)	–	–	(4,065)
Dividends	20	–	–	–	–	(2,419)	(7,277)	(9,696)
Total comprehensive income for the year		–	–	(564)	–	7,488	–	6,924
Net assets attributable to shareholders at 31 December 2023		**1,846**	**65,910**	**34,821**	**(4,065)**	**6,209**	**107,341**	**212,062**

The Company's distributable reserves consist of the Special distributable reserve, Capital reserve attributable to realised gains and Revenue reserve. There have been no realised gains or losses at the reporting date. Total reserves available for distribution were £113,897k (2022: £115,756k).

Statement of Cash Flows

For the year ending 31 December 2023

	Notes	Year to 31 December 2023 £000s	Year to 31 December 2022 £000s
Cash flows from operating activities			
Profit before taxation		**6,924**	**33,195**
Adjusted for:			
Interest income	5	(9,872)	(7,792)
Unrealised loss / (gain) on investments at fair value	5	564	(28,058)
Decrease / (Increase) in receivables		230	(285)
Increase in payables		221	661
Net cash outflows from operating activities		**(1,933)**	**(2,279)**
Cash flows from investing activities			
Loan advanced to DORE Holdco Limited	9	(17,356)	(38,008)
Loan Interest Received	9	11,500	8,500
Net cash outflows from investing activities		**(5,856)**	**(29,508)**
Cash flows from financing activities			
Gross proceeds of share issue	12	–	52,852
Amounts paid in respect of share buybacks		(4,065)	–
Dividends paid	20	(9,696)	(8,041)
Share issue costs		–	(949)
Net cash flows from financing activities		**(13,761)**	**43,862**
Decrease in cash and cash equivalents		(21,550)	12,074
Cash and cash equivalents at the start of the year		23,328	11,254
Cash and cash equivalents at the end of the year	15	**1,778**	**23,328**

Notes to the Financial Statements

For the year ending 31 December 2023

1. General Information

The Company is registered in England and Wales under number 12938740 pursuant to the Companies Act 2006 and its registered office Link Company Matters Limited 6th Floor, 65 Gresham Street, London, United Kingdom, EC2V 7NQ.

The Company was incorporated on 8 October 2020 and is a Public Limited Company and the ultimate controlling party of the Group. The Company's ordinary shares were first admitted to the premium segment of the Financial Conduct Authority's Official List and to trading on the Main Market of the London Stock Exchange under the ticker DORE on 10 December 2020.

The audited financial statements of the Company (the "financial statements") are for the period from 1 January 2023 to 31 December 2023 and comprise only the results of the Company, as all of its subsidiaries are measured at fair value in line with IFRS 10 as disclosed in note 2.

The Company's objective is to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth through the acquiring and realising value from a diverse portfolio of renewable energy infrastructure projects.

The Company currently makes its investments through its principal holding company and single subsidiary, DORE Hold Co Limited ("Hold Co"), and intermediate holding companies which are directly owned by the Hold Co. The Company controls the Investment Policy of each of the Hold Co and its intermediate holding companies in order to ensure that each will act in a manner consistent with the Investment Policy of the Company.

The Company has appointed Downing LLP as its Investment Manager (the "Investment Manager") pursuant to the Investment Management Agreement dated 12 November 2020. The Investment Manager is registered in England and Wales under number OC341575 pursuant to the Companies Act 2006. The Investment Manager is regulated by the FCA, number 545025.

2. Basis of preparation

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

The financial statements have also been prepared as far as is relevant and applicable to the Company to the extent that this does not conflict with the requirements of IFRS and in accordance with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("SORP") issued in October 2019 by the Association of Investment Companies ("AIC").

The financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments at fair value through profit or loss. The principal accounting policies adopted are set out below. These policies are consistently applied.

The financial statements are presented in Sterling, which is the Company's functional currency and are rounded to the nearest thousand, unless otherwise stated.

2. Basis of preparation (Continued)

Estimates and underlying assumptions are reviewed regularly on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future year affected. The key assumptions are detailed below:

Power Prices

The Company uses long-term, forward-looking power price forecasts from third party consultants for the purposes of asset valuations. In the UK an equal blend is taken from the most recent central case forecasts from two leading consultants, whilst in Sweden an equal blend is taken from the most recent central case forecasts from three leading consultants. This is then blended with actual pricing for forward market trades for the next 4 years in Sweden and the next 3 years in the UK enabling a more holistic view of the power market to be included in the valuation. Where fixed price arrangements are in place, the financial model will reflect this price for the relevant time frame.

Inflation

The Company uses near-term (calendar year 2024) inflation forecast of 3.46% for the purposes of UK asset valuations, falling to a medium-term inflation forecast of 3.00% from 2025. From 2030 onwards, this forecast reduces to 2.25% in line with the RPI reform announced by the UK Government.

A near-term inflation (calendar year 2024) forecast of 4.60% is used for the Swedish asset valuations. The forecast in the medium term (2025 onwards) to long term reduces to 2.00%, in line with the long term Swedish central bank's target inflation rate.

Foreign Exchange

Cashflows from assets that are generated in a non-sterling currency are converted in each period they are earned using the actual hedges in place, with the residual amounts converted at the relevant exchange rate.

The relevant exchange rate is taken from a forward curve provided by the Company's foreign exchange advisors for ten years, at which point the exchange rate is held constant due to the impracticalities of hedging currency further into the future.

Discount rate

Discount rates used for the purpose of the valuation process are representative of the Investment Manager's and the Board's assessment of the rate of return in the market for assets with similar characteristics and risk profile.

As a result of movements in the risk-free rate in the UK, the weighted average discount rate of the Solar portfolio increased by 0.2% to 8.0%. The increased discount rates took effect as at 30 June 2023.

Discount rates in use across the portfolio range from 6.3% to 8.05%, with the weighted average value at 7.7%.

The significant estimates, judgement or assumptions for the year are set out in further detail on page 135.

2. Basis of preparation (Continued)

Basis of Consolidation

The sole objective of the Company through its subsidiary DORE Hold Co Limited is to own Renewable Energy Infrastructure Projects, via individual corporate entities. Hold Co typically will issue equity and loans to finance its investments.

The Directors have concluded that in accordance with IFRS 10, the Company meets the definition of an investment entity having evaluated the criteria that needs to be met (see below). Under IFRS 10, investment entities are required to hold subsidiaries at fair value through profit or loss rather than consolidate them on a line-by-line basis, meaning Hold Co's cash, debt and working capital balances are included in the fair value of the investment rather than in the Company's assets and liabilities. Hold Co has one investor which is the Company. However, in substance, Hold Co is investing the funds of the investors of the Company on its behalf and is effectively performing investment management services on behalf of many unrelated beneficiary investors.

Characteristics of an investment entity

There are three key conditions to be met by the Company for it to meet the definition of an investment entity. For each reporting year, the Directors will continue to assess whether the Company continues to meet these conditions:

> It obtains funds from one or more investors for the purpose of providing these investors with professional investment management services;

> It commits to its investors that its business purpose is to invest its funds solely for the returns (including having an exit strategy for investments) from capital appreciation, investment income or both; and

> It measures and evaluates the performance of substantially all its investments on a fair value basis.

In satisfying the second criterion, the notion of an investment timeframe is critical. An investment entity should not hold its investments indefinitely but should have an exit strategy for their realisation. The Company intends to hold its renewable energy infrastructure assets for the remainder of their useful life to preserve the capital value of the portfolio. However, as the renewable energy infrastructure assets are expected to have no residual value after their useful lives, the Directors consider that this demonstrates a clear exit strategy from these investments.

Due to the nature of hydro as an asset class and where the land is owned with the asset, which is the case for the Swedish hydro assets the assets are deemed to have an infinite life assuming an appropriate level of capex to maintain the equipment and dams. As a result, valuations are based on a perpetual life where the model assumes the portfolio is sold in 2050.

Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value Measurement", IFRS 10 "Consolidated Financial Statements" and IFRS 9 "Financial Instruments".

The Directors believe the treatment outlined above provides the most relevant information to investors.

2. Basis of preparation (Continued)

Going concern

The Directors have adopted the going concern basis in preparing the Annual Report. The following is a summary of the Director's assessment of going concern status of the Company. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income and expense flows. As at 31 December 2023, the Company had net assets of £212.1 (2022: £218.9) million including cash balances of £1.8 (2022: £23.3) million. The Group, through its' unconsolidated subsidiaries, utilised EUR 49.4 million of its facility with SEB to help fund the additional hydropower acquisitions. Through its main subsidiary, DORE Hold Co Limited, the Company has access to a RCF of £40 million which is available for either new investments or investment in existing projects and working capital. At the reporting date £18.6m had been drawn down from the RCF.

The Directors and the Investment Manager continue to actively monitor this and its potential effect on the Company and its investments.

In particular, they have considered the following specific key potential impacts:

> Unavailability of key personnel at the Investment Manager or Fund Administrator; and

> Increased volatility in the fair value of investments.

The directors have considered the impact of the Ukraine war on SPV revenues, which are derived from the sale of electricity, and note that 65% of revenues are not exposed to floating power prices. Revenue is received through power purchase agreements in place with providers of electricity to the market and also through government subsidies. In the year since acquisition and up to the date of this report, there has been no significant impact on revenue and cash flows of the SPVs. The SPVs have contractual operating and maintenance agreements in place with large and reputable providers. Therefore, the Directors and the Investment Manager do not anticipate a threat to the Group's revenue.

The Directors have reviewed Company forecasts and projections which cover a period of 5 years from the date of approval of this report, considering foreseeable changes in investment and trading performance, which show that the Company has sufficient financial resources to continue in operation for 5 years from the date of approval of this report. The directors have considered the impact of the current economic environment in their review, assessing three scenarios with different levels of investment and cash flows. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation and accordingly. They continue to adopt the going concern basis in preparing the financial statements.

Segmental reporting

The Chief Operating Decision Maker (the "CODM") being the Board of Directors, is of the opinion that the Company is engaged in a single segment of business, being investment in renewable energy infrastructure.

The Company has no single major customer. The internal financial information to be used by the CODM on a quarterly basis to allocate resources, assess performance and manage the Company will present the business as a single segment comprising the portfolio of investments in renewable energy infrastructure assets.

2. Basis of preparation (Continued)

Critical accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the fair value of assets and liabilities that affect reported amounts. It is possible, that actual results may differ from these estimates.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Estimates, by their nature, are based on judgement and available information, hence actual results may differ from these judgements, estimates and assumptions.

The key assumptions that have a significant impact on the carrying value of investments that are valued by reference to the discounted value of future cashflows are the useful life of the assets, the discount rates, the rate of inflation, the price at which the power and associated benefits can be sold and the amount of electricity the assets are expected to produce. The sensitivity analysis of these key assumptions is outlined in note 9 to the financial statements, on page 143.

Useful lives are based on the Investment Manager's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness. Where land is leased from an external landlord, the operational life assumed for the purposes of the asset valuations is valued at the earlier of planning or lease expiry. Where a project has a life in excess of 75 years, the land it is located on is owned and there are no constraints regarding planning, asset valuations are based on a perpetual life including long term capital expenditure assumptions. This is the basis for the valuation of the hydropower assets. The actual useful life may be a shorter or longer period depending on the actual operating conditions experienced by the asset.

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

The revenues and expenditure of the investee companies are frequently, partly, or wholly subject to indexation and an assumption is made as to near term and long-term rates.

The price at which the output from the generating assets is sold is a factor of both wholesale electricity prices and the revenue received from the Government support regimes. Future power prices are estimated using external third-party forecasts which take the form of specialist consultancy reports, which reflect various factors including gas prices, carbon prices and renewables deployment, each of which reflect the UK and global response to climate change.

The Company's investments in unquoted investments are valued by reference to valuation techniques approved by the Directors and in accordance with the International Private Equity and Venture Capital ("IPEV") Guidelines.

2. Basis of preparation (Continued)

Critical accounting judgements, estimates and assumptions (Continued)

As noted above, the Board have concluded that the Company meets the definition of an investment entity as defined in IFRS 10. This conclusion involved a degree of judgement and assessment as to whether the Company meets the criteria outlined in the accounting standards.

New standards issued

New and revised standards issued with effect from 1 January 2023:

> Narrow-scope amendments to IAS 1 “Presentation of Financial Statements”, Practice statement 2 and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

> Amendments to IAS 12, “Income Taxes” – deferred tax related to assets and liabilities arising from a single transaction.

> Amendments to IFRS 17, “Insurance contracts” – this standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts.

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

New and revised standards issued with effect from 1 January 2024:

> Amendments to IAS 1 on classification of liabilities clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting year.

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

3. Material Accounting Policies

Financial Instruments

Financial assets and financial liabilities are recognised on the Company’s Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are to be de-recognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for de-recognition in accordance with IFRS 9 Financial Instruments.

Financial assets

The Company classifies its financial assets as either investments at fair value through profit or loss or financial assets at amortised cost. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

3. Material Accounting Policies (Continued)

Investments at fair value through profit or loss ("FVTPL")

The fair value of investments in renewable energy infrastructure projects is calculated by discounting at an appropriate discount rate future cash flows expected to be received by the Company's intermediate holdings, from investments in both equity (dividends and equity redemptions), shareholder and inter-company loans (interest and repayments).

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

Financial assets at Fair Value through profit and loss are recognised/ derecognised at the date of the purchase/ disposal. Investments are initially recognised at cost, being the fair value of consideration given. Transaction costs are recognised in the Statement of Comprehensive Income as incurred. Fair value is defined as the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is calculated on a levered, discounted cashflow basis in accordance with IFRS 13.

Financial assets at amortised cost

Loans and other receivables are measured at amortised cost using the effective interest method, less any impairment.

They are included in current assets, except where maturities are greater than 12 months after the reporting date, in which case they are to be classified as non-current assets. The Company's financial assets held at amortised cost comprise "other receivables" and "cash and cash equivalents" in the statement of financial position.

Impairment

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

Financial liabilities at amortised cost

Financial liabilities are classified as other financial liabilities, comprising other non-derivative financial instruments, including trade and other payables, which are to be measured at amortised cost using the effective interest method.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3. Material Accounting Policies (Continued)

Equity instruments

The Company's Ordinary Shares are classified as equity and are not redeemable. Costs associated or directly attributable to the issue of new equity shares are recognised as a deduction in equity and are charged either from the share premium account or the special distributable reserve, created on court cancellation of share premium account.

Taxation

The Company is approved as an Investment Trust Company ("ITC") under sections 1158 and 1159 of the Corporation Taxes Act 2010 and part 2 Chapter 1 Statutory Instrument 2011/2999. The approval is subject to the Company continuing to meet the eligibility conditions of the Corporation Tax Act 2010. The Company intends to ensure that it complies with the ITC regulations on an ongoing basis and regularly monitors the conditions required to maintain ITC status.

Under the current system of taxation in the UK, the Company is not liable to taxation on its operations in the UK. Current tax is the expected tax payable on the taxable income for the year, using tax rates that have been enacted or substantively enacted at the date of the Statement of Financial Position.

Dividends

Dividends to the Company's shareholders are recognised when they become legally payable. In the case of interim dividends, this is when they are paid. In the case of final dividends, this is when they are approved by the shareholders at the Annual General Meeting.

Income

Income includes investment income from financial assets at FVTPL and finance income.

Investment income from financial assets at FVTPL is recognised in the Statement of Comprehensive Income within income when the Company's right to receive payments is established.

Finance income comprises interest earned on intercompany loans and is recognised on an accruals basis.

Expenses

Expenses are accounted for on an accruals basis. Share issue expenses directly attributable to the listing of shares are charged through the Special Distributable Reserve or Share Premium Account with incremental costs associated with raising capital charged through profit and loss. The Company's investment management fee, administration fees and all other expenses are charged through the Statement of Comprehensive Income. In respect of the analysis between revenue and capital these items are presented and charged 100% as revenue items.

3. Material Accounting Policies (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, deposits held on call with banks and other short-term highly liquid deposits with original maturities of three months or less.

Deposits to be held with original maturities of greater than three months are included in other financial assets. There are no expected credit losses as the bank institutions will have high credit ratings assigned by international credit rating agencies.

4. Investment management fees

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee from the Company, which is calculated quarterly in arrears at 0.95% of NAV per annum up to £500 million and 0.85% per annum of NAV in excess of £500 million.

The Company incurred £2,042,579 (2022: £1,780,561) of management fees during the year, investment management fees of £ 1,530,183 (2022: £1,426,289) were unpaid at the year end.

No performance fee is payable to the Investment Manager under the Investment Management Agreement and there are no provisions that would entitle the Investment Manager to a performance fee in respect of future years.

5. Return on investment

	31 December 2023 £'000s	31 December 2022 £'000s
Unrealised movement in fair value of investments (Note 9)	(564)	28,058
Interest arising on shareholder loans (note 9)	9,872	7,792
Provision of Corporate Services to DORE Holdco Limited	1,000	252
	10,308	**36,102**

During the year, the Company supplied DORE Holdco Limited with the services laid out in the Corporate Services Agreement dated 1 October 2022, these include but are not limited to consulting and planning; product management; financial and other services.

6. Other expenses

	31 December 2023 £'000s	31 December 2022 £'000s
Alternative investment fund manager fee	182	152
Fees payable to the Company's auditor for the audit of the Company's annual accounts	188	167
Fees payable to the Company's auditor for other services	10	–
Company secretarial fee	67	58
Legal fees	61	69
Depositary fee	55	49
Hedging advisory	25	25
Marketing fee	76	64
Broker fee	53	88
Retainer fee	52	–
Professional fees	346	199
Other fees	76	130
	1,191	**1,001**

Total fees payable to BDO LLP for non-audit services during the year were £10,000 (2022: £157,500). This relates to the review of certain procedures of the interim financial statements under the International Standard of Related Services (ISRS) 4400 (Revised) 'Agreed-Upon Procedures Engagements'. In the prior year, fees paid were for professional fees paid to BDO relating to reporting accountant services received during the Company's most recent share issuance program. These share issue costs were allocated against the Company's capital reserves.

7. Taxation

Taxable income during the year was offset by expenses and the tax charge for the year ended 31 December 2023 is £Nil.

As described above, the Company is recognised as an ITC for accounting years and to the extent that there is insufficient group tax relief available to eliminate taxable profits, the Company may make interest distributions to reduce taxable profits to nil.

7. Taxation (Continued)

(a) Analysis of charge in the year

	Revenue £'000	Capital £'000	Total £'000
Analysis of tax charge / (credit) in the year:			
Current tax:			
UK corporation tax on profits of the year	–	–	–
Adjustments in respect of previous year	–	–	–
Deferred tax:			
Origination & reversal of timing differences	–	–	–
Adjustments in respect of previous years	–	–	–
Tax charge / (credit) on profit on ordinary activities	–	–	–

(b) Factors affecting total tax charge for the year

The UK corporation tax rate was increased from 19% to 25% on 1 April 2023. The effective UK corporation tax rate applicable to the Company for the year is 23.5%. The tax charge differs from the charge resulting from applying the standard rate of UK corporation tax for an investment trust company. The differences are explained below.

	Revenue £'000	Capital £'000	Total £'000
Profit on ordinary activities before tax	7,488	(564)	6,924
Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 23.5%	1,760	(133)	1,627
Effect of:			
Capital profits not taxable	–	133	133
Excess expenses utilised	(51)	–	(51)
Non-taxable income	–	–	–
Expenses non deductible	40	–	40
Interest distributions	(1,749)	–	(1,749)
Timing differences	–	–	–
Group relief	–	–	–
Excess management expenses	–	–	–
Total charge / (credit) for the year	**–**	**–**	**–**

7. Taxation (Continued)

(b) Factors affecting total tax charge for the year (Continued)

HM Revenue & Customs ("HMRC") has granted approval to the Company's status as an investment trust, and it is the Company's intention to continue meeting the conditions required to obtain approval in the foreseeable future. Investment companies which have been approved by HMRC under section 1158 of the Corporation Tax Act 2010, as amended are exempt from tax on capital gains.

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from 1 April 2023. This rate has been substantively enacted at the balance sheet date.

There is no unrecognised deferred tax asset or liability at 31 December 2023.

8. Earnings per share

	For the year to 31 December 2023		
	Revenue £'000	**Capital £'000**	**Total £'000s**
Revenue and capital profit attributable to equity holders of the Company	7,488	(564)	6,924
Weighted average number of ordinary shares in issue	183,494,773	183,494,773	183,494,773
Basic and diluted earnings per share (pence)	**4.1**	**(0.3)**	**3.8**

	For the period to December 2022		
	Revenue £'000	**Capital £'000**	**Total £'000s**
Revenue and capital profit attributable to equity holders of the Company	5,137	28,058	33,196
Weighted average number of ordinary shares in issue	161,532,958	161,532,958	161,532,958
Basic and diluted earnings per share (pence)	**3.2**	**17.4**	**20.6**

Basic and diluted earnings per share are the same as there are no arrangements which could have a dilutive effect on the Company's ordinary shares.

9. Investments at fair value through profit and loss

	Total 2023 £'000s	Total 2022 £'000s
Fair value at start of the year	**196,866**	**131,508**
Loan advanced to DORE Hold Co Limited	17,356	38,008
Unrealised (loss) / gain on investments at FVTPL	(564)	28,058
Loan Interest (movement)	(1,628)	(708)
Fair value at end of the year	**212,030**	**196,866**

There is a loan agreement between the Company and DORE Hold Co Limited for £200,000,000 (2022: £200,000,000). At the reporting date £169,113,413 (2022: £151,756,990) had been advanced. The rate of interest on the loan is a rate agreed between DORE Hold Co Limited and the Company and has been set at 6% per annum. Interest accrued at the year end and outstanding at the reporting date amounted to £96,110 (2022: £1,724,341). Interest is repayable at the repayment date of 31 December 2030 unless otherwise agreed between the parties to repay earlier. The Fair Value movements are largely attributable to market risk.

The NAV decrease was driven by updated power price forecasts showing a return to more normalised long term power pricing more quickly than previously expected.

The Company received interest payments of £11,500,000 (2022: £8,500,000) during the year. Included in the fair value are cash balances at DORE Hold Co of £5.3 million (2022: £4.8 million).

The Company owns 100% of the nine shares in DORE Hold Co Limited. These shares were allotted for a consideration of £8,000,000.

Fair value measurements

IFRS 13 "Fair Value Measurement" requires disclosure of fair value measurement by level. The level of fair value hierarchy within the financial assets or financial liabilities ranges from level 1 to level 3 and is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of the Company's investments is ultimately determined by the underlying net present values of the SPV ("Special Purpose Vehicle") investments. Due to their nature, they are always expected to be classified as level 3 as the investments are not traded and contain unobservable inputs.

The fair value hierarchy consists of the following three levels:

> Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

> Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

> Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

9. Investments at fair value through profit and loss (Continued)

Fair value measurements (Continued)

The following table analyses the Company's assets at 31 December 2023:

	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
Investment portfolio summary				
Unquoted investments at fair value through profit and loss	–	–	212,030	212,030
Total	**–**	**–**	**212,030**	**212,030**

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

The only investment held at fair value is the investment in DORE Holdco Limited, which is fair valued at each reporting date. The investment has been classified within level 3 as the investment is not traded and contains unobservable inputs.

The fair value of the Company's equity and loan investments in Hold Co is ultimately determined by the underlying fair values of the SPV investments, the Company's sensitivity analysis of reasonably possible alternative input assumptions is the same as the subsidiary.

There have been no transfers between levels during the year.

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

i. due diligence findings where relevant;

ii. the terms of any material contracts including PPAs;

iii. asset performance;

iv. power price forecasts from leading market consultants; and

v. the economic, taxation or regulatory environment.

The DCF valuations of the Company's investments represent the largest component of GAV and the key sensitivities are considered to be the discount rate used in the DCF valuations and assumptions in relation to inflation, energy yield, foreign exchange and power price.

The shareholder loan and equity investments are valued as a single class of financial asset at fair value in accordance with IFRS 13 Fair Value Measurement.

9. Investments at fair value through profit and loss (Continued)

Sensitivity

Sensitivity analysis is produced to show the impact of changes in key assumptions adopted to arrive at the valuation. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the modelled life. Accordingly, the NAV per share impacts shown below assume the issue of further shares to fund these commitments.

Information on climate related sensitivities can be found on pages 58 and 67.

The analysis below shows the sensitivity of the portfolio value (and its impact on NAV) to changes in key assumptions as follows:

Discount rate

The weighted average valuation discount rate applied to calculate the levered and unlevered portfolio valuation is 7.7%.

An increase or decrease in this rate by 1.0% points has the following effect on valuation.

Discount rate	NAV per share impact	-1.0% change £'000	Total portfolio Value £'000	+1.0% change £'000	NAV per share impact
Directors' valuation – Dec 2023	13.73	24,750	212,030	20,467	-11.35

Energy yield

The table below shows the sensitivity of the portfolio valuation to a sustained decrease or increase of energy generation by minus or plus 5% on the valuation, with all other variables held constant. The fair value of the solar investments is based on a "P50" level of electricity generation for the renewable energy assets, being the expected level of generation over the long term. The P50 figure is the annual average level of generation, where the output is forecasted to be exceeded 50% over a year. For hydropower assets, the expected annual average production is applied to the valuation, similar to the P50 assumption applied to solar and wind assets.

A change in the forecast energy yield assumptions by plus or minus 5% has the following effect.

Energy Yield	NAV per share impact	-5% change £'000	Total portfolio Value £'000	+5% change £'000	NAV per share impact
Directors' valuation – Dec 2023	(10.45)	(18,830)	212,030	18,559	10.30

9. Investments at fair value through profit and loss (Continued)

Power prices

The sensitivity considers a flat 10% movement in power prices for all years, i.e. the effect of adjusting the third party provided forecast electricity price assumptions in each of the jurisdictions applicable to the portfolio down by 10% and up by 10% from the base case assumptions for each year throughout the operating life of the portfolio.

A change in the forecast electricity price assumptions by plus or minus 10% has the following effect.

Power Prices	NAV per share impact	-10% change £'000	Total portfolio Value £'000	+10% change £'000	NAV per share impact
Directors' valuation – Dec 2023	(11.78)	(21,240)	212,030	21,168	11.74

Inflation

The projects' income streams are principally a mix of subsidies, which are amended each year with inflation, and power prices, which the sensitivity assumes will move with inflation. The projects' operating expenses typically move with inflation, but debt payments are fixed. This results in the portfolio returns and valuation being positively correlated to inflation. The weighted average long-term inflation assumption across the portfolio is 2.15%.

The sensitivity illustrates the effect of a 1.0% decrease and a 1.0% increase from the assumed annual inflation rates in the financial model for each year throughout the operating life of the portfolio.

Inflation	NAV per share impact	-1.0% change £'000	Total portfolio Value £'000	+1.0% change £'000	NAV per share impact
Directors' valuation – Dec 2023	(8.64)	(15,571)	212,030	18,035	10.01

9. Investments at fair value through profit and loss (Continued)

Foreign exchange

The Company, where appropriate, seeks to manage its exposure to foreign exchange movements, to ensure that the Sterling value of known future investment commitments is fixed. The portfolio valuation assumes foreign exchange rates based on the relevant foreign exchange rates against GBP at the reporting date. A change in the foreign exchange rate by plus or minus 10% (Euro against GBP), has the following effect on the NAV, with all other variables held constant. The effect is shown after the effect of current level of hedging which reduces the impact of foreign exchange movements on the Company's NAV.

Foreign Exchange	NAV per share impact	-10% change £'000	Total portfolio Value £'000	+10% change £'000	NAV per share impact
Directors' valuation – Dec 2023	(4.99)	(9,002)	212,030	13,798	7.66

10. Trade and other receivables

	31 December 2023 £'000s	31 December 2022 £'000s
Prepayments	85	271
VAT	–	44
Debtors	252	252
	337	**567**

11. Trade and other Payables

	31 December 2023 £'000s	31 December 2022 £'000s
Accounts Payable	584	1,098
Accruals	1,349	764
VAT	150	–
	2,083	**1,862**

Included in accruals and accounts payable at the year-end, £1,530,183 relates to the management fee charged by Downing LLP during the year.

Notes to the Financial Statements continued

For the year ending 31 December 2023

12. Called up share capital

Allotted, issued and fully paid:	Number of Shares
Opening Balance at 1 January 2023	184,622,487
Ordinary Shares issued	–
Closing Balance of Ordinary Shares at 31 December 2023	**184,622,487**

Each ordinary share has equal rights to dividends and has equal rights to participate in a distribution arising from a winding up of the Company.

During the year, the Company repurchased 4,375,363 shares for a cost of £4,065,545, these shares are held in the Company's equity account under treasury shares. Since the 31 December 2023 the company has repurchased a further 2,544,899 shares for a cost of £.2.1m now held in treasury.

13. Special distributable reserve

As indicated in the Company's prospectus dated 12 November 2020, following admission of the Company's Ordinary Shares to trading on the London Stock Exchange, the Directors applied to the Court and obtained a judgement to cancel the amount standing to the credit of the share premium account of the Company.

As stated by the Institute of Chartered Accountants in England and Wales ("ICAEW") and the Institute of Chartered Accountants in Scotland ("ICAS") in the technical release TECH 02/17BL, The Companies (Reduction of Share Capital) Order 2008 SI 2008/1915 ("the Order") specifies the cases in which a reserve arising from a reduction in a company's capital (i.e., share capital, share premium account, capital redemption reserve or redenomination reserve) is to be treated as a realised profit as a matter of law. The Order also disapplies the general prohibition in section 654 on the distribution of a reserve arising from a reduction of capital. The Order provides that if a limited company having a share capital reduces its capital and the reduction is confirmed by order of court, the reserve arising from the reduction is treated as a realised profit unless the court orders otherwise.

At 31 December 2023 the special distributable reserve account was £107,340,301. (2022: £114,617,564).

14. Net asset value per ordinary share

The basic total net assets per ordinary share is based on the net assets attributable to equity shareholders as at 31 December 2023 of £212,061,828 (2022: £218,899,172) and ordinary shares of 180,247,124 (2022: 184,622,487) in circulation at 31 December 2023.

There is no dilution effect and therefore no difference between the diluted total net assets per ordinary share and the basic total net assets per ordinary share.

15. Cash and Cash equivalents

At the year end, the Company had cash of £1.8 (2022: £23.3) million. This balance was held by the Royal Bank of Scotland.

16. Financial Risk Management

The Company's investment activities expose it to a variety of financial risks, including interest rate risk, foreign exchange risk, power price risk, credit risk and liquidity risk. The Board of Directors have overall responsibility for overseeing the management of financial risks, however the review and management of financial risks are delegated to the AIFM and Investment Manager.

Each risk and its management are summarised below.

Foreign exchange risk

Foreign exchange risk is defined as the risk that the fair value of future cash flows will fluctuate because of changes in foreign exchange rates. The Company monitors its foreign exchange exposures using its near-term and long-term cash flow forecasts. Its policy is to use foreign exchange hedging to provide protection to the level of sterling distributions that the Company aims to receive from portfolio companies over the medium-term, where considered appropriate. This may involve the use of forward exchange. The Company's sensitivity to foreign exchange risk can be seen in note 9.

Interest rate risk

The Company may be exposed to changes in variable market rates of interest as this could impact the discount rate and therefore the valuation of the projects as well as the fair value of the loan receivables. The Company has fixed the interest rates for all of its asset level debt, the RCF which has a floating rate makes up less than 6% of GAV, the Company is not considered to be materially exposed to interest rate risk.

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

Assets	Interest Bearing £'000	Non-Interest bearing £'000	Total £'000
Cash and cash equivalents	–	1,778	1,778
Trade and other receivables	–	337	337
Investments at fair value through profit and loss	169,113	42,917	212,030
Total assets at 31 December 2023	**169,113**	**45,032**	**214,145**
Total assets at 31 December 2022	**151,757**	**69,004**	**220,761**
Liabilities			
Accrued expenses	–	(2,083)	(2,083)
Total liabilities at 31 December 2023	**–**	**(2,083)**	**(2,083)**
Total liabilities at 31 December 2022	**–**	**(1,862)**	**(1,862)**

16. Financial Risk Management (Continued)

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due. The Investment Manager, AIFM and the Board continuously monitor forecast and actual cash flows from operating, financing, and investing activities to consider payment of dividends, repayment of trade and other payables or funding further investing activities.

The Company ensures it maintains adequate reserves, will put in place banking facilities and will continuously monitor forecast and actual cash flows to seek to match the maturity profiles of financial assets and liabilities.

At the year end, the Company's investments were in secured loan and equity investments in private companies, in which there is no listed market and therefore such investments would take time to realise, and there is no assurance that the valuations placed on the investments would be achieved from any such sale process. The Company's Hold Co is the entity through which the Company holds its investments, the liquidity of Hold Co is reflective of the investments in which it holds. The Company's main subsidiary holds an RCF with a facility of £40m, of which £18.6m has currently been drawn.

Assets	Less than 1 year £'000	1-5 years £'000	More than 5 years £'000	Total £'000
Investments at fair value through profit and loss (note 9)	–	–	212,030	212,030
Trade and other receivables	337	–	–	337
Cash and cash equivalents	1,778	–	–	1,778
Liabilities				
Trade and other payables	(2,083)	–	–	(2,083)
Total at 31 December 2023	32	–	212,030	212,062
Total at 31 December 2022	21,718	–	196,866	218,584

Credit risk

Credit risk is the risk that a counterparty of the Company will be unable or unwilling to meet a commitment that it has entered into with the Company. It is a key part of the pre-investment due diligence. The credit standing of the companies which the Company intends to lend or invest is reviewed, and the risk of default estimated for each significant counterparty position. Monitoring is on-going, and year end positions are reported to the Board on a quarterly basis.

Credit risk may also arise from cash and cash equivalents and deposits with banks and financial institutions. The Company and its subsidiaries may mitigate their risk on cash investments by only transacting with major international financial institutions with high credit ratings assigned by international credit rating agencies.

16. Financial Risk Management (Continued)

Credit risk (Continued)

The fair value of the investments and cash represent the Company's maximum exposure to credit risk.

The Company's credit risk exposure as at 31 December 2023 is summarised below:

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
Trade and other receivables	337	252
Loan Investment	169,113	151,757
Cash and cash equivalents	1,778	23,328
Total	**171,228**	**175,337**

There is a loan agreement between the Company and DORE Hold Co Limited for £200,000,000 (2022: £120,000,000). DORE Hold Co Limited is wholly owned subsidiary of the Company. The total undrawn facility is £30,886,587.

Price risk

Price risk is defined as the risk that the fair value of a financial instrument held by the Company will fluctuate. Investments are measured at FVTPL. As at 31 December 2023, the Company held three investments through its intermediate holding company. The value of the underlying renewable energy investments held by Hold Co will vary according to a number of factors including discount rate used, asset performance and forecast power prices.

Capital risk management

The capital structure of the Company at the year-end consists of equity attributable to equity holders of the Company, comprising issued capital and reserves. The Board continues to monitor the balance of the overall capital structure so as to maintain investor and market confidence. The Company is not subject to any external capital requirements.

Market risk

Returns from the Company's investments are affected by the price at which the investments are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter alia, movements in interest rates, market prices and the competition for such assets. The Investment Manager carries out a full valuation quarterly and this valuation exercise takes into account changes described above.

17. Unconsolidated subsidiaries, associates and joint ventures

The following table shows subsidiaries of the Group. As the Company is regarded as an Investment Entity as referred to in note 2, these subsidiaries have not been consolidated in the preparation of the financial statements:

Investment	Place of Business	Ownership Interest as at 31 December 2023
DORE Hold Co Limited[1]	England[2]	100%
DORE Sweden Hold Co Limited[2]	England[2]	100%
Downing Transmission Pathfinder Holdco Limited[10]	England[12]	100%
Downing Hydro AB[12]	Sweden[13]	100%
Downing Grid AB[10]	Sweden[11]	100%
Downing Wind Sweden Holdco AB[9]	Sweden[11]	100%
Abercomyn Solar Ltd[21]	England[12]	100%
Andover Airfield Solar Developments Ltd[20]	England[12]	100%
Appleton Renewable Energy Ltd[14]	England[12]	100%
Appleton Renewables Ltd[21]	England[12]	100%
Beeston Solar Energy Ltd[15]	England[12]	100%
Beeston Solar Ltd[21]	England[12]	100%
Bourne Park Solar Ltd[16]	England[12]	100%
Brookside Solar Ltd[21]	England[12]	100%
Brown Argus Trading Ltd[23]	England[12]	100%
Chalkhill Commercial PV Ltd[23]	England[12]	100%
Chalkhill Life Holdings Ltd[18]	England[12]	100%
Deeside Solar Farm Ltd[17]	England[12]	100%
Downing Summit AB[28]	Sweden[11]	100%
Emerald Isle Solar Energy Ltd[18]	Northern Ireland[12]	100%
Emerald Isle Solar Ltd[21]	Northern Ireland[12]	100%
Ferðaþjónustan Húsafelli ehf.[28]	Iceland[11]	100%

Notes to the Financial Statements continued

For the year ending 31 December 2023

17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

Investment	Place of Business	Ownership Interest as at 31 December 2023
Föreningen Lagmansholms Kraftverk u.p.a[28]	Sweden[11]	100%
Gabrielsberget Syd Vind AB[29]	Sweden[11]	100%
Gottne Energi AB[28]	Sweden[11]	100%
Greenacre Redbridge Ltd[25]	England[12]	100%
Greenacre Solar Energy Ltd[19]	England[12]	100%
Greenacre Solar Ltd[21]	England[12]	100%
Heulwen Solar Ltd[21]	England[12]	100%
Högforsen Kraftverk AB[28]	Sweden[11]	100%
Hulse Energy Ltd[21]	Northern Ireland[12]	100%
Hulse Renewable Energy Ltd[20]	Northern Ireland[12]	100%
KPP132 Ltd[27]	England[12]	100%
KPP141 Ltd[33]	Northern Ireland[12]	100%
Mersey Reactive Power Limited[21]	England[12]	100%
Moray Energy Ltd[22]	Northern Ireland[12]	100%
Moray Power (UK) Ltd[27]	Northern Ireland[12]	100%
Moray Power Ltd[21]	Northern Ireland[12]	100%
Newton Solar Energy Ltd[23]	England[12]	100%
Newton Solar Ltd[21]	England[12]	100%
Occasum Holdings Limited[15]	England[12]	100%
Penarth Energy Ltd[21]	England[12]	100%
Ridgeway Solar Energy Ltd[24]	England[12]	100%
Ridgeway Solar Ltd[21]	England[12]	100%
Ringlet Trading Ltd[23]	England[12]	100%
ROC Solar (UK) Ltd[25]	Northern Ireland[12]	100%

17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

Investment	Place of Business	Ownership Interest as at 31 December 2023
ROC Solar Ltd[21]	Northern Ireland[12]	100%
Solar Finco 1 Limited[26]	England[12]	100%
Solar Finco 2 Limited[27]	England[12]	100%
Solar Finco 3 Limited[23]	England[12]	100%
TGC Solar Oakfield Ltd[29]	England[12]	100%
Triumph Renewable Energy Ltd[33]	Northern Ireland[12]	100%
Triumph Solar Energy Ltd[28]	Northern Ireland[12]	100%
Triumph Solar Ltd[21]	Northern Ireland[12]	100%
Voltaise (UK) Ltd[29]	England[12]	100%
Voltaise Ltd[21]	England[12]	100%
Wakehurst Renewable Energy Ltd[30]	Northern Ireland[12]	100%
Wakehurst Renewables Ltd[21]	Northern Ireland[12]	100%
York NIHE Ltd[36]	Northern Ireland[12]	100%
York Renewable Energy Ltd[31]	England[12]	100%
York Renewables Ltd[21]	Northern Ireland[12]	100%

1 DORE Hold Co is the intermediate holding company of the Group, this is 100% owned by DORE PLC

2 The Registered office is St Magnus House, 3 Lower Thames Street, London EC3R 6HD

3 These Companies are 100% owned by DORE Hold Co Limited

4 The registered office is c/o Cirio Advokatbyra Box 3294, 103 65 Stockholm

5 Appleton Renewable Energy Ltd is 100% owned by Appleton Renewables, Appleton Renewable Energy Ltd, in turn owns 100% of Andover Airfield Solar Developments Ltd

6 These companies are 100% owned by Solar Finco 1 Ltd

7 Bourne Park Solar is 100% owned by Penarth Energy Ltd

8 These companies are 100% owned by Chalkhill Life Holdings Ltd

9 Emerald Isle Solar Energy Limited is 100% owned by Emerald Isle Solar Ltd

10 Both companies are 100% owned by Greenacre Solar Ltd

11 Hulse Renewable Energy Ltd is 100% owned by Hulse Energy Ltd

17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

12 Mersey Reactive Power is 100% owned by Downing Transmission Pathfinder Holdco Limited

13 Moray Energy Ltd and Moray Power (UK) are 100% owned by Moray Power Ltd, Moray Power (UK) Ltd owns 100% of KPP 132 Ltd

14 Newton Solar Energy is 100% owned by Newton Solar Ltd

15 Both companies are 100% owned by Ridgeway Solar Ltd

16 ROC Solar (UK) ltd is 100% owned by ROC Solar Ltd

17 Solar Finco 1 Ltd is 100% owned by Solar Finco 2 Ltd

18 Solar Finco 2 Ltd is 100% owed by Solar Finco 3 Ltd

19 Triumph Solar Energy is 100% owned by Triumph Solar Ltd, Triumph Solar Energy Ltd in turn owns 100% of Triumph Renewable Energy Ltd and KPP 141 Ltd.

20 Voltaise (UK) Limited is 100% owned by Voltaise Ltd.

21 Wakehurst Renewable Energy Ltd is 100% owned by Wakehurst Renewables Ltd

22 These Companies are 100% owned by York Renewables Ltd

23 These Companies are 100% owned by Downing Hydro AB

24 These Companies are 100% owned by Downing Wind Sweden AB

18. Employees and Directors

The Company is governed by a Board of Directors, all of whom are independent and non-executive. During the year, they received fees for their services of £140,000 (2022: £125,000). The Company has 3 non-executive Directors.

Other than the Directors, the Company had no employees during the year.

19. Contingencies and commitments

The Company has no commitments or contingencies. (2022: no commitments or contingencies). The total undrawn facility on the loan between the Company and DORE Hold Co Limited is £30,886,587.

20. Dividends declared

As outlined on page 10 of the Chairman's statement, in the IPO Prospectus on 12 November 2020, the Company was targeting an initial annualised dividend yield of 3% by reference to the IPO price of £1.00, in respect of the financial year from IPO on 10 December 2020 to 31 December 2021 (equating to 3.0 pence per share), rising to a target annualised dividend yield of 5% by reference to the IPO price in respect of the financial year to 31 December 2023.

Interim dividends paid during the year ended 31 December 2023	**Dividend per share pence**	**Total dividend £'000**
With respect to the quarter ended 31 December 2022	1.25	2,308
With respect to the quarter ended 31 March 2023	1.345	2,478
With respect to the quarter ended 30 June 2023	1.345	2,471
With respect to the quarter ended 30 September 2023	1.345	2,439
	5.285	**9,696**

Interim dividends declared after 31 December 2023 and not accrued in the year	**Dividend per share pence**	**Total dividend £'000**
With respect to the quarter ended 31 December 2023	1.345	2,411
	1.345	**1.345**

On 20 February 2024, The Board declared an interim dividend of 1.345 pence per share with respect to the year ended 31 December 2023.

The dividend was paid on 28 March 2024 to shareholders on the register on 1 March 2024. The ex-dividend date is 29 February 2024.

The target dividend for the year from 1 January 2024 has been increased by 7.85% to 5.80 pence per ordinary share.

During the year, the Board declared interim dividends in respect of the quarterly periods ending 31 March 2023, 30 June 2023, 30 September 2023 for 1.345 pence per share and 1.25 pence per share for the quarter ending 31 December 2022. As outlined in the Company's Prospectus, the Company has chosen to designate part of these interim dividends as an interest distribution.

20. Dividends declared (Continued)

The dividend for the period to 31 December 2023, was paid as 1.005 pence per share as an interest payment and 0.340 as an ordinary dividend. The dividend paid for the period to 31 March 2023 was paid as 0.875 pence per share as an interest payment and 0.470 as an ordinary dividend. The dividend paid for the period to 30 June 2023 was paid as 1.076 pence per share as an interest payment and 0.269 as an ordinary dividend. The dividend paid for the period to 30 September 2023 was paid as 1.143 pence per share as an interest payment and 0.202 as an ordinary dividend. All dividend payments paid as interest are paid from the Special Distributable reserve and all dividend payments paid as ordinary dividends are paid from the Revenue reserve.

Shareholders in receipt of such a dividend will be treated for UK tax purposes as though they have received a payment of interest in respect of the interest distribution element of this dividend. This will result in a reduction in the corporation tax payable by the Company.

21. Events after the balance sheet date

Dividends

On 20 February 2024, The Board declared an interim dividend of 1.345 pence per share with respect to the period ended 31 December 2023.

The dividend was paid on 28 March 2024 to shareholders on the register on 1 March 2024. The ex-dividend date is 29 February 2024.

The target dividend for the year from 1 January 2024 has been increased by 7.85% to 5.80 pence per ordinary share.

Share Buybacks

Post year end, the Company had announced cumulative buybacks of 2,544,899 shares between 1 January 2024 and 10 April 2024.

22. Related party transactions

The amounts incurred in respect of the Investment Management fees during the year to 31 December 2023 was £2,043,529. Of this amount, £1,530,183 were unpaid at 31 December 2023.

The amounts incurred in respect of the Corporate Services agreement for the year to 31 December 2023 was £1,000,000. Of this amount, £252,055 were unpaid at 31 December 2023.

The Investment Manager is owed £113,830 commission in respect of funds raised during the placing, open offer, offer for subscription and intermediaries offer. This amount remained unpaid at the year end.

22. Related party transactions (Continued)

The amounts paid in respect of Directors fees during the year to 31 December 2023 was £140,000. The amounts paid to individual directors during the year were as follows:

Hugh W M Little (Chair)	£55,000
Jo Holt	£40,000
Ashley Paxton	£45,000

Due to the Company being an externally managed investment company, there are no other fees due to key management personnel.

Intercompany Loans

During the year interest totalling £9.87 (2022: £7.79) million was charged on the Company's long-term interest-bearing loan between the Company and its subsidiary. At the year end, £0.96 (2022: £1.7) million remained unpaid.

The loan to DORE Hold Co Limited is unsecured at interest rate of 6%. As at the balance sheet date, the loan balance stood at £169.1 (2022: £151.7) million.

Transactions with the Investment Manager

During the year, £1,359,160 (2022: £1,029,535) of fees were earned by INFRAM LLP, a subsidiary of Downing Group LLP for the management services relating to DORE's underlying spv portfolio.

Other Information

Alternative Performance Measures

In reporting financial information, the Company presents alternative performance measures, ("APMs"), which are not defined or specified under the requirements of IFRS. The Company believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the Company. The APMs presented in this report are shown below:

Gross Asset Value or GAV

A measure of total asset value including debt held in unconsolidated subsidiaries.

As at 31 December 2023		Page	As at 31 December 2023 £'000	As at 31 December 2022 £'000
NAV	a	128	212,062	218,899
Debt held in unconsolidated subsidiaries	b	n/a	140,148	91,495
Gross Asset Value	**a + b**		**352,210**	**310,394**

NAV Total Return

A measure of NAV performance over the reporting year (including dividends paid). NAV total return is shown as a percentage change from the start of the year. It assumes that dividends paid to shareholders are reinvested at NAV at the time the shares are quoted ex-dividend.

Year Ended 31 December 2023			Page	As at 31 December 2023 £'000	As at 31 December 2022 £'000
NAV at 1 January 2023	pence	a	n/a	118.6	103.5
NAV at 31 December 2023	pence	b	128	117.7	118.6
Reinvestment assumption	pence	c	n/a	0.0	0.1
Dividends paid	pence	d	5	5.285	5
Total NAV Return	**((b + c + d)/a) - 1**			**3.5%**	**19.5%**

Alternative Performance Measures (Unaudited) continued

Total Shareholder Return

A measure of share price performance over the reporting year (including dividends reinvested). Share price total return is shown as a percentage change from the start of the year. It assumes that dividends paid to shareholders are reinvested in the shares at the time the shares are quoted ex-dividend.

Year Ended 31 December 2023			**Page**	**As at 31 December 2023 £'000**	**As at 31 December 2022 £'000**
Opening price at 1 January 2023	pence	a	n/a	113.50	103.50
Closing price at 31 December 2023	pence	b	5	90.0	113.50
Benefits of reinvesting dividends	pence	c	n/a	-0.27	0.06
Dividends paid	pence	d	5	5.285	5
Total Return		**((b + c + d)/a) - 1**		**-16.3%**	**15.1%**

Ongoing Charges

A measure, expressed as a percentage of average net assets, of the regular, recurring annual costs of running the Company per Ordinary Share. This has been calculated and disclosed in accordance with the AIC methodology.

Year Ended 31 December 2023		**Page**	**Year Ended 31 December 2023 £'000**	**Year Ended 31 December 2022 £'000**
Average NAV	a	n/a	214,967	200,318
Annualised Expenses	b	n/a	3,384	2,907
Ongoing charges ratio	**b / a**		**1.6%**	**1.5%**

Alternative Performance Measures (Unaudited) continued

Dividend yield

This is the annualised measure of the amount of cash dividends paid out to shareholders relative to the IPO price of £1.00 per share and the issue price.

Year Ended 31 December 2023			Page	Year Ended 31 December 2023 £'000	Year Ended 31 December 2022 £'000
Dividend from IPO to 31 December 2023	pence	a	n/a	12.535	7.25
Ordinary Share price as at 31 December 2023	pence	b	5	90.0	113.50
Issue price at IPO	pence	c	n/a	100.00	100.00
Annualisation factor		d	n/a	0.4	0.67
Dividend yield by reference to share price		**(a/b * d)**		**5.6%**	**4.26%**
Dividend yield by reference to Issue Price		**(a/c * d)**		**5.0%**	**4.83%**

Dividend Cover

Dividend cover illustrates the number of times the Company's cash flow can cover it dividend payments to Shareholders.

Dividend Cover Year Ended 31 December 2023		Page	Year Ended 31 December 2023 £'000	Year Ended 31 December 2022 £'000
Cash flows (from portfolio companies)	a	n/a	15,283	12,135
Cash expenses (Company and Hold Co)	b	n/a	(3,591)	(2,767)
Debt amortisation	C	n/a	5,592	5,485
Dividends paid in 2023	d	n/a	9,696	8,040
Dividend Cover	**(a + b) / d**		**1.21**	**1.17**
Dividend Cover pre debt amortisation	**(a + b + c) / d**		**1.78**	**1.85**

Alternative Performance Measures (Unaudited) continued

Weighted Average Cost of Debt

As at 31 December 2023	Debt Type	Principal	Interest Rate	Weighted Interest Rate
Aviva	Solar – amortising	£68,284,827	0.81%	0.4%
Vantage Infrastructure	Solar – amortising	£10,471,065	1.54%	0.1%
SEB	Hydro – bullet	€49,410,900	3.34%	1.0%
Santander	RCF	£18,600,000	7.44%	1.0%
Weighted Average Cost of Debt				**2.5%**

SFDR Periodic Disclosure Template (Unaudited)

As a Financial Market Participant with products labelled as Article 9 under the EU's Sustainable Finance Disclosure Regulation, the Company is required to make a statement on principal adverse sustainability impacts. These are included alongside other indicators in the table on pages 68 and 69.

SFDR indicators not included in the table on pages 68 and 69 as not relevant to infrastructure investment (i.e. more applicable to listed investments) are:

> Exposure to companies active in the fossil fuel sector

> Exposure to energy-inefficient real estate assets

> Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

> Emissions to water

> Exposure to controversial weapons

Under Annex V, a template periodic report for financial products referred to in Article 9(1), (2) and (3) of Regulation (EU) 2019/2088 is required. This follows for DORE.

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

<table>
<tr><td colspan="2">Did this financial product have a sustainable investment objective?
[tick and fill in as relevant, the percentage figure represents the sustainable investments]</td></tr>
<tr><td>☒ Yes</td><td>☐ No</td></tr>
<tr><td>☐ It made sustainable investments with an environmental objective: 100%

☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</td><td>☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective</td></tr>
<tr><td>☐ It made sustainable investments with a social objective: ____%</td><td>☐ It promoted E/S characteristics, but did not make any sustainable investments</td></tr>
</table>

SFDR Periodic Disclosure Template (Unaudited) continued

The Company is an impact fund, falling under Article 9 of the European Union's Sustainable Finance Disclosure Regulation, with a core sustainable investment objective to contribute to the transition to net zero through its investments. This includes compiling and operating a diversified portfolio of renewable energy and infrastructure assets to help facilitate the transition to a more sustainable future. This directly contributes to climate change mitigation.

This objective above has been met by investments in renewable energy.

How did the sustainability indicators perform?

The performance of sustainability indicators can be found on page 68 in the section on sustainability indictors.

...and compared to previous periods?

For this second reporting period, the number of renewable power assets, capacity and renewable energy generated were all higher for 2023 than 2022 at 4,866 assets, 202.9 MWh and 395 GWh respectively. This means over 30,000 more tonnes of CO_2 equivalent have been avoided in this period as a contribution to the sustainable investment objective. The acreage of land managed has increased to 1070, which as we discuss above, means more carbon sequestration capability through its tress and soil. Reporting on habitats has also evolved with metrics commencing in this period. Social indicators show improvement as well, with increases in operations and maintenance jobs (from 16 to 28) and health and safety audits (from 28 to 35), and an almost 300% increase in community donations.

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

The pre-investment scorecard and process (see next section) captures risk of significant harm through either a low overall score, or through a low score to individual questions. The RI team independently review and provide an opinion, up to recording any risk and plans to mitigate. In the period, no deals were rejected based on causing harm to a sustainability objective. Instead, investments in renewable energy contributed to the objective of reducing or avoiding greenhouse emissions, and therefore to climate change mitigation.

How did this financial product consider principal adverse impacts on sustainability factors?

Pre-investment research uses a proprietary scorecard based on multiple sustainability factors and assesses risks or other potential indicators for adverse sustainability impacts. The EU Taxonomy and the Do No Significant Harm criteria are also referenced within the scorecard and process. The objective is to identify any risks and provide a foundation for future monitoring and engagement.

As investors in infrastructure, data availability and likelihood of occurrence for breaches of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is different to other asset classes like listed equity. Our approach is to monitor via quarterly declarations in the Operations & Maintenance providers' KPI forms and to assume providers have correctly reported with no violations unless notified. For human rights in solar (supply chains) specifically, we have developed an ESG screen that assesses and scores the risk at counterparties with whom we contract for procurement (eg, panels, inverters etc.). This looks at country risk, analysis by the Downing Responsible Investment team and results from data providers on controversies or commitments made. Any adverse impacts – defined as a low score – will inform procurement decisions and possible engagement with the counterparty.

2. What were the top investments of this financial product?

During the reference period, which is full year 2023, the top three largest investments by installed capacity were the Gabrielsberget Syd Vind AB wind farm in Sweden (46 MW), the Summit hydro plant also in Sweden (14 MW) and a residential solar portfolio in N. Ireland (13.1 MW).

The Portfolio Summary section has full investments of this financial product, including infrastructure sub-sector and location.

3. What was the proportion of sustainability-related investments?

What was the asset allocation?

100% to renewable power, based on this flow described in the guidance for Annex V:

Investment → #1 Sustainable (environmental objectives) → Environmental → Taxonomy-aligned

Note we have legacy assets transferred in from other entities that have not been assessed through the research and scorecard process described in part 1 above. However given the sector of these assets, they are assumed to meet the technical screening criteria for sustainability under the Taxonomy: wind, solar and hydro (using the run of river qualification).

In which economic sectors were the investments made?

Following the EU Taxonomy Compass: Sector is Energy, Activity is Electricity generation from hydropower, Electricity generation from wind power, Electricity generation using solar photovoltaic technology and Transmission and distribution of electricity.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

0%

What was the share of socially sustainable investments?

0%

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

None.

4. What actions were taken to attain the sustainable investment objective during the reference period?

The objective, in line with DORE's prospectus, was attained by the generation of renewable power as a natural contributor to climate change mitigation by reducing the emissions from burning fossil fuels to generate power. Three actions in particular were taken.

Robust integration of material sustainability factors, risks and potentially adverse impacts to investment committee discussions and decisions.

Active ownership and monitoring these sustainability impacts post-investment.

A dynamic, internal ESG dashboard for KPIs – including Scopes 1-3, plus avoided, greenhouse gas emissions – is used to report performance of sustainability indicators during the reference period.

During the period, DORE's Nordic hydropower assets participated for the first time in the GRESB Infrastructure Asset Assessment. This provided independent insights into how the sustainable investment objective is being met, including capacity, generation and reporting of clean energy as part of a net zero transition.

GRI Standards

We recognise the Global Reporting Initiative as the global best practice for sustainability reporting. Relevant indicators are mapped below.

Statement of use

The Company has reported the information cited in this GRI content index for the period 1 January to 31 December 2023 with reference to the GRI Standards.

GRI 1 used, GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Legal name & Ownership: Downing Renewables & Infrastructure Trust PLC ("DORE" or the "Company") Location of headquarters: London Counties of operation: UK, Sweden
	2-3 Reporting period, frequency and contact point	1 Jan to 31 Dec 2023. Annual reporting. Contact: Roger Lewis, Head of Sustainability and Responsible Investment
	2-4 Restatements of information	None
	2-5 External assurance	None
	2-23 Policy commitments	This report: Chairman's Statement
	2-28 Membership associations	This report: Downing's approach to sustainability
GRI 302: Energy 2016	302-1 Energy consumption within the organization	This report: Key Performance Indicators
	302-3 Energy intensity	This report: Key Performance Indicators
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	This report: Key Performance Indicators
	304-2 Significant impacts of activities, products and services on biodiversity	This report: Key Performance Indicators
	304-3 Habitats protected or restored	This report: Key Performance Indicators
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	This report: Key Performance Indicators
	305-2 Energy indirect (Scope 2) GHG emissions	This report: Key Performance Indicators
	305-3 Other indirect (Scope 3) GHG emissions	This report: Key Performance Indicators
	305-4 GHG emissions intensity	This report: Key Performance Indicators
	305-5 Reduction of GHG emissions	This report: Key Performance Indicators
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	This report: Key Performance Indicators
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	This report: Key Performance Indicators
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	This report: Key Performance Indicators

Glossary

2015 Paris Agreement	an agreement within the United Nations Framework Convention on Climate Change, dealing with greenhouse-gas-emissions mitigation, adaption, and finance, signed in 2016
AIC	Association of Investment Companies
Asset Manager	INFRAM LLP a company operated by Downing LLP. Downing LLP is the controlling member.
CCGT	Combined Cycle Gas Turbines
Corporate PPA	a PPA with a corporate end-user of electricity rather than with an electricity utility
CO2	Carbon dioxide
CO2e	Carbon dioxide equivalent
COP26	The 2021 United Nations Climate Change Conference
DHAB	Downing Hydro AB
distribution network	low voltage electricity network that carries electricity locally from the substation to the end-user
ESG	environmental, social and governance
FiT	feed-in tariff
GAV	Gross asset value – the aggregate value of the Group's underlying investments, cash and cash equivalents, and third-party borrowings.
GBP	Pounds Sterling
GHG	Greenhouse Gas
Group	the Company and its subsidiaries
GW	Gigawatt
GWh	Gigawatt hours
Investment Manager	Downing LLP (Company No: OC341575)
IPO	Initial Public Offering
KPI	key performance indicator
MW	Megawatt
MWh	Megawatt hour
MWp	Megawatt peak
NAV	Net asset value
NAV Total Return	A measure of NAV performance over the reporting year (including dividends paid).
NIROC/s	Northern Ireland ROC/s
O&M	operations and maintenance
Ofgem	the Office of Gas and Electricity Markets
Offtaker	a purchaser of electricity and/or ROCs under a PPA
Other Infrastructure	Means other infrastructure assets and investments in businesses whose principal revenues are not derived from the generation and sale of electricity on the wholesale electricity markets
PPA	a power purchase agreement
PPS	Pence per share

Glossary continued

RCF	Revolving credit facility
Renewable Energy Directive	EU Renewable Energy Directive (2009/28/EC)
RO	Renewables Obligation
ROC/s	renewables obligation certificate/s
SE2	South Sweden
SE3	North Sweden
SEB	Skandinaviska Enskilda Banken AB
SEK	Swedish Kroner
SEM	Single Electricity Market
SFDR	Sustainable Finance Disclosure Regulation
Solar PV	photovoltaic solar
SORP	Statement of recommended practise
SPV	Special purpose vehicle
Sustainable Development Goals	Set out in the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015
Total Shareholder Return	A measure of share price performance over the reporting year (including dividends reinvested).
transmission network	high voltage power lines that transport electricity across large distances at volume, from large power stations to the substations upon which the distribution networks connect

Cautionary Statement

The Review Section of this report has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Review Section may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified using forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager concerning, amongst other things, the Investment Objectives and Investment Policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. In addition, the Review Section may include target figures for future financial year. Any such figures are targets only and are not forecasts.

This Annual Report has been prepared for the Company as a whole and therefore gives greater emphasis to those matters which are significant in respect of Downing Renewables & Infrastructure Trust PLC and its subsidiary undertakings when viewed as a whole.

Company Information

Directors (all non-executive)	Hugh W M Little (Chair) Joanna Holt Ashley Paxton
Registered Office	Link Company Matters Limited 6th Floor 65 Gresham Street London EC2V 7NQ
AIFM	JTC Global AIFM Solutions Limited Ground Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT
Fund Administrator	JTC (UK) Limited The Scapel 18th Floor 52 Lime Street London EC3M 7AF
Investment Manager	Downing LLP 6th Floor Saint Magnus House 3 Lower Thames Street London EC3R 6HD
Joint Brokers	Singer Capital Markets LLP 1 Bartholomew Lane London EC2N 2AX Winterflood Securities Limited The Atrium Building Cannon Bridge House 25 Dowgate Hill London EC4R 2GA

Sponsor	Singer Capital Markets Advisory 1 Bartholomew Lane London EC2N 2AX
Company Secretary	Link Company Matters Limited 6th Floor 65 Gresham Street London EC2V 7NQ
Solicitors to the Company	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Registrar	Link Group Central Square 29 Wellington Street Leeds LS1 4DL
Auditor	BDO LLP 55 Baker Street London W1U 7EU

Shareholder Information

Key Dates

March 2024	Annual results announced Payment of fourth interim dividend
June 2024	Annual General Meeting
June 2024	Company's half-year end Payment of first interim dividend
September 2024	Interim result announced Payment of second interim dividend
December 2024	Company's year end Payment of third interim dividend

* These dates are provisional and subject to change.

Frequency of NAV Publication

The Company's NAV is released to the London Stock Exchange on a quarterly basis and is published on the Company's website.

Share Register Enquiries

The register for the Company's shares is maintained by Link Group. If you have any queries in relation to your shareholding, please contact the Registrar on 0371 664 0300 or on +44 (0)371 664 0300, UK Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. You can also contact the Registrar by email at enquiries@linkgroup.co.uk or by sending a letter to Link Group, Central Square, 29 Wellington Street, Leeds LS1 4DL.

Sources of Further Information

Copies of the Company's Annual and Interim Reports, stock exchange announcements and further information on the Company can be obtained from the Company's website www.doretrust.com.

Contacting the Company

Shareholder queries are welcomed by the Company. While any queries regarding your shareholding should be raised with the Registrar, shareholders who wish to raise any other matters with the Company may do so by emailing the Company Secretary at dorecosec@linkgroup.co.uk.

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