



For the year to 31 December 2024

# Downing Renewables & Infrastructure Trust PLC

Annual Report



Downing Renewables  
& Infrastructure Trust



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# Company Overview





## Highlights

- Recycling capital: Disposed of Gabrielsberget wind farm in Sweden, crystallising a total return of 54% over the two year investment period.
- Operational excellence: Strong focus on revenue and portfolio optimisation, by investing small amounts of capital in initiatives with material impact including:
  - Prequalifying two hydro-power assets for the frequency market.
  - Achieved a positive capture price for the year of 110.9% by implementing our dispatch strategy for our dispatchable hydropower assets.
- Acquired three Swedish hydropower plants and their associated storage reservoirs for £5.8 million.
- Interim dividends of 5.80 pence per ordinary share declared in respect of the year, in line with target.
- 2024 cash dividend cover of 1.20x<sup>1</sup> (2023: 1.21x), 1.88x (2023: 1.78x) using pre-debt service cashflows.
- Target dividend relating to financial year 2025 increased by 2.6% to 5.95 pence<sup>2</sup> per ordinary share.
- Net Asset Value (“NAV”) total return<sup>1</sup> of 3.8% for the year to 31 December 2024 and 39.3% since IPO in December 2020.
- NAV as at 31 December 2024 was £199.9 million (2023: £212.1 million) or 116.7 pence (2023: 117.7 pence) per ordinary share.
- Reducing debt: Lowered leverage to 37%<sup>1</sup> (2023: 40%) by utilising divestment proceeds to repay fully £26.7 million drawn debt under the RCF.
- The Company’s renewable energy portfolio generated 343 GWh in 2024, avoided 161,620 tonnes of CO<sub>2</sub>e and powered the equivalent of 126,916 UK homes.
- Downing Hydro AB, a subsidiary of the Company, achieved 90 points out of 100 on its GRESB sustainability performance rating (“GRESB”) submission, surpassing the GRESB average in all categories.
- Continued the buyback programme, purchasing 8.9 million ordinary shares (£7.1 million) during the year at an average price of 80.2 pence creating further value and increasing NAV per ordinary share by 1.8 pps. In line with the peer group, the shares traded at a discount during the year, however DORE continues to provide additional market liquidity to help mitigate discount volatility.
- Appointment of a new non-executive Director, Astrid Skarheim Onsum who brings extensive knowledge of the energy transition and renewable energy sectors across various geographies.

<sup>1</sup> These are alternative performance measures.

<sup>2</sup> The dividend and return targets stated above are targets only and not profit forecasts. There can be no assurance that these targets will be met, or that the Company will make any distributions at all and they should not be taken as an indication of the Company's expected future results.

## Key Metrics

	As at or for year ending 31 December 2024	As at or for the year ending 31 December 2023
Market capitalisation	£132m	£162m
Share price	77.0 pence	90.0 pence
Dividends paid in the year	£10.0m	£9.7m
Dividends paid in the year per ordinary share	5.695 pence	5.285 pence
GAV <sup>3,4</sup>	£319m	£352m
NAV per share	116.7 pence	117.7 pence
NAV	£200m	£212m
NAV total return with respect to the year <sup>3,4,5</sup>	3.8%	3.5%
Total Shareholder Return with respect to the year <sup>3,6</sup>	-6.8%	-16.3%
NAV total return since inception <sup>3,4,5</sup>	39.3%	33.0%
Total Shareholder Return since inception <sup>3,6</sup>	-7.4%	1.1%
Weighted average discount rate <sup>7</sup>	8.0%	7.7%
Environmental performance	Assets avoided 161,620 tonnes of CO <sub>2</sub> and powered the equivalent of 126,916 homes	Assets avoided 186,348 tonnes of CO <sub>2</sub> and powered the equivalent of 146,183 homes

A glossary of terms can be found on page 170.

<sup>3</sup> These are alternative performance measures.

<sup>4</sup> A measure of total asset value including debt held in unconsolidated subsidiaries.

<sup>5</sup> Based on NAV at IPO of £0.98/share.

<sup>6</sup> Total returns in sterling, including dividend reinvested.

<sup>7</sup> 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 of 31 December 2024, the Company had 184,622,487 ordinary shares in issue (of which 13,234,598 were held in treasury) which are listed on the FCA’s closed-ended investment funds category 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 2024 (the "Annual Report"). Our commitment to investing in renewable energy projects and resilient infrastructure has yielded robust financial performance and substantial progress towards our long-term sustainability goals, even in a time of greater market uncertainty. DORE's portfolio diversification and strategic initiatives have positioned us well to continue delivering value to our shareholders while contributing positively to the global transition to a low-carbon economy.

### Investment Activity

As noted in the Interim Report, the Investment Manager continued to prioritise the delivery of additional value, with a series of portfolio initiatives aimed at improved asset performance. In the second half of the year, further progress has been made on these initiatives, the hydropower portfolio continued to be built out through small acquisitions, and the Board was very pleased to note the successful sale of the Gabrielsberget wind farm in Sweden, at a significant uplift in value to its cost price just 2 years earlier in 2022. The Company received €36.0m (£29.8 million) from the sale proceeds and dividends during its period of ownership, crystallising a total return of c.54%. A series of contractual and operational improvements undertaken by the Company's asset management team over this period have been the principal drivers behind this valuation uplift. The proceeds of the sale have enabled the Company to fully repay its revolving credit facility ("RCF"), and to fund further growth and re-investment across the Company's portfolio of assets in the Nordic region.

In November, DORE acquired three further Swedish hydropower plants and their associated storage reservoirs. The combined expected annual average production is c.7 GWh, increasing the Company's hydropower portfolio to 37 assets with a forecast annual average production of c.222 GWh. DORE has continued to prioritise the aggregation, modernisation and digitalisation of its hydropower portfolio through strategic acquisitions and active asset management.

Further details on the acquisitions and disposal during the year can be found in the Investment Manager's Report on pages 27 to 45.

### Revenue Optimisation

Notably, the Company continues to optimise its use of water storage in its dispatchable hydropower portfolio, achieving a positive capture ratio of 110.9% for the 12 months to December 2024 (107.0% for the 12 months to December 2023).

To provide further stable revenues, the Company successfully translated the Icelandic Power Purchase Agreement ("PPA") from Icelandic Krona to Euro, reducing volatility and providing constant inflation linked, eight-year 100% pay-as-produce offtake payments from HS Orka, the third largest energy company in Iceland.

Two hydropower assets have prequalified for the frequency market, enabling entrance into an additional market which provides the opportunity for further returns to shareholders. The Company has earned additional revenues from Frequency Containment Reserve Market ("FCR") in the year and will look to expand its use of these markets in the future. Furthermore, our largest hydropower asset has been tested for suitability, and an application to sell Frequency Containment Reserve – for Normal Operation market ("FCR-N") was submitted to the Transmission System Operator ("TSO") for assessment during the year.



## Chairman's Statement continued

A contractual improvement for the grid infrastructure assets was completed in August 2024. Mersey Reactive Power Limited, a UK-based, fully operational 200 MVar shunt reactor renegotiated its contract with the National Grid to provide additional reactive power. The project's annual revenue will increase up to c.30% for the remainder of the nine-year contract, the equivalent of £300,000 per annum.

Blåsjön Nät AB ("Blåsjön") operates as the sole Electricity Distribution System Operator ("DSO") in its concession area. Consequently, its tariffs to customers are regulated by Ei, the Swedish regulator for all Swedish DSOs. Ei has reached a final regulatory conclusion for the DSOs for Regulatory Period 4 (2024-2027). The regulatory conclusion allows Blåsjön (and its industry peers) to charge end users a 4.53% real Weighted Average Cost of Capital ("WACC") over the next four-year period, the previous sector WACC was 3.4%.

Further details on the operational improvements during the year can be found in the Investment Manager's Report on pages 27 to 45.

### 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 2024, the total Portfolio's gearing (expressed as a loan to value (LTV) ratio) was 37% (2023: 40%). The Company has access to a £40 million RCF which was undrawn, there are also two additional long-term debt facilities at asset level, a £74.3 million facility which was fully drawn and a €68.5 million facility of which €54.2 million was drawn at 31 December 2024.

During the year, the RCF allowed the Group the flexibility to pursue different investment opportunities. As mentioned above, the RCF was repaid in full during the year using the proceeds from the sale of Gabrielsberget. In total, the sterling value of debt was £119.1 million as at 31 December 2024 (£140.0 million at 31 December 2023). The weighted average cost of debt across the borrowings is 1.8% as at 31 December 2024.

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 15.

### Portfolio Performance

The underlying portfolio generated £22.8 million (2023: £24.7 million) operating profit during the period<sup>8</sup>, an 11.4% return (2023: 11.6%) on equity capital deployed. The 4,860 core renewable energy assets produced approximately 343 GWh of renewable electricity, enough to power 126,916 UK homes annually, with the two grid infrastructure assets in particular performing well.

### Financial Results

Despite the strong return on capital deployed, during the year the NAV per ordinary share decreased marginally by 0.8% from 117.7 pence at 31 December 2023 to 116.7 pence at 31 December 2024. 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. Including dividends

<sup>8</sup> Based on figures from underlying spv unaudited management accounts which are not included within this report.

## Chairman's Statement continued

paid of 5.695 pence per ordinary share during the year, the NAV total return in 2024 was 3.8% resulting from share buybacks in the year and the payment of the dividend.

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 41.

The portfolio companies distributed £17.7 million to the Company by way of shareholder loan repayments and interest during the year.

The Company made a profit for the year to 31 December 2024 of £4.9 million, resulting in earnings per ordinary share of 2.9 pence.

### Dividends

The Company paid interim dividends to shareholders of 1.45 pence per share for each of the first three quarters of 2024, and a further dividend of 1.45 pence per share was announced on 19 February 2025 in respect of the quarter to 31 December 2024. Together, these amount to the 5.80 pence per share target for the 2024 financial year, announced on 11 April 2024.

In cash terms, the Company and its subsidiary achieved a cash dividend cover of 1.20x against the dividends of 5.695 pence per share actually paid during the year. When amortisation of debt is added back, the dividend cover was 1.88x. 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 5.95 pence per share for the year to 31 December 2025, a 2.6% increase from 2024. The increased dividend is expected to be covered by cash in excess of 1.15x by the current portfolio.

### Capital Structure

Share prices across the broad renewable infrastructure investment company sector remain 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 buybacks 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.

The Company has run a peer group leading<sup>9</sup> share buyback programme, which to date has returned to shareholders 7.1% of the total shares in issue. During the twelve months to 31 December 2024 the Company has bought back a total of 8,859,235 shares into treasury at a cost of £7.1 million. Since the year end, a further 1,076,289 shares have been bought back into treasury at a cost of £0.9 million. As at 25 March 2025, the Company had 184,622,487 shares in issue (including

<sup>9</sup> In terms of proportion of capital repurchased.



## Chairman's Statement continued

14,310,887 shares held 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 prioritised revenue optimisation initiatives. The Company has utilised small amounts of capital to invest in opportunities with large impact, increasing capital efficiency in particular in its hydropower portfolio.

The Board continues to pursue further opportunities to expand its investment in this strategy with the aim of increasing overall portfolio returns.

### Continuation Vote

In accordance with the Company's Articles of Association, an ordinary resolution must be put to Shareholders for the continuation of the Company at a general meeting to be held in December 2025, being five years after the Company's Initial Public Offering in December 2020. The Board is seeking shareholder approval to adopt the new Articles of Association (the "New Articles") to enable the Company to bring forward the continuation vote and to present it at the AGM in 2025 rather than in December. The Board believes that putting forward the continuation vote at the AGM is a logical step as it will (i) align the timing of the proposed changes to the Company's investment policy with the timing of the continuation vote and (ii) mean that the Company will not have to incur unnecessary costs of holding an additional general meeting in December 2025 to put forward the continuation resolution. There are no other changes to the Articles being proposed.

The Company has traded at a discount to NAV in 2024, however the directors believe that this weakness in the share price is in part as a result of macroeconomic, market and geopolitical factors that affected the whole renewable infrastructure sector. Since IPO, the Company has delivered a strong NAV total return of 39.3%, including 18.2pps of dividends. The Board is though mindful of the ongoing discount to NAV at which the Company's shares trade and will continue to consider any appropriate actions to improve the share rating. This includes DORE's share buyback programme, further asset disposals where appropriate, debt repayment and potential corporate activity.

The Company will continue to implement its strategy to invest in a diversified portfolio of renewable energy and infrastructure assets in the UK, Ireland and Northern Europe. The proposed amendments to the investment policy (mentioned below and to be detailed further in the Notice of AGM) will not fundamentally change the Company's investment strategy.

Following a consultation with shareholders representing a significant proportion of the Company's shares, where the majority expressed continued support for the Company, the Directors are recommending that Shareholders vote for the resolution for the continuation of the Company.

### Proposed Changes to the Investment Policy

To allow for continued growth and focus on value creation, the Board is proposing various amendments to the Company's investment policy to allow for limited investment into Assets that are in development, to increase the Company's NAV threshold for geographic and technology limits, and to clarify the classification of certain assets. The Board and the Investment Manager confirm that the proposed investment policy changes will not result in a fundamental change to the investment strategy.

## Chairman's Statement continued

Further details of the proposed amendments to the investment policy will be set out in the Notice of AGM. In accordance with the UK Listing Rules, shareholder approval will be sought for those amendments via an ordinary resolution at the Company's AGM to be held in 2025.

### Outlook

The Board is pleased with the acquisitions and divestment made in the year, and is encouraged by the full repayment of the RCF as the additional liquidity will bolster capital availability and enable further opportunities to build the portfolio.

The Company has an extensive pipeline of investments, including increasing our exposure in Iceland and expanding our hydropower portfolio further into the Nordics. The Board also recognises the success of the Grid Infrastructure portfolio and the diversification and stability of revenues that it provides to the overall portfolio. The Board is committed to building a diverse and resilient portfolio to provide the greatest return to its shareholders.

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 is committed to building a diverse and resilient portfolio in order to deliver optimal returns to investors, and also to addressing the continued discount at which its shares continue to trade in relation to its Net Asset Value.

I look forward to providing shareholders with further updates on progress made toward these objectives.



**Hugh W M Little**

Chair

25 March 2025

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 2024, the Company had 184,622,487 ordinary shares in issue (with 13,234,598 held in treasury) which are listed on the FCA's closed-ended investment funds category 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 Board regularly monitors the development of the investment strategy and the resources and sustainability of the Business Model.

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) predominantly 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").

## Strategy and Business Model continued

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

### Proposed changes to Investment Policy (to be presented at AGM 2025)

To allow for continued growth and focus on value creation, the Board is proposing various amendments to the Company's investment policy to allow for limited investment into Assets that are in development, to increase the Company's NAV threshold for geographic and technology limits, and to clarify the classification of certain assets. The Board and the Investment Manager confirms that the proposed investment policy changes will not result in a fundamental change to the investment strategy.

Further details of the proposed amendments to the investment policy will be set out in the Notice of AGM. In accordance with the UK Listing Rules, shareholder approval will be sought for those amendments via an ordinary resolution at the Company's AGM to be held in 2025.

### 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.

## Strategy and Business Model continued

### 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
- 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.

## Strategy and Business Model continued

### 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 2024, the Company owns a portfolio of 4,860 Renewable Energy Assets totalling 159 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 manage 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. As at 31 December 2024, the facility was undrawn.

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. JTC Global AIFM Solutions Limited is 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 suitable policies and procedures are in place to ensure high standards of business conduct and corporate governance.



## Strategy and Business Model continued

### Financial Objectives

Objective	KPI and Definition	Relevance to Strategy	Performance	Explanation
<b>Attractive and sustainable level of income</b>	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 4.35 pence per share in respect of the year ending 31 December 2024. The Company has declared a further 1.45 pence per share to be paid in respect of the period to 31 December 2024.	The Company successfully met the increased dividend guidance of 5.80 pence per share for the year to 31 December 2024. The Company's annual dividend target will increase by 2.6% for the year ended 31 December 2025 to 5.95 <sup>10</sup> pence per share.
	Cash dividend cover	Reflects the Company's ability to cover its dividends from the income received from its portfolio.	1.20x	The Company, through DORE Hold Co received distributions of £17.7 m from the underlying projects enabling the Company to pay fully covered dividends. £19.7 million was paid up via loan interest and principal repayments from DORE Hold Co in the year.

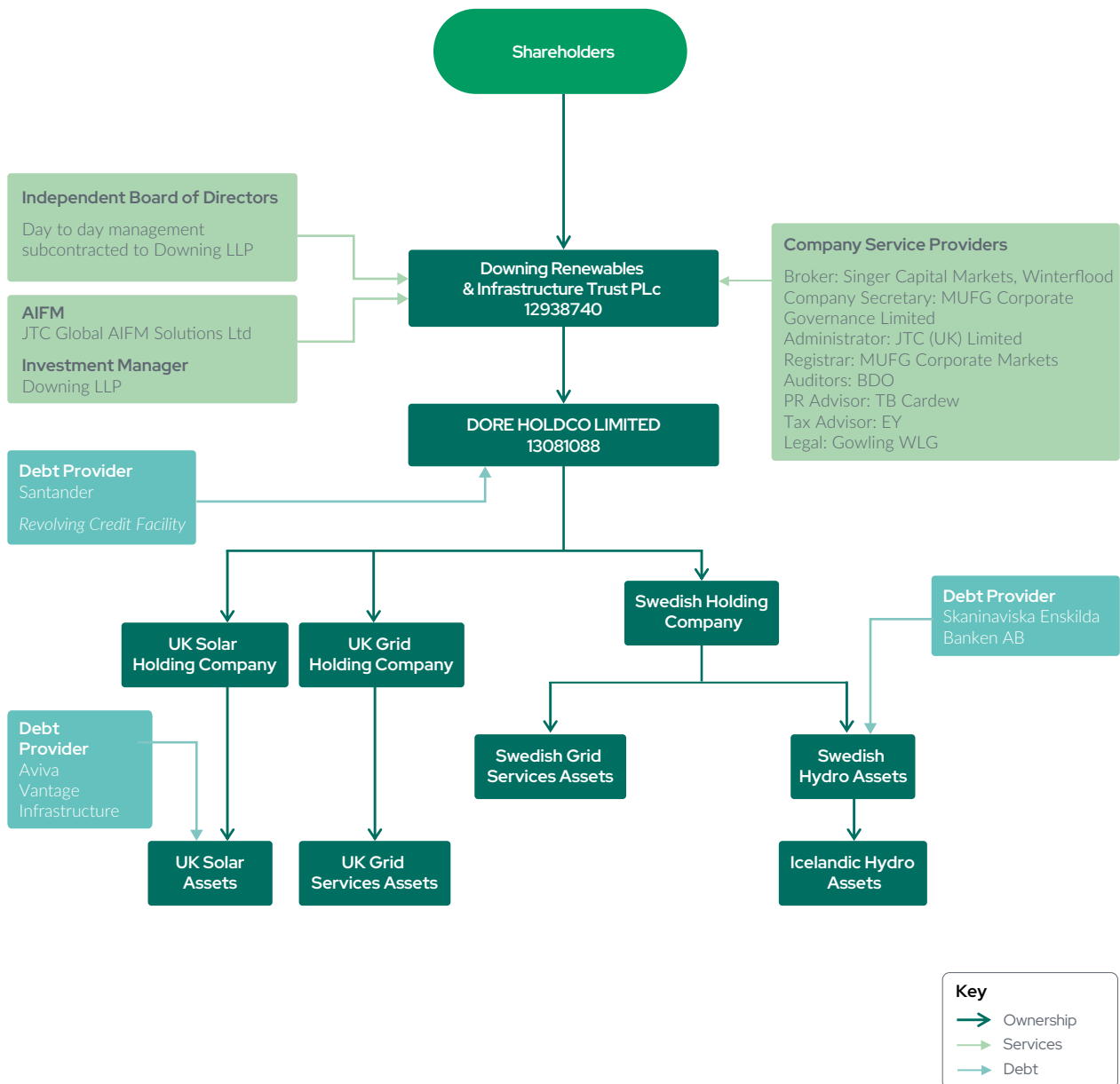
<sup>10</sup> The dividend and return targets stated above are targets only and not profit forecasts. There can be no assurance that these targets will be met, or that the Company will make any distributions at all, and they should not be taken as an indication of the Company's expected future results.

## Strategy and Business Model continued

Objective	KPI and Definition	Relevance to Strategy	Performance	Explanation
<b>Capital preservation with an element of capital growth</b>	NAV per share (pence)	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.	116.7 pence per share	116.7 pence per share as at 31 December 2024. NAV has decreased since 31 December 2023 from 117.7 pence per share after taking into account dividends paid.
	Total NAV return (%)	The total NAV return measure highlights the gross return to investors including dividends paid.	3.8%	The Company's NAV has decreased due to the downward revaluation of the Company's Investment in Hold Co, however the Total NAV return % increased due to dividends received by shareholders.
	Total Shareholder return since IPO	The share price movement plus reinvested dividends over a period, is a measure of a company's capital growth over the long term.	-7.4%	The Company's closing share price as at 31 December 2024 was 77 pence per share.
	Ongoing charges ratio	Ongoing charges shows the drag on performance caused by the operational expenses incurred by the Company.	1.5%	Company level budgets are approved annually by the Board and actual spend is reviewed quarterly.

A glossary of terms can be found on page 170.

## Strategy and Business Model continued



DORE Holdco Limited and all subsidiaries are held at Fair Value and not consolidated. The diagram has been simplified.

### 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 46. 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 46 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 2024, had over £2.1 billion of assets under management.

The Investment Manager has over 250 staff and partners. The team of 59 investment and asset management specialists who focus exclusively on energy and infrastructure transactions are supported by business operations, IT systems specialists, legal, HR, sustainability 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 200 investments in renewable energy infrastructure projects and currently oversees 636 MWp of electricity generating capacity, covering six technologies across c.16,360 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

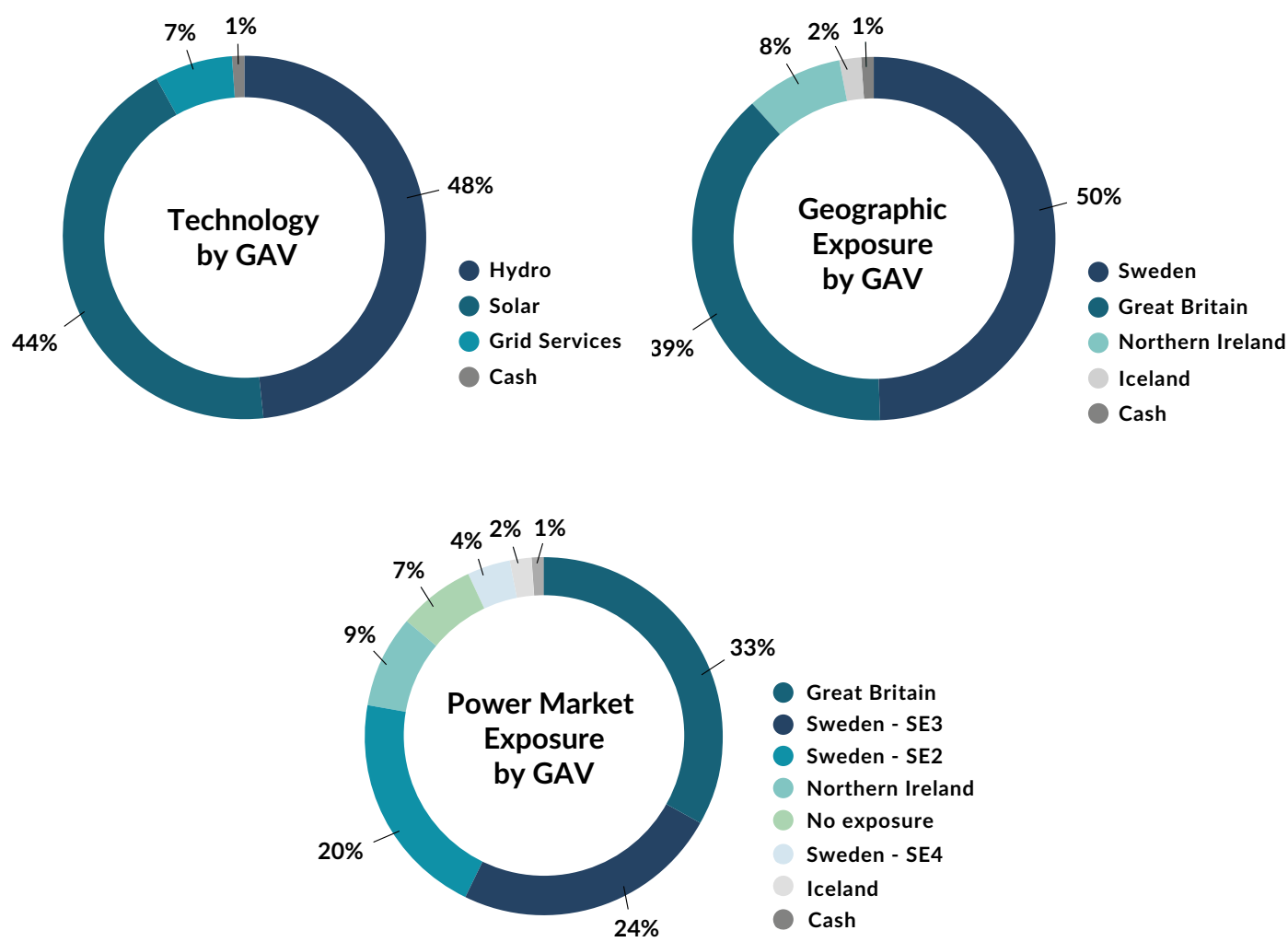
At the year end, through its main subsidiary, DORE Holdco Limited, the Company owned a renewable energy portfolio of hydropower and solar assets, representing 159 MW of installed capacity with expected annual generation of around 323 GWh.

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 4,860 individual installations and across six 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.

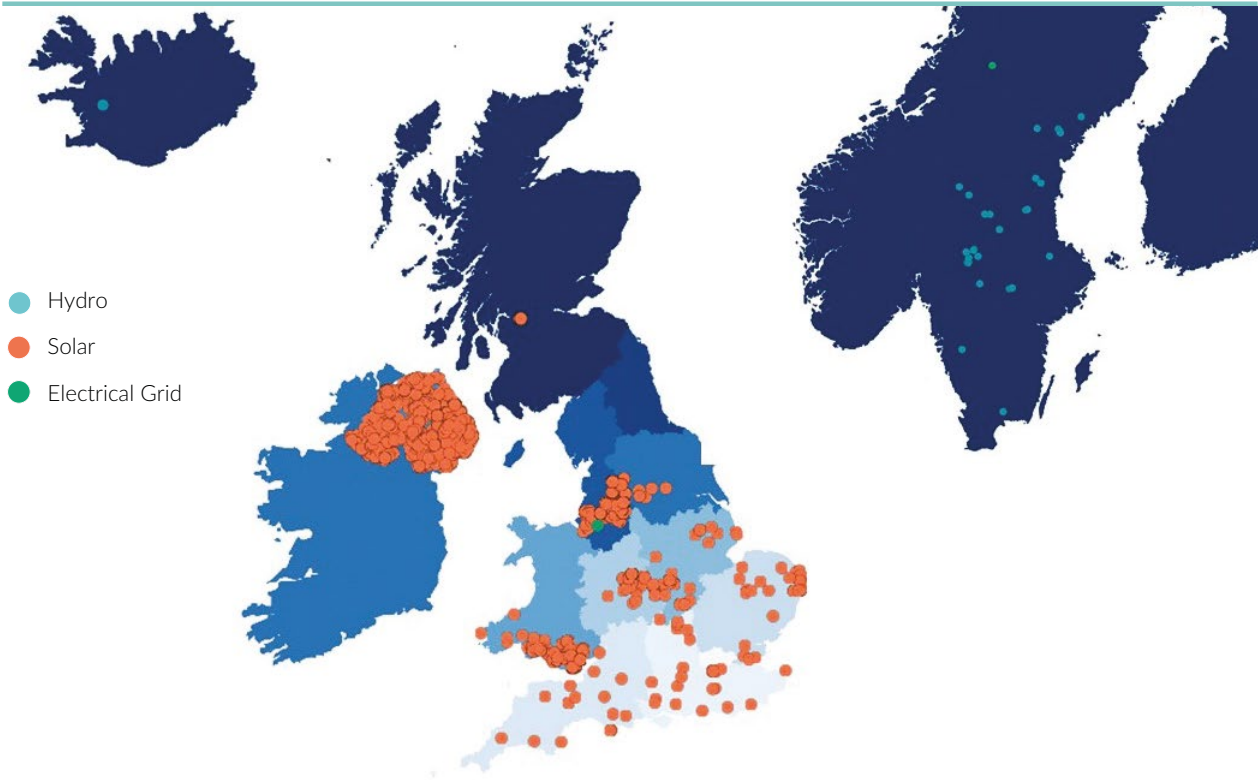
## Portfolio composition by valuation, as at 31 December 2024





Portfolio

Portfolio as at 31 December 2024



Source: Downing; Note: For illustrative purposes only; Data as at 31 December 2024.

## 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
Tvårforsen	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	4.7	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 Lllys 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
Rysa Övre	Hydro	Jan-22	Mora, Sweden	SE3/ n/a	0.7	2.6
Rysa 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
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
St Colomb Solar	Solar	Apr-23	Various, England and Scotland	UK / FIT	0.8	0.6

## Portfolio continued

Investment	Technology	Date Acquired	Location	Power Market / Subsidy	Installed capacity (MW)	Expected annual generation (GWh)
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
Gyttorp	Hydro	Nov-24	Sweden	SE3/ n/a	0.5	1.1
Hagby	Hydro	Nov-24	Sweden	SE3/ n/a	1.2	3.6
Hammarby	Hydro	Nov-24	Sweden	SE3/ n/a	0.55	2.2
TOTAL AS AT 31 DECEMBER 2024:					159.0	323.2



# Investment Manager's Report

## Introduction

We are delighted with the progress made in the portfolio during the year. The Company continued to focus on revenue optimisation, renegotiating the shunt reactor contract with National Grid by £300,000 per year and achieving a capture ratio of 110.9% for the hydropower portfolio in 2024, as compared to 104.5% in 2023. The Company also disposed of its interest in Gabrielsberget wind farm achieving returns of 54% and facilitating the full repayment of the RCF. During the year, the Company also made further investments in the hydropower portfolio. Active asset management and portfolio enhancement were also a key focus, with optimisation initiatives diversifying fixed revenue streams and enhancing shareholder returns.

## Acquisitions and Capital Deployment

### Sale of Gabrielsberget

The Company completed the sale of its entire interest in Gabrielsberget wind farm in Sweden ("Gabrielsberget") to Angel Wind, a subsidiary of Bagnall Energy, another fund managed by the Investment Manager. Completion of the sale crystallises a total return of 54% over DORE's investment period in Gabrielsberget.

The Company purchased Gabrielsberget in January 2022 for a total consideration of £19.8m and has received £29.8m from the sale proceeds and dividends during its period of ownership.

A series of contractual and operational improvements undertaken by the Company's asset management team over this period have been the principal drivers behind this valuation uplift.

The proceeds of the sale enabled the Company to fully repay its RCF, to fund further growth and re-investment across the Company's portfolio of assets in the Nordic region and to fund the Company's peer group leading share buyback programme<sup>11</sup>, which to date has returned to shareholders 7.1% of the total shares in issue at the start of the programme.

### Hydropower – Downing Hydro AB ("DHAB")

In November, the Company acquired three Swedish hydropower plants and their associated storage reservoirs for c.£6 million. The combined expected annual average production is c.7 GWh, with a potential increase of 0.5 GWh after further upgrades have taken place.

All three hydro plants, Hagby, Gyttrorp and Hammarby, are located on the Norasjön River in the Örebro County in the SE3 price region in Sweden. Two of the plants - Gyttrorp and Hagby - were built in 1946 and 1952 respectively and underwent extensive refurbishment in 2007. Hammarby was built in 1982 and recently underwent a significant upgrade.

The transaction offers a strategic opportunity to extend the current portfolio into a new geographical area of SE3. The three hydropower plants benefit from storage and consequently allow the portfolio to benefit from an attractive revenue profile, with a significant part of its production during the winter months.

The Company's hydropower portfolio now comprises of 37 assets with a forecast annual average production of c.222 GWh and reservoir capacity of 248.3Mm<sup>3</sup>.

<sup>11</sup> Based on percentage of shares repurchased of total ordinary shares in issue.

## Investment Manager's Report continued

### Portfolio Enhancement

#### Improved Contract and Revenue for Mersey Reactive Power

In August, Mersey Reactive Power Limited, a UK-based, fully operational 200 MVar shunt reactor which the Company acquired in June 2023 renegotiated its contract with the National Grid Electricity System Operator ("NGESO") to provide additional reactive power.

The shunt reactor is now available to be called upon by the network operator for unlimited use throughout the year, which will allow DORE to benefit from increased revenues under the availability-based Pathfinder Contract, part of National Grid's Stability Pathfinder Initiative. The Company expects the shunt reactor to receive an increase in annual revenue of up to c.30%, which is the equivalent of c.£300,000 per annum, for the remainder of the nine-year contract, increasing the valuation by 5.8%.

#### Blåsjön

Blåsjön, a Swedish Electricity Distribution System Operator acquired by DORE in July 2023, has reached a final regulatory conclusion with Ei, the Swedish regulator for the electricity distribution sector. Blåsjön and its industry peers are allowed to charge end users 4.53% of its real Weighted Average Cost of Capital (WACC) over the next four-year regulatory period, the previous real sector WACC was 3.4%.

The transmission and distribution of electricity in Sweden is considered a natural monopoly, which means its tariffs and charges to customers are subject to regulation. Ei implements revenue caps for each distribution system operator for a regulatory period of four years and has concluded the regulatory decision for Regulatory Period 4 (RP4, 2024-2027) for Blåsjön. As part of the regulatory decision, Blåsjön will be making investments during the period totalling c.SEK 33.2 million (c.£2.5 million). The real WACC which Blåsjön is allowed to apply to its charges is set at 4.5%. As a comparison, Ei concluded a real sector WACC of 3.4% for RP3 (2020 – 2023, restated from 2.3% by Ei, following appeal by the industry).

Blåsjön also announced the appointment of Jan Delin as its new Chief Executive Officer ("CEO") following the retirement of Ingemar Persson after 27 years in the role. Mr. Delin, who was previously CEO of regional Swedish utility Edsbyn Elverk for nine years, has been a Board member of Blåsjön for four years.

#### Creating Long-Term Attractive Returns through Strategic Digitalisation

The asset management team is dedicated to generating long-term attractive returns by examining the hydropower portfolio and executing multiple projects simultaneously as part of a comprehensive digitalisation strategy.

## Investment Manager's Report continued

In the year, the Asset Manager has identified multiple positive business cases, including the refurbishment of spill gates and local equipment to enable more precise, flexible, and remotely controlled adjustments. These initiatives, such as the refurbishment of five spill gates in reservoirs upstream of flexible hydro power assets, have progressed. Additionally, investments in providing stations with Programme Logic Controllers enable autopilot steering based on production values rather than surface level steering, allowing us to improve our price-driven production strategy. The Asset Manager has also centralised its dispatch and production planning responsibilities, consolidating the dispatch responsibility for all Swedish assets into one unified team.

The Asset Manager has worked on multiple ongoing digital projects during the second half of the year. Local hardware has been installed at nearly all Swedish station, connected to a Supervisory control and data acquisition ("SCADA") system. The system allows us to monitor full operations, from reservoir surfaces and production plans to operational alarms, minimising downtime and unnecessary losses. The roll out to all hydropower stations in Sweden is expected to be completed during 1H 2025, including the stations acquired in November 2024.

In the Interim Report, we laid out a case study on how Hydrogrid is being used to enhance DHAB's dispatch strategy. Hydrogrid has now been integrated with our SCADA system, providing real-time planning and dispatch strategies for our hydro plants. It uses real-time generation data, hydrological modelling, inflow forecasts, and power market data to produce optimal production plans for each asset, both for short-term opportunities and seasonal planning. The production plan is regularly updated based on real-time conditions, such as weather forecasts and power prices, while ensuring regulatory compliance.

The improvements made in the year along with favourable weather conditions allowed the Company to achieve a capture price ratio of 110.9%.

### Ugsi – Case Study

This case study aims to highlight some significant improvements that are possible with small-scale hydropower through simple and relatively inexpensive investments. During 2024, Downing Hydro AB, a Swedish subsidiary of DORE has made several such investments, and a comparison between electricity production in January 2024 and January 2025 can illustrate the improvement. Historically, the flexibility of small-scale hydropower generally lags behind large-scale hydropower, but improvements in IT and technology make it viable to also use smaller hydropower plants to regulate electricity production and support the grid when needed. With increased volatility in the energy market due to higher penetration of intermittent and renewable energy production, flexible electricity production has become particularly advantageous, both from a commercial and a security of supply perspective.

Ugsi was one of DORE's first hydropower investments, purchased in 2021. Figure 1 shows the production profile during January 2024 together with the spot price, showing slow reactions to peaks in power prices. If the Asset Manager wished to change the power output, it was necessary to send personnel to site to manually make this change. Figure 1 shows the price achieved mirroring the spot price with a 98.5% capture price, the economic result was relatively poor considering the full potential of the power plant.

## Investment Manager's Report continued

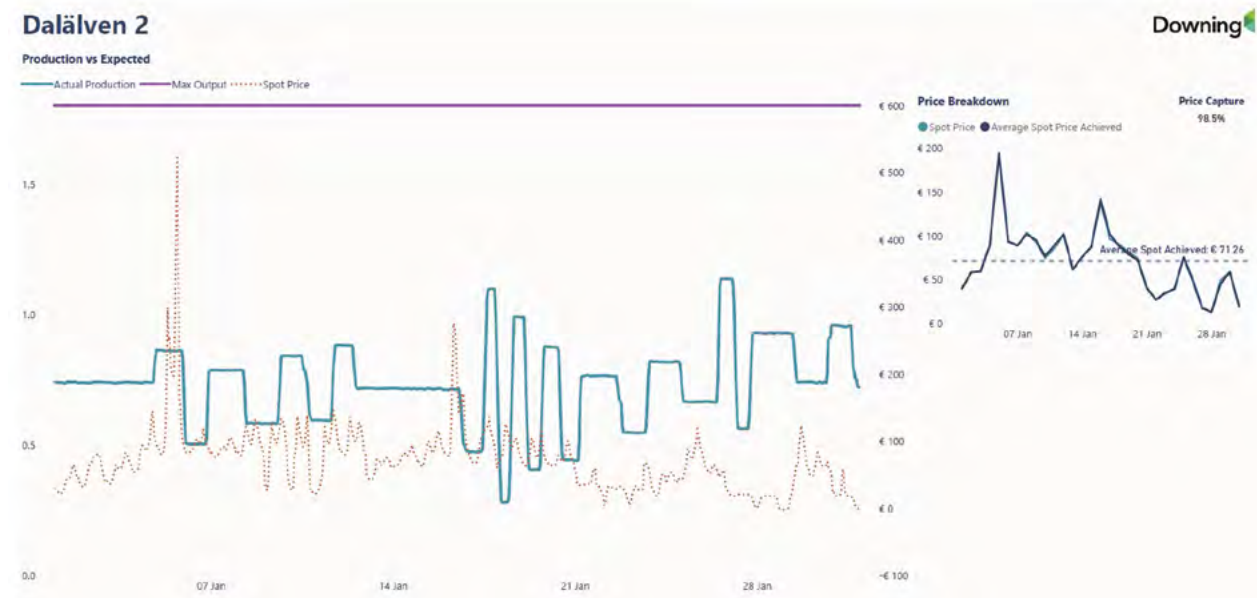


Figure 1: Ugsi Production in January 2024

To enable remote control with autopilot, the local programmable logic controller needed to be replaced. This was completed in the autumn of 2024, so by January 2025, there was increased flexibility, and a capture price of 134.4% was achieved. As can be seen in Figure 2, there is now a high correlation between the spot price and the production of the hydropower plant, with output at its highest when the spot price is high. By reducing production when prices are low, water is stored in reservoirs to further take advantage of energy production when prices are high.

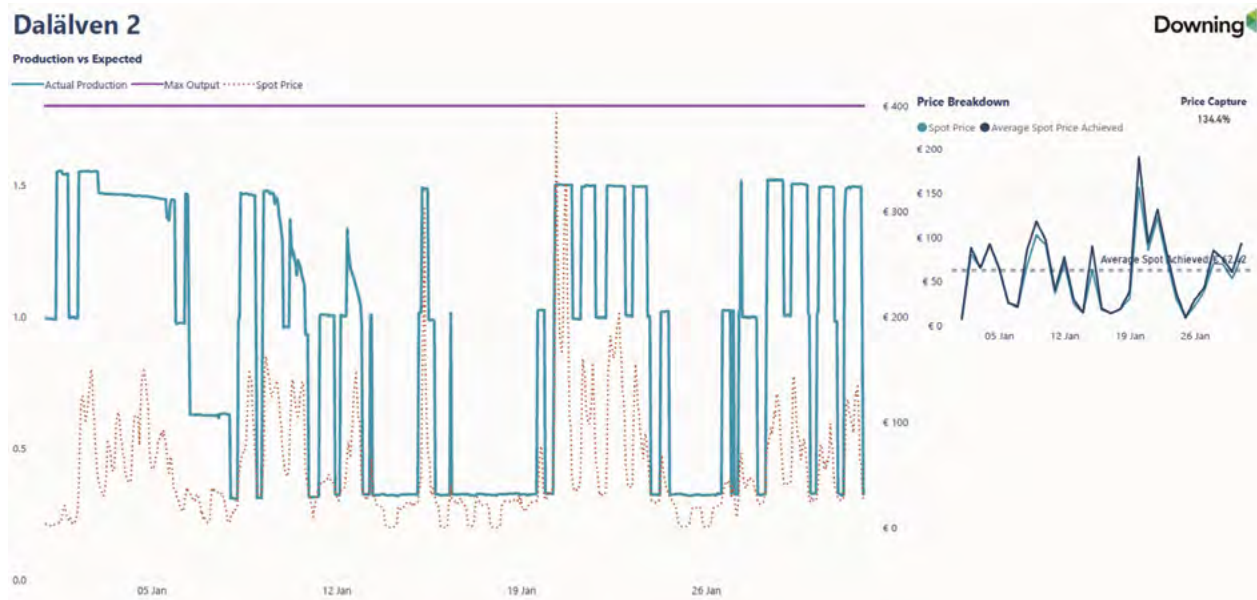


Figure 2: Ugsi Production in January 2025



## Investment Manager's Report continued

### Market Development and Opportunities in the Frequency Regulation Markets

The Investment Manager continues to focus on deploying capital into areas of the portfolio where the potential return on capital is the greatest, including buying back its own shares.

Accordingly, the Investment Manager is pursuing opportunities to gain access to the historically 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 access the Fast Frequency Reserve ("FFR") markets, thus creating additional revenue streams and increasing productivity of the site.

The combination of an increasingly centralised operation system across the hydropower portfolio together with software and hardware upgrades has enabled the Asset Manager 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 manner to that of a battery, allowing hydropower production to be adjusted relatively quickly (up or down) to assist in stabilising the grid.

In 2024, the Investment Manager prequalified two hydro-power assets for the frequency market, tapping into additional market channels for higher returns on our flexibility. In the period where the two hydro power assets were qualified for the frequency market, FCR made up c.6% of their revenues. Following this success, DORE's largest hydropower asset has been tested, and an application to sell FCR-N was submitted to the TSO for assessment in Q4 2024.

### Portfolio Performance

For the year to 31 December 2024, the 4,860 core renewable energy assets produced 343 GWh of renewable electricity, enough to power 126,916 UK homes annually. From a financial perspective the portfolio generated an operating profit of £22.8 million, which was slightly below expectations. This was largely due to fluctuating weather patterns in the Nordic regions which hindered generation of the wind and hydropower portfolios and caused lower than expected power prices across these portfolios. The Company is seeking to mitigate these fluctuations through its' ancillary services projects.

Generation across the solar portfolio was 90GWh in 2024. This was lower than expected, due to lower than average irradiation levels for the year and also due to unexpected Distribution Network Operator ("DNO") outages at a small number of sites. 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. Inverter issues were experienced at a small number of sites but the impact of these was mitigated by the use of available spare parts. A number of the removed inverters are now being repaired to be re-used as part of the wider portfolio spare parts strategy. Operating profit across the solar portfolio was £15.1 million, which was in line with expectations, with the impact of the lower than expected generation being offset by efficient cost control resulting in lower than predicted operating costs.

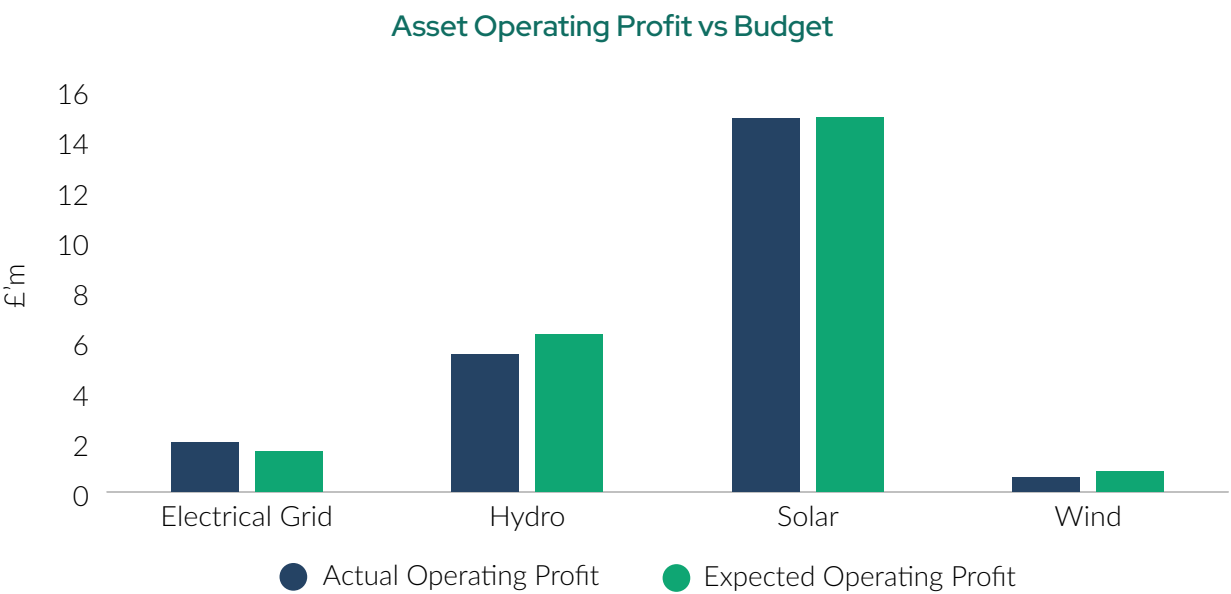
The hydropower portfolio generated 207 GWh in the year. This was slightly lower than expected, partly due to lower than expected availability of the sites due to a particularly harsh winter causing icing disturbances in some of Sweden's rivers, followed by strong spring floods which carried debris and clogged a number of intake channels requiring downtime for clearance. Operating profit

## Investment Manager’s Report continued

across the hydropower portfolio was £5.4 million. This was below expectations and caused by power prices being lower than expected due to the spot pricing experienced during times of high hydropower generation. This was partially offset by dispatch control and hedging strategies which mitigate these fluctuations by securing fixed prices. Operating costs were higher than expected across the hydropower portfolio due to a strategic shift from a fixed to variable maintenance cost model which caused a temporary rise in maintenance costs due to incidents occurring later in the year. However, we expect the long-term benefits of the new maintenance cost model to result in more efficient and sustainable operations.

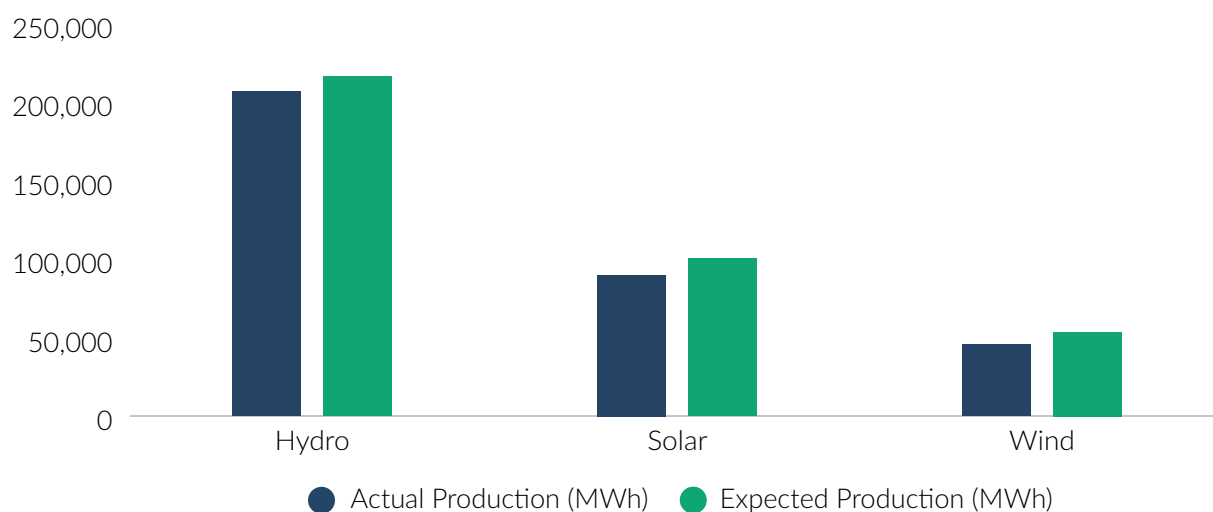
The grid infrastructure assets had an operating profit of £2.0 million, which significantly exceeded expectations. The UK grid stability asset, Mersey, performed particularly well during the year, driven by strong availability which enabled the asset to benefit from its fixed revenue contract to provide a reactive power stabilisation service to the National Grid. With proactive asset management this contract was improved during the year to offer more availability to provide reactive power services to the National Grid. The Swedish electricity distribution grid Blåsjön had an operating profit of £625k which was in line with expectations.

The disposal of Gabrielsberget meant the period of economic interest ran from 1 January 2024 to 30 June 2024, the wind portfolio generated 46GWh of renewable electricity and maintained good technical availability. This generation figure was 15.1% lower than expected, directly attributable to windspeeds being significantly lower than average. In turn, operating profit was 17.5% lower than expected due to a combination of lower energy generation and lower than expected power prices.



## Investment Manager's Report continued

### Asset Generation vs Budget



	2024					2023				
	Hydro	Wind (Jan – June)	Solar	Grid/Grid Stability	Total	Hydro	Wind	Solar	Grid/Grid Stability	Total
GWh generated	207.1	45.6	90.0	N/A	<b>342.7</b>	194.2	105.8	94.7	N/A	<b>394.7</b>
Average price per MWh	€39.87	€29.38	£224.33	N/A	<b>£57.9</b>	€55.98	€30.60	£216.0	N/A	<b>£49.0</b>
Revenues (£m)	9.1	1.4	20.8	2.9	<b>34.2</b>	9.5	3.3	21.5	2.0	<b>36.3</b>
Operating profit (£m)	5.4	0.4	15.1	2.0	<b>22.7</b>	5.8	1.0	16.9	1.0	<b>24.7</b>

### Portfolio and Asset Management

Downing has invested significantly in an in-house asset management team capable of providing a full-scope service to a wide range of generation, grid and storage technologies. Established in 2019, the team totals over 40 and includes expertise across power markets, engineering, data analytics, finance and commercial management.

### Ancillary Services Projects

In response to opportunities identified in the ancillary market, the Asset Manager has been pursuing several ongoing ancillary service projects during the period. These services not only take advantage of additional revenue streams when registered assets are requested to power up/down but also support the relevant local grid with supply and demand challenges.

The digitalisation of the hydropower portfolio has continued to progress, which has supported the optimisation of dispatching, including participation in the FCR markets. To successfully participate in the provision of FCR services, the hydropower portfolio must meet stringent technical demands and as a result the Asset Manager has been iteratively and comprehensively evaluating each site's suitability for FCR-N (for normal grid disturbances) and FCR-D (for significant grid disturbances)

## Investment Manager's Report continued

to establish refurbishment plans on a site-by-site basis. During the period, two hydropower sites successfully met the requirements for participation in these markets: 0.7MW site Gottne is now active in the FCR-N and FCR-D markets, and 0.5MW site Lagmansholm is now active in the FCR-D market.

Simultaneously, Downing has been assessing and pursuing opportunities to install Battery Energy Storage System ("BESS") at some of the Company's hydropower sites. Installing BESS will enable DORE to participate in further frequency regulation markets such as Fast Frequency Reserve ("FFR"), which works similarly to FCR in that it actively assists on the management of grid imbalances. Grid connection has been secured for three sites with plans in development for them to operate both in the FFR market and the FCR market independently of hydropower production.

### Optimisation of Portfolio Service

The Asset Manager has continued to develop and implement performance and proprietary data optimisation and power pricing strategies, enhancing DORE's data-driven approach to asset management and unveiling further efficiencies.

Progress has been made to enable a price-driven production strategy within the hydropower portfolio, with more precise, flexible, and remotely controlled adjustments via modernised water spill gates and localised equipment. During 2024 the refurbishment of five spill gates in reservoirs upstream of our flexible hydropower assets was completed. In addition, investment was made to enable autopilot steering based on production values rather than surface level steering. These flexibility advancements are now supported by a centralised dispatch and production planning strategy which drives delivery of forecasting and optimisation of production power.

The Asset Manager has reconceptualised the hydropower Operations & Maintenance ("O&M") services by increasing in-house coordination of O&M services, enabling it to work closely with a more agile network of local technicians. The ambition is to maintain high quality asset management with a more cost-effective model in a growing portfolio. Improvements can already be seen in quality management and cost efficiency, for example the Asset Manager has taken over the predetermined preventative maintenance program and this is now streamlined and harmonized across the portfolio, capturing some cost optimisation.

The Asset Manager continues to progress several optimisation projects to replace and improve technical equipment within the UK ground-mounted solar portfolio. This includes further enhancement of the dynamic spare parts stock which aims to reduce downtime and maintain asset performance given prolonged equipment lead times in the market. In the winter of 2024, one of DORE's spare transformers was used to replace an old transformer which had failed, accounting for approximately 1,000 MWh of renewable generation, or over £150,000 of revenue. Without DORE's proactive spare parts strategy, a new transformer would have had to have been purchased at the time of failure with a lead time of 9 months. The inverter and panel spare parts also continue to be used, reducing downtime across the portfolio.



## Investment Manager's Report continued



### *Spare Transformer utilised at DORE's site.*

The Asset Manager has continued to pursue a number of warranty claims against solar panel manufacturers. These claims are being carried out preventatively to address systematic defects before they cause any potential downtime. Across three different sites the Asset Manager collected the relevant data using a new high-resolution drone in combination with image recognition software to photograph and categorise panels. This method has successfully allowed for the collection and sorting of high-resolution photographs of 80,488 panels across three sites at a significantly reduced cost. Feedback has been received from all three sites where 36,205 panels were identified by the panel manufacturer to be suffering from a systematic batch defect, that could impact upon future generation. Replacement panels will be provided free of charge and the Asset Manager will continue its program for replacing these throughout 2025. All disused panels will be returned to the manufacturer for recycling.

### **Health and Safety**

The health and safety of contractors and the public is a fundamental and ongoing focus in asset management processes. Throughout the period, a range of workstreams were carried out by the Asset Manager in line with the Company's approach to Health and Safety management.

In order to ensure a consistent approach to health and safety management, the Asset Manager has engaged a third-party expert to provide health and safety support to assess systems in place and revise existing processes where applicable. To further reinforce a positive health and safety culture,

## Investment Manager's Report continued

the Asset Manager rolled out interactive health and safety training for Directors of the Company's portfolio of assets. Implementation of improved policies and processes will be rolled out during 2025.

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 also at the asset operator level. DORE 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. These systems not only act as tools for the enabling of performance measurement, trend analysis and learning, but also ensure the effective communication, escalation, and management of incidents. This IT system also monitors environmental incidents and near misses. This ensures environmental risk is monitored and managed on a site basis as well as on a portfolio level. This is developed further on page 46 to 63.

### 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 2024, including project level financing, the Company and its subsidiaries' leverage stood at 37%.

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

The Group has entered into a loan agreement through its main subsidiary DORE Hold Co Limited for a £40 million RCF with Santander UK plc. The RCF is available until December 2025, with the possibility to be extended for a further year. As at 31 December 2024, the facility was undrawn.

On 24 June 2024, the Company converted its total drawings under the RCF of £18.6 million into a EUR denominated loan of €22.0 million. This allowed the Company to take advantage of lower interest rates in Europe and provided a natural hedge for the proceeds of the Gabrielsberget wind farm sale. The RCF was drawn on two occasions during the year, £5 million on 21 August 2024 and £3 million on 13 December 2024. The total drawn amounts of €22.0 million and £8 million were fully repaid on 23 December 2024, utilising the proceeds of the Gabrielsberget wind farm sale.

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.

## Investment Manager's Report continued

The RCF has the additional benefit of being able to be drawn in both GBP and EUR (with the ability to also be 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 €43.5 million debt facility with SEB, a leading corporate bank in the Nordics.

In December 2023, the SEB facility was increased from €43.5 million to €68.5 million to fund future capital expenditure requirements and further acquisitions. The total all-in cost of the drawn debt for 2025 is c.3.3%, benefitting from swaps until end of 2033.

As of 31 December 2024, DHAB has drawn down €54.2 million under the facility, predominately as a source of funding for acquiring further hydropower plants in Sweden during 2024 but also to fund some of the capital expenditure in DHAB.

### UK Solar Portfolio

Long term amortising debt (September 2034 maturity) is in place for the UK solar portfolio and, as at 31 December 2024, comprised outstanding principal amounts of £64.7 million lent by Aviva and £9.6 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 can be found in the table below:

	2024					2023					
	Hydro	Solar	Grid infra- structure	Working capital	Total	Hydro	Wind	Solar	Grid infra- structure	Working capital	Total
Equity value (£'m)	109.6	64.9	21.5	3.9	<b>199.9</b>	111.5	27.2	68.1	19.6	4.3	<b>230.7</b>
Debt (£'m)	44.8	74.3	0.0	0.0	<b>119.1</b>	42.8	0.0	78.7	0.0	0.0	<b>121.5</b>
GAV (£'m)	154.4	139.2	21.5	3.9	<b>319.0</b>	154.3	27.2	146.8	19.6	4.3	<b>352.2</b>

### 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, our Icelandic asset, removed revenue exposure in ISK and replaced with EUR. Assets in the UK operate entirely in sterling.

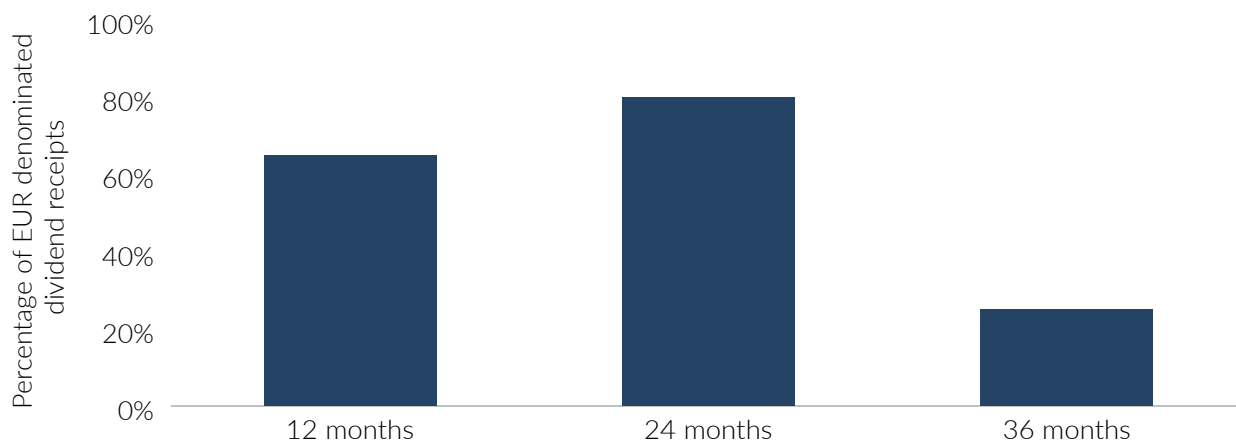
The Group, together with its foreign exchange advisor, has developed and implemented its foreign exchange risk management policy in line with the Prospectus. The policy targets hedging the short to medium-term distributions (up to five years) from the portfolio of assets (that are not denominated in GBP) on a "linear reducing basis", whereby a high proportion of expected distributions in year

## Investment Manager's Report continued

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, 55% of the Group's EUR dividend receipts from SPVs out to March 2028 were hedged as at the reporting date. In addition, 71% of the Group's EUR denominated NAV is hedged.

Dividend hedges as a percentage of expected EUR distributions



### Power markets and exposure

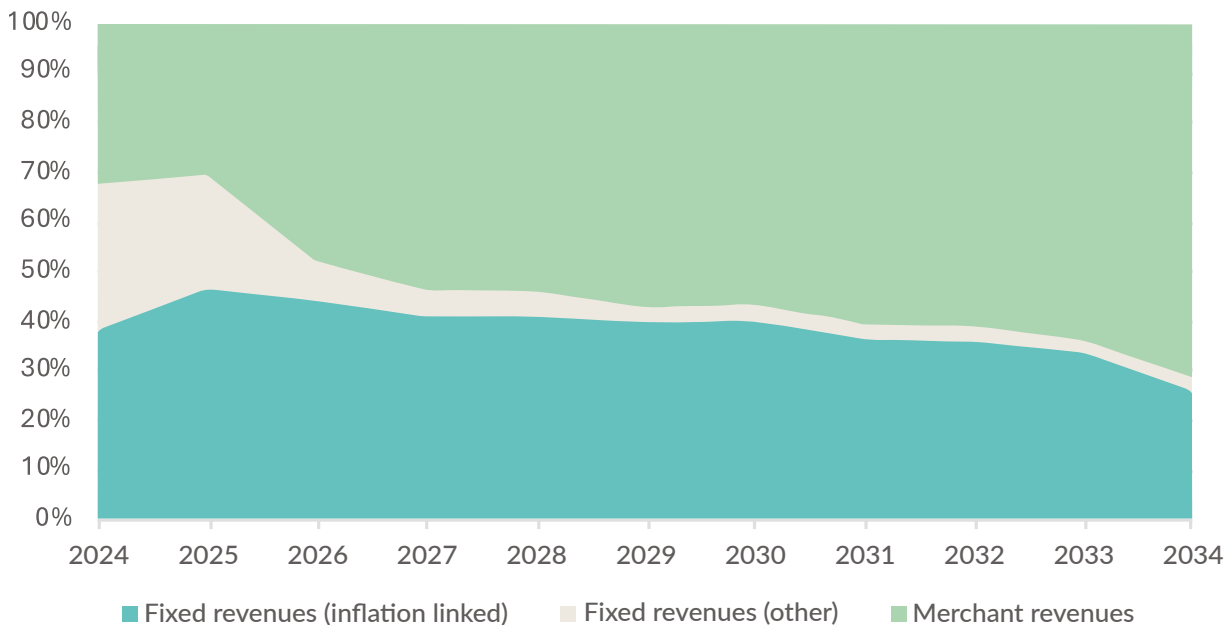
Through its portfolio companies, the Group adopts a medium to long-term power price hedging policy for its generation assets, providing an extra degree of certainty over a portion of the Company's cash flows. The fixed price generation position for the portfolio as of 31 December 2024 is set out in the 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. During the year, the portfolio removed its exposure to the variable merchant revenue of Swedish Wind with the sale of Gabriel South. This helped bring the total portfolio fixed inflation linked revenues up from 37% to 42% for the period 2025-2032.

Over the course of 2024, power prices across the UK and Europe reverted to those seen before the Russian invasion of Ukraine. With sanctions on Russian exports, the gas market saw a higher demand in Asia and Europe for LNG. This led to increases in power prices during maintenance of terminals and during weather events that affected shipping routes. The market was also highly sensitive to political news throughout the year, with any suggestion of further unrest causing mini rallies to the gas and power price.



## Investment Manager's Report continued

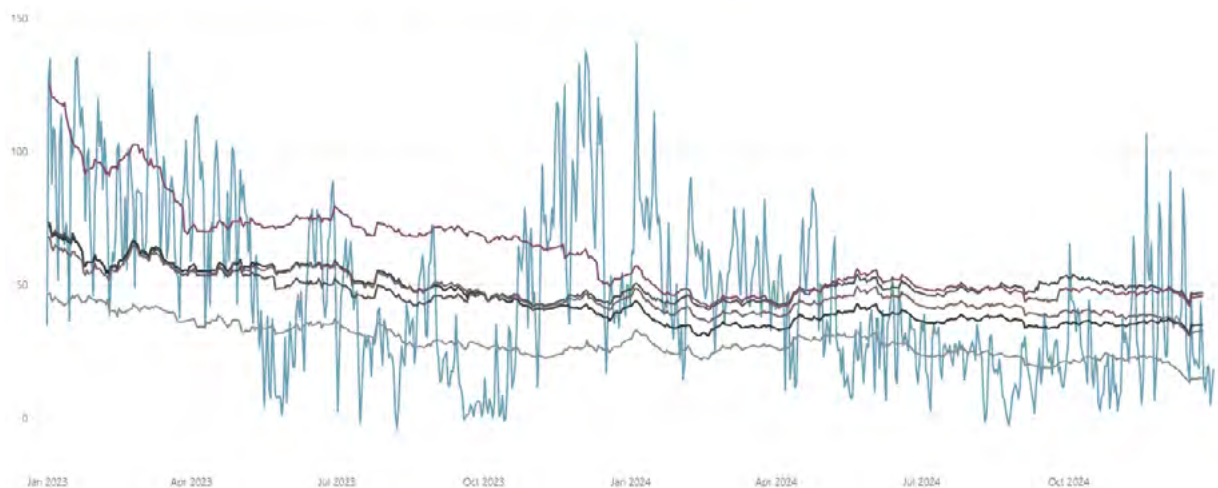
Power Prices – Fixed vs Merchant



### Nordic power market

As is common in Nordic markets, electricity and gas prices were dominated by seasonality and weather events during the course of 2024. The start of 2024 was unseasonably cold in the Nordics, resulting in the highest demand in four years. This caused an uplift to the forward market, however as weather became milder in northern Europe during February and March, the market subsequently settled. Spring-time saw strong winds and high precipitation, bringing spot prices down and a subsequent delayed spring flood which brought prices up. The Nordic summer vacation brought lowered demand and prices throughout July. Heading into winter, the market saw a rally due to calm and cold weather, with prices closing at their highest point since January's cold snap. There were some concerns surrounding gas supply into November as a cold snap and low renewable generation caused increases in future markets. Ultimately, forward prices ended the year lower than the start of 2024, due to a combination of settling gas prices and reports of the highest hydrological balance seen in the Nordics in three years.

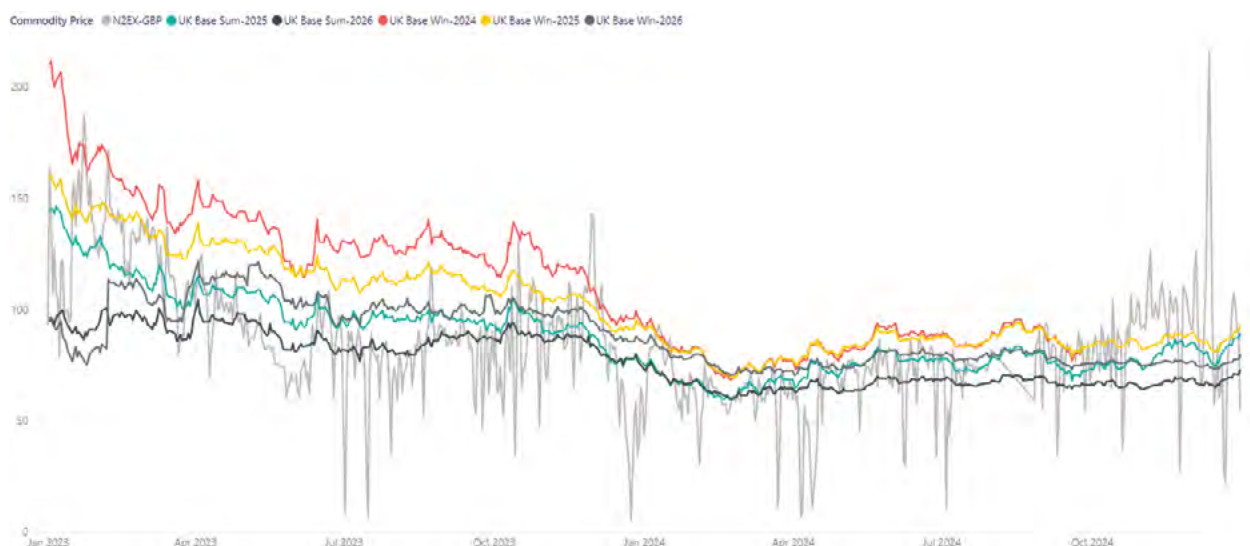
Commodity Price: Nord Pool, NP FI Cal-2025, NP SE2 Sundsvall Cal-2025, NP SE3 Stockholm Cal-2025, NP SE4 Malmö Cal-2025, NESP Cal-2025



## Investment Manager's Report continued

### UK power market

Weather and Liquefied Natural Gas ("LNG") supply dominated the evolution of forward power prices in the UK throughout the year. A cold snap early in the year pushed prices up, followed by lower demand, strong renewable generation and increasing LNG imports bringing prices down. Fluctuating wind generation had a strong influence on spot prices and news of conflict in the Middle East impacted future markets. During spring, power prices trended upwards due to intense Asian LNG demand along with news of further Russian attacks on Ukraine and political instability due to several elections. Later in the year saw relatively stable prices, with some fluctuations in the spot price due to high levels of renewable generation. Heading into winter, forward prices were variable due to political news and nuclear outages, and fears that Gazprom would cut gas supplies into Europe. These fears subdued into December and downside was seen in the market as gas supplies in the UK and Europe were reported to be high and weather reports suggested no cold snaps in sight. The latter half of December saw increasing prices due to rallies in the gas market with some price periods rising to their highest in 14 months as low wind across the UK and Europe increased gas prices.



### Dividends

The Company achieved a cash dividend cover of 1.20x post debt service and 1.88x before debt service for dividends of 5.695 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 target dividend for the year from 1 January 2025 has been increased by 2.6% to 2.95<sup>12</sup> pence per ordinary share. On a three year average basis, future dividend cover is expected to exceed 1.15x.

The Board has resolved to pay the Company's fourth interim dividend of the year of 1.45 pence per share, equivalent to £2.5 million, in respect of the three months to 31 December 2024. This will bring total dividends paid in respect of the financial year to 5.80 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 2024.

<sup>12</sup> The dividend and return targets stated above are targets only and not profit forecasts. There can be no assurance that these targets will be met, or that the Company will make any distributions at all and they should not be taken as an indication of the Company's expected future results.

## Investment Manager's Report continued

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 2024 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 2024	June 2024	177,092,226	1.45	1.0875	0.3625
June 2024	September 2024	174,426,751	1.45	1.0875	0.3625
September 2024	December 2024	171,867,888	1.45	1.16	0.2900
December 2024	March 2025	171,387,889	1.45	1.2325	0.2175

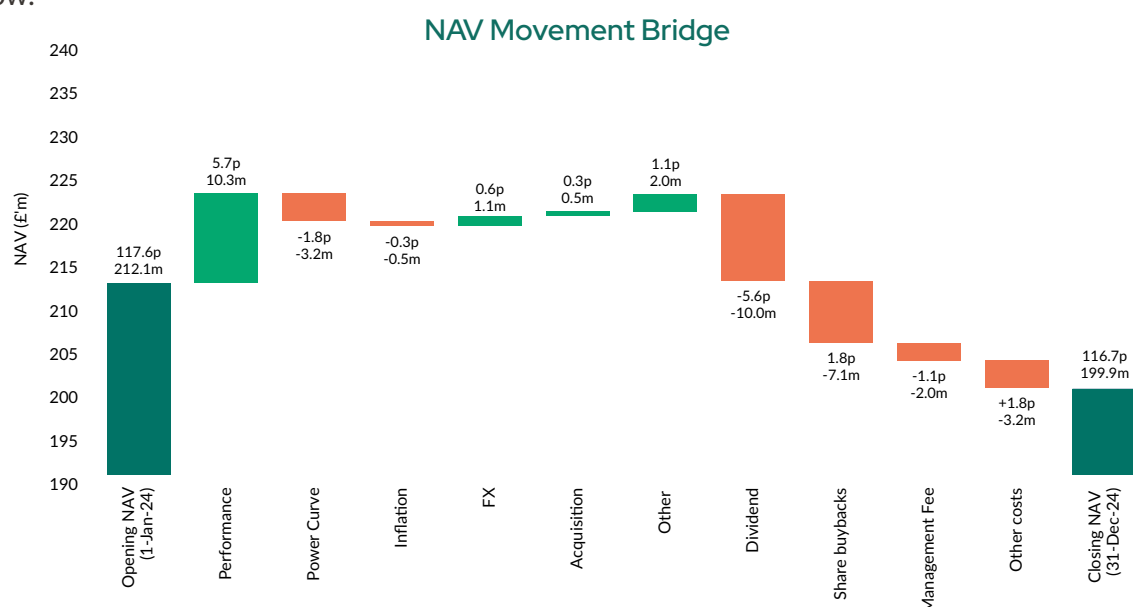
The Company intends to continue to pay dividends on a quarterly basis, with dividends typically declared in respect of the quarterly periods ending March, June, September and December. Payment of the relevant dividend declared is expected to be made within three months of the relevant quarter end.

### Net Asset Value and Portfolio Valuation

The Company's NAV decreased by 5.7% during the year from £212.1 million to £199.9 million. The NAV movement comprised a positive contribution of £10.2 million from valuation gains, offset by dividends and share buybacks of £17.1 million combined, and management and other costs of £5.2 million.

At a per share level, the effect of the share buyback was to increase the NAV per share by 1.8 pence, partially offsetting the overall NAV per share decrease of 0.8% from 117.7 pence per share to 116.7 pence per share as at 31 December 2024.

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



## Investment Manager's Report continued

### Opening

Represents the NAV at 31 December 2023.

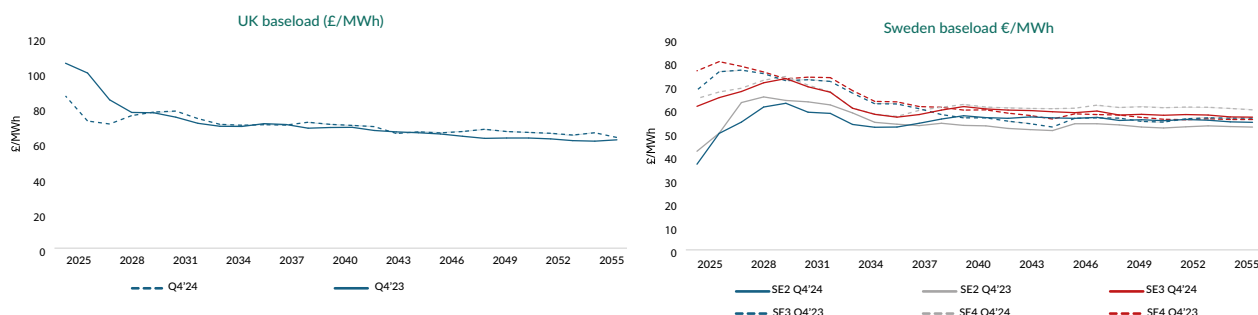
### Performance<sup>13</sup>

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

### Power Prices<sup>13</sup>

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 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.

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



### Inflation<sup>13</sup>

2025 inflation forecasts were revised during the period reflecting the increasing rate of inflation and in line with a consensus of over 50 forecasting bodies.

The Group is now using a near-term (calendar year 2025) RPI inflation forecast of 3.30% for the purposes of UK asset valuations, falling to a medium-term inflation forecast of 3.00% from 2026. 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 2025) forecast of 1.9% is applied to euro denominated revenues, whereas SEK denominated costs are inflated by 2.0%. For both currencies, the forecast in the medium term (2026 onwards) to long term remains at 2.0%, in line with the long term Swedish central bank's target inflation rate.

Models are updated quarterly to reflect historic inflation.

<sup>13</sup>This is a component of the Fair Value of Investment.



## Investment Manager's Report continued

### FX<sup>13</sup>

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 four years, at which point the exchange rate is held constant due to the impracticalities of hedging currency further into the future.

Other items reflect 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.

### Acquisitions<sup>13</sup>

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

### 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. Includes cost of borrowing related to the RCF.

### Asset Life

Where the land is owned by an external landlord, which is the case for the UK solar and Icelandic Hydro, 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.

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. DORE has and will continue to explore opportunities with 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.

<sup>13</sup>This is a component of the Fair Value of Investment.

## Investment Manager's Report continued

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 2024 was 8.0% (2023: 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 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 plus or minus 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.

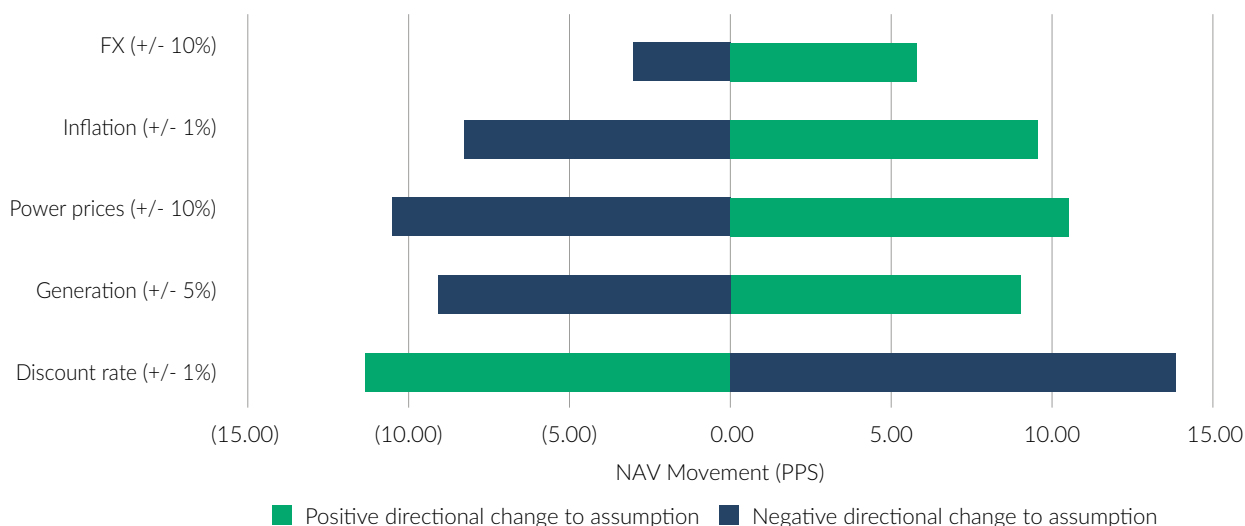
Grid infrastructure assets do not generate energy and are therefore not reliant on power prices. Mersey is reliant on a contract with National Grid which is currently in place until 2032. After this agreement expires the price is unknown; pricing after 2032 has been sensitised relative to the base case. 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

## Downing's Approach to Sustainability

Central to DORE's ethos is a commitment to be a sustainable investor, one which is shared with the Investment Manager, and is contextualised by key commitments of Downing.

## Signatories and Memberships

Downing is a signatory to: the UN Principles for Responsible Investment, the Financial Reporting Council's UK Stewardship Code, and the UN Global Compact. The Investment Manager's full Stewardship Report can be viewed on their website <https://institutional.downing.co.uk/sustainability>. Downing is also a member of GRESB (including its Technical Expert Group for Infrastructure) and, 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). DORE publicly supports TCFD and the Transitions Pathway Initiative. These commitments lead to our integration of ESG factors in its investment process, from pre-deal screening through to active asset management, and the principle of active ownership.

In addition to a high degree of taxonomy alignment, the United Nations' Sustainable Development Goals are frequently used to describe the positive contribution that our investments make to help solve some of the most pressing needs facing our environment and society. Collaboration and sharing expertise are fundamental to responsible investment. As part of DORE's contributions to the sustainability sector, we support the below initiatives, and actively participate in their various initiatives.



United Nations  
Global Compact





## Sustainability and Responsible Investment 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.

## Sustainability and Responsible Investment continued

### Looking externally and internally

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

Net zero electricity by 2030 remains the Government's target but could be increasingly under pressure. There are risks to net zero in terms of financial commitments, and therefore to renewables. All are subjects for monitoring and for engaging with policymakers through dialogue, consultations and working groups of ESG associations.

Policy advocacy is an important part of sustainability at the Asset Manager, to whom DORE delegates the day-to-day management of its portfolio. DORE's assets contribute to net zero targets in the UK, Sweden and Iceland. And to their nationally determined contributions, which are part of the UN COPs and next due in 2025.

The deployment of current renewable energy technologies has continued in 2024. The Asset Manager has a structured process for identifying and managing both ESG risk and opportunity:

- i. the identification of material factors;
- 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);
- iii. discussion and governance at investment committee;
- iv. a list of sustainability actions handed over for asset management.

### CO2 emissions

A CO2 emission reduction target has been set for the hydropower portfolio: one third reduction of emissions per megawatt hour of power generated, by 2032. This contributes to the Asset Manager's net zero commitment, announced in 2023. Progress will be reported here in future. The main focus for the first half of this decade has been data and reporting operational greenhouse gas emissions. The Asset Manager has begun looking at the embodied lifecycle carbon of existing wind, solar and hydro assets to complete emissions reporting.

After the collection of data and assessment of a baseline, the next step is a strategy for carbon reduction and removal. By no means are these the solution to climate change, hence outlawing the saying 'carbon neutral' by the EU in future if only using offsets. Instead, they play one role among many in decarbonising.

The Asset Manager worked with investors who had a strategic asset allocation requirement for renewable energy, but with more ambition for net zero by 2030: ten per cent of portfolio assets must be carbon neutral today.

## Sustainability and Responsible Investment continued

Reducing emissions will take time. Offsets are therefore acceptable for removing carbon, however they have critics: rule of property, rule of law, encouraging more pollution and no additionality.

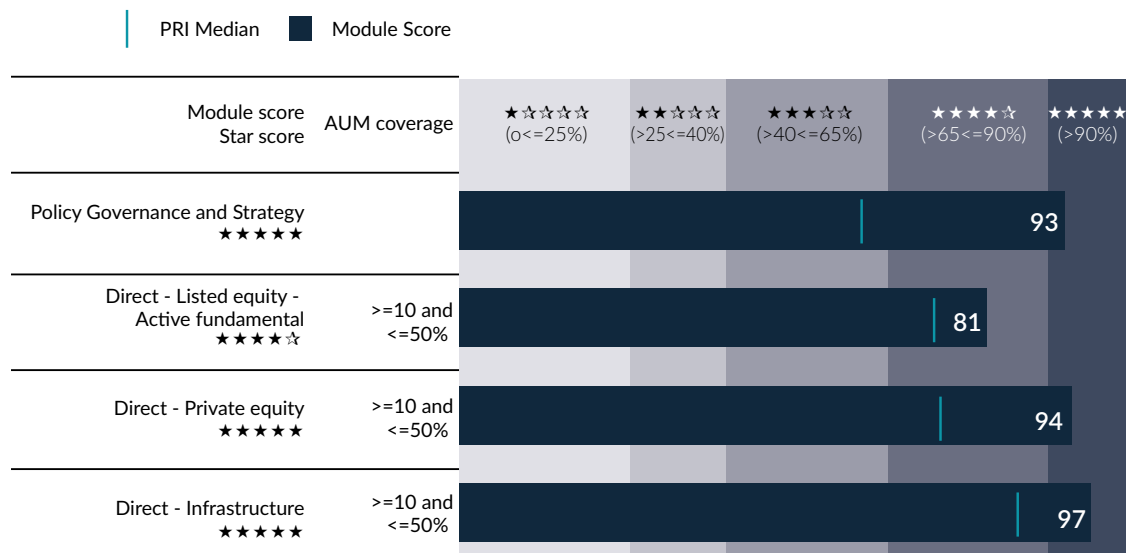
So a requirement of using offsets from removal now was high quality accreditation. For our investors, this means PAS2060 as set by BSI resulting in the choice of a rainforest conservation project.

### Outcomes

Other outcomes for sustainability in 2024 included:

- Joining the Solar Stewardship Initiative to contribute to, and use, ESG, procurement and traceability standards in the sector, alongside solar manufacturers. This goes with our screening for ESG risks in solar procurement, like human rights.
- Downing Hydro AB was proud to announce its 2024 results in the GRESB assessment, an independent and standardised sustainability benchmark used by investors and clients. The main performance highlights saw Downing Hydro AB:
  - o Achieve 90 points out of 100, surpassing the GRESB average in all categories.
  - o Rank 1<sup>st</sup> out of 695 GRESB participants for the performance component.
  - o Rank 2<sup>nd</sup> out of six hydroelectric power generation managers in Europe overall.
- Beginnings of a response to new rules from Defra on credits to achieve biodiversity net gain on development – housing or renewables – projects in England
- Scoring five stars out of five for the Infrastructure module in UNPRI, as ESG association of over 3,000 members that assesses their strategies and tools each year

### SUMMARY SCORECARD



## Sustainability and Responsible Investment continued

In line with the FCA's anti greenwashing rule, we do not make claims about how 'sustainable', 'green', 'ESG-positive', 'impactful' or 'transitioning' our activities are. Instead, we invite readers to form their own conclusions for how material sustainability factors are integrated to investments and how we compare to peers in independent reviews.

### CO2 Offsets – Rainforest Conservation in Sierra Leone

During 2024, DORE purchased 166 tonnes of CO2 from this project. This is allocated to offset the Green House Gas (GHG) Scope 3 emissions of the Group. It was purchased through the carbon finance business, Respira.

In alignment with the Funds commitment to optimizing its contribution to target 15 of the UN Sustainable Development Goals (Life on Land), the offsets purchased are supporting the conservation of the highly threatened Gola Rainforest National Park, which is Sierra Leone's largest remaining area of upper Guinea Tropical Rainforest. The area is assessed to be one of the 25 most important biodiversity hotspots in the world. The ecological importance in combination with the solid monitoring of the project aligns it with the ambitions of the Fund. The project also meets the requirements of ISO14068.

The project as a whole is assessed to ensure that around 19 million tonnes of carbon remain locked within the rainforest, and it's estimated that 500K tonnes of CO2 would have been emitted annually in the absence of this project. These offsets are calculated using a baseline created through GIS spatial data where the deforestation over the next 30 years was modelled. This project uses conservative and rigorous baselining to ensure the effects of the project aren't exaggerated. The CO2 stored in the forest is based on both modeling where the baseline is compared to the current status of the forest and real measurements from the field.

The project has a durability guarantee of 30 years and all partners have committed to ongoing audits. The project developer is Gola Rainforest Conservation LG, which is formed by the partnership of the Forestry Division of the Government of Sierra Leone, the Conservation Society of Sierra Leone (CSSL), the Royal Society for the Protection of Birds (RSPB). The offsets are verified and audited on an ongoing basis by Verra, their Verified Carbon Standard (VCS) Program is the world's most widely used GHG crediting program.





## Sustainability and Responsible Investment continued

### Keeping up with the latest ESG standards – GRESB Results

During the year the Company's hydropower portfolio participated in the Global Real Estate Sustainability Benchmark (GRESB) assessment. GRESB is an independent and standardized sustainability benchmark used by investors and clients globally.

Participation involved a multi-disciplinary team striving to remain at the forefront of sustainable asset management and ESG standards. The GRESB standard is another step towards transparency in an enhanced set of ESG parameters, now expanded to cover themes such as protected land and other biodiversity KPIs. The work that goes into this will also positively impact the other technologies of the Fund, as policies and processes are developed and implemented across the entire portfolio.

This annual exercise benchmarks DHAB against its peers and guides business intelligence and decision-making around ESG topics. Compared to our peers in hydroelectric production across Europe, DHAB placed second out of six peers. Out of all the categories, the Company was especially pleased with the performance score of the portfolio which was 60/60 and thus being ranked first in the peer group on this parameter, showing the readiness to report on all the numerical parameters requested, which spanned from waste to health and safety to biodiversity.

We will continue to enhance the Company's solid ESG frameworks and working practices across the portfolio as appropriate going forward.

### Interactive Education

The Company remains committed to the UN's Sustainable Development Goal 13.3, which aims to "improve education, awareness-raising and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning".

Over the year we've had three school visits carried out in Sweden during the spring. The pupils were filled with curiosity and questions, with one expressing an interest in working with hydropower in the future. As the relationship with the communities develop, so will the opportunities for further school visits in the future. The Asset Manager believes this is a great way to connect and reach out to the local community.

### UK programme of school visits



During the autumn the focus has been on the UK solar sites as we've had multiple school visits. The Company's partnership with Earth Energy Education continues and during 2024 we had a total of 4 school visits carried out and 6 workshops hosted. These activities have reached a total of 470 primary school pupils over the past year. The Company is delighted to hear that the teachers have stated the site visits and workshops are now considered a standing item in their curriculum.

## Sustainability and Responsible Investment continued

The Company is actively exploring additional ways to support Earth Energy Education to reach even more children and teenagers across the UK. Considering the positive feedback and connection we're able to form with the local communities the Company is excited to continue this partnership into the next year and beyond.



### Climate Disclosure, based on the recommendations of the Climate Related Financial Disclosures ("CFD")

The Company is not required to disclose under CFD. We are supporting its ethos and 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 latest climate disclosure below.

The CFD Recommendations are structured around four 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. Many of those recommendations are voluntarily followed in order to enhance the Company's disclosures. As reporting climate impacts under CFD 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. Similarly, as nature disclosures, under TNFD, become more common, these disclosures shall be further enhanced.

## Sustainability and Responsible Investment continued

### 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 advisors and the Investment Manager.

The Board meets on at least a quarterly basis, with additional meetings arranged as appropriate. Information relating to the Company's activities in fulfilling its sustainable Investment Objective, as an Article 9 fund under the EU's SFDR regime, are presented on at least a quarterly basis. This 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 84 to 95. 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 produces its own CFD, available at [www.downing.co.uk/responsible-investing](http://www.downing.co.uk/responsible-investing).

## Sustainability and Responsible Investment continued

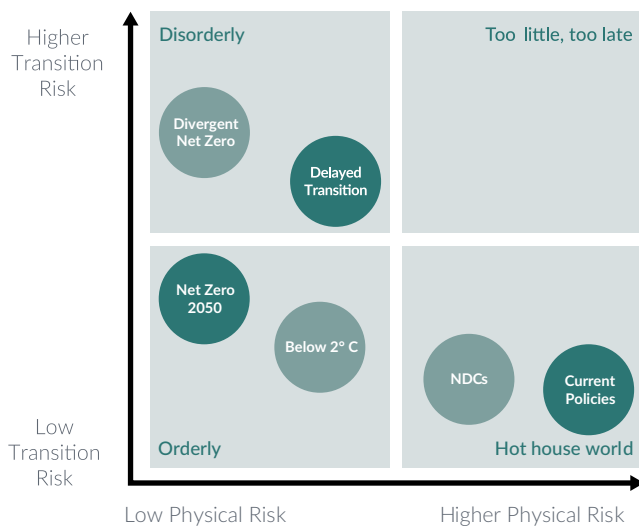
The Investment Manager integrates material sustainability into its investment and engagement processes, with climatic factors forming integral components of the investment thesis. The Investment Manager operates an Investment Committee to oversee and approve the acquisition and disposal of assets on 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 acute risks such as extreme weather events or chronic risks such as rising sea levels.

**Transition risks** are the 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.



## Sustainability and Responsible Investment continued

The three selected NGFS scenarios are:

1. **The Current Policies Scenario (Base Case)** worst outcome and 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. This is updated often, to reflect the latest 'current' policies set by governments.
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, best outcome, scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO<sub>2</sub> 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.

Given recent geopolitics, the Net Zero 2050 Scenario is still 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 regularly reviewed, 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.

## Sustainability and Responsible Investment 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 2024-2030; 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 2024 - 2030	Medium Term 2031 - 2040	Long Term 2041 - 2050
<b>Current Policies</b>	Physical	High	Higher	Highest
	Transitional	Low	Low	Low
<b>Delayed Transition</b>	Physical	High	Higher	Low
	Transitional	Low	Highest	High
<b>Net Zero 2050</b>	Physical	Low	Lower	Lowest
	Transitional	Low	Lower	Lowest

### Physical Factors, Portfolio Impacts and Modelling

Whilst climate change is complex, 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 and subsidy rates are utilised to assess the impact of transitional risks.

For each risk factor, the portfolio technology and geographic location 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. This is to meet the fiduciary duty of preserving the value of assets.

## Sustainability and Responsible Investment continued

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.

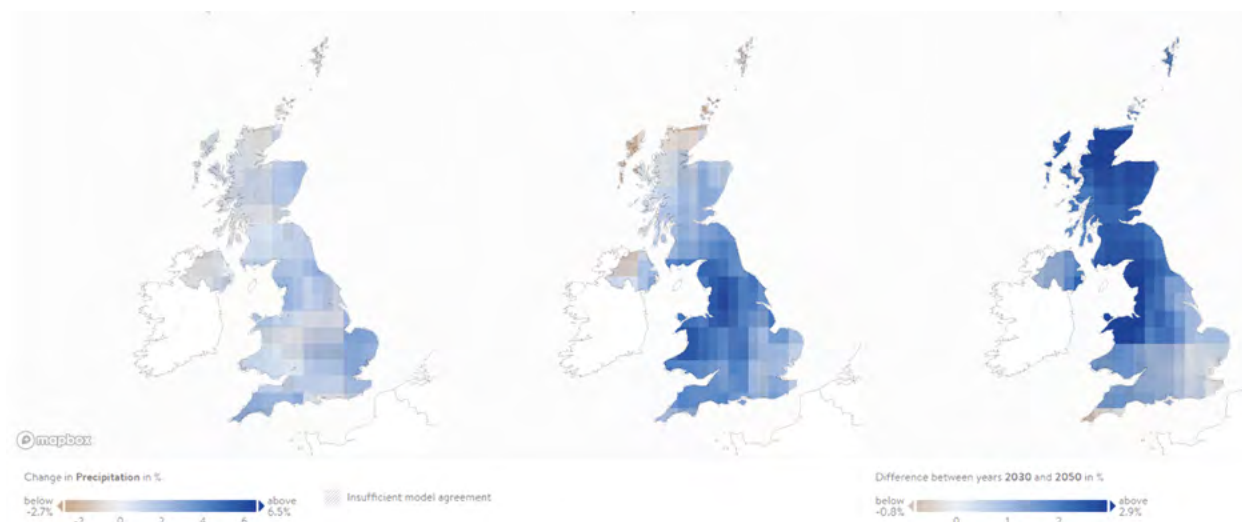
### Physical Factors, impact and modelling table

	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
<b>Air Temperature <math>\Delta</math></b>	Change in tech efficiency due to temperature fluctuations.	Performance ratio	Timing of spring melt Maintenance cost increases (coolants)	Generation profile	Non-measurable impact on performance	N/A	Non-measurable impact on performance	N/A
<b>Wind <math>\Delta</math></b>	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
<b>Precipitation <math>\Delta</math></b>	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
<b>Extreme Weather <math>\Delta</math></b>	Damage to equipment leading to shorter useful life or impairment	Operational costs (insurance premiums) / Capex on drainage	Spill (efficiency during high water flow) / equipment damage. Possible inundation of asset	Generation / Capex	Reduced availability due to high winds / equipment damage leading to shorter useful life or impairment	Generation / Opex	Damage to equipment leading to shorter useful life or impairment  Efficiency or output loss from network outages	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



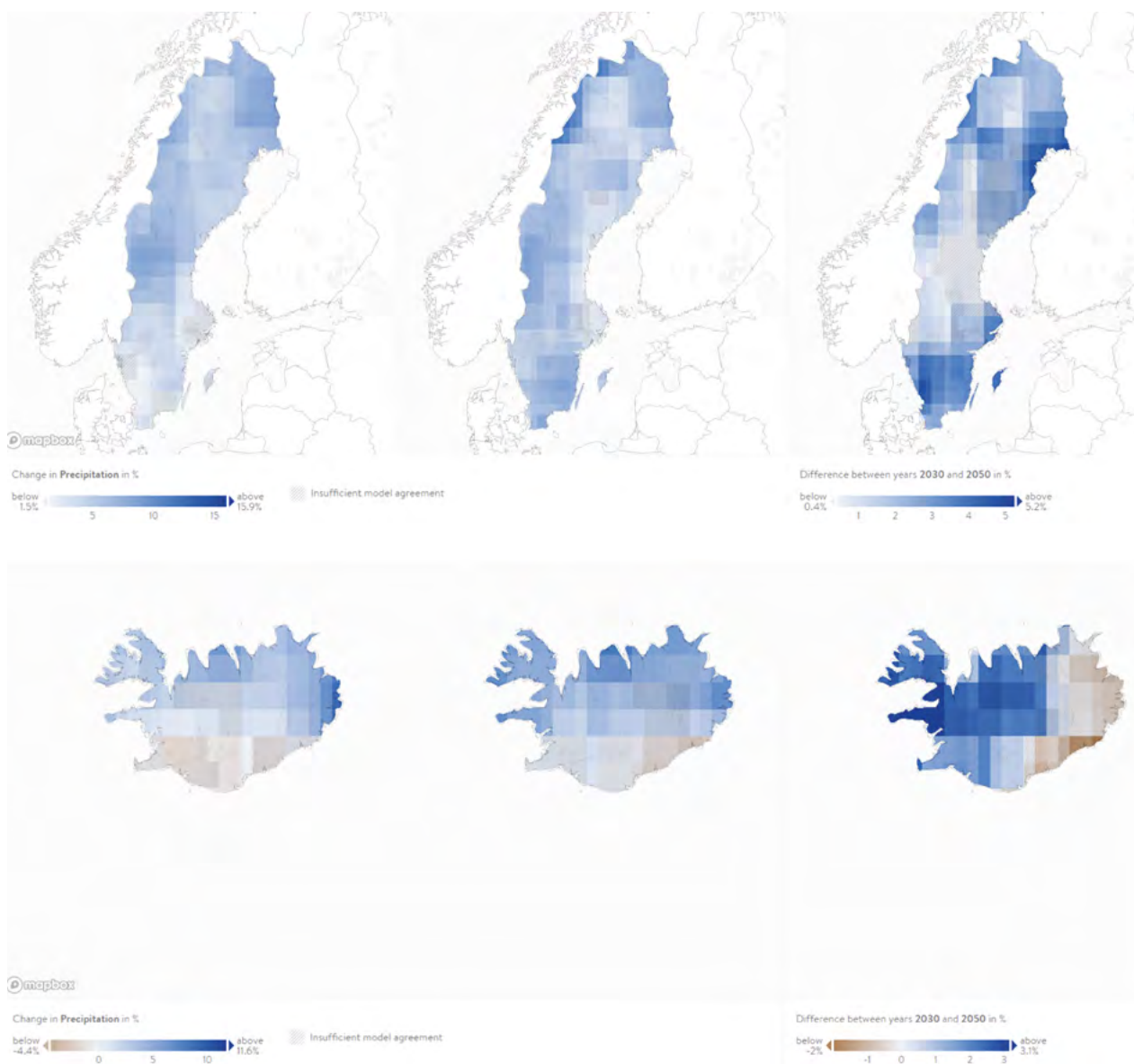
## Sustainability and Responsible Investment continued

**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 the 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 and Iceland 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



## Sustainability and Responsible Investment 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 examples 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 specific 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, 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, eg, solar, 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 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.



## Sustainability and Responsible Investment continued

	Metric	2030	2040	2050
<b>United Kingdom</b>				
Air Temperature $\Delta$	temperature of air masses two meters above the Earth's surface	0.3%	0.6%	0.7%
Wind $\Delta$	velocity of an air mass 10 metres above ground	-0.8%	-1.1%	-1.9%
Precipitation $\Delta$	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.5%	2.9%	3.4%
Extreme Weather $\Delta$	Percentage change in the cost of damage from such events	7.7%	17.0%	23.4%
<b>Sweden</b>				
Air Temperature $\Delta$	temperature of air masses two meters above the Earth's surface	0.4%	0.9%	1.2%
Wind $\Delta$	velocity of an air mass 10 metres above ground	-0.8%	-1.2%	-1.9%
Precipitation $\Delta$	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.9%	1.7%	2.0%
Extreme Weather $\Delta$	level of damage from river floods that is expected to occur every year, measured in USD.	32.3%	56.0%	31.2%
<b>Iceland</b>				
Air Temperature $\Delta$	temperature of air masses two meters above the Earth's surface	0.1%	0.7%	1.0%
Wind $\Delta$	velocity of an air mass 10 metres above ground	-1.1%	-1.4%	-1.9%
Precipitation $\Delta$	mass of water (both rainfall and snowfall) falling on the Earth's surface	0.2%	1.8%	1.4%
Snow $\Delta$	mass of water falling on the Earth's surface in the form of snow	-2.7%	-6.4%	-11.8%

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 0.74 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, 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 emissions reductions across an expanding electricity generation sector. This positions the Company well to continue delivering value to investors through its climate strategy.

## Sustainability and Responsible Investment 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.

#### Relevant Physical Climate Risks (Chronic)

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 are updated and reviewed on 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 sources of combustion owned or operated by the Company, we assess these to be negligible because DORE does not own or lease buildings or vehicles. In addition, the majority of the Company's business has been conducted virtually.

**Scope 2 Emissions:** The Scope 2, purchased power, emissions of the portfolio during the period are estimated to be 12.6 tCO<sub>2</sub>e. 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 (which for the regions is low carbon hydro or nuclear).

**Scope 3 Emissions:** The Scope 3 emissions of the portfolio are estimated to be 217 tCO<sub>2</sub>e. 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. In 2024, the company set a target for emissions reduction as part of the Manager's own commitment as a net zero Asset Manager (see above).

## Key Performance Indicators

Key Performance Indicators	1 Jan 2024 – 31 Dec 2024	1 Jan 2023 – 31 Dec 2023
<b>Environmental performance</b>		
Number of renewable generation assets	4,860	4,868
MW of installed renewable generation capacity	159.05	202.9
GWh renewable energy generated	343	395
Share of non-renewable energy production*	0%	0%
GHG emissions avoided (tCO <sub>2</sub> e) (Scope 4)	161,620	186,348
Equivalent UK homes powered	126,916	146,183
Equivalent trees planted	950,708	1,096,166
GHG emissions (Scope 1) (tCO <sub>2</sub> e)	0	0
GHG emissions (Scope 2) (tCO <sub>2</sub> e)	12.6	8.7
GHG emissions (Scope 3 excluding CO <sub>2</sub> Offsets) (tCO <sub>2</sub> e)	383	340
GHG emissions (Scope 3) (tCO <sub>2</sub> e)	217	340
Total GHG emissions (tCO <sub>2</sub> e)	230	348
Carbon footprint (tCO <sub>2</sub> e/€m)	0.75	1.1
GHG intensity of investee companies (tCO <sub>2</sub> e/€m)	5.8	9.7
Share of non-renewable energy consumption	64%**	65%
Energy consumption intensity per high impact climate sector (gWh/€m)	0.05	0.04
Reservoir capacity managed (Mm <sup>3</sup> )	248.3	213.2
Acres of land managed	1074	1070
Acres of habitat removed	0	0
Acres of habitat enhanced or restored	0	0
Acres of Habitat protected (on-site)	34.5	32.1
Acres of Habitat protected (off-site)	61.7	61.7
Acres of habitats maintained	421.7	414.5
Acres of land grazed	254	313
Number of beehives	20	17
Number of bird boxes	28	26
Number of bat boxes	22	22
Environmental incidents (including non-compliance with permits/regulations)	2***	0
Activities negatively affecting biodiversity sensitive areas	0	0
Hazardous waste ratio (tonnes/€m)	0	0
Wildlife fatalities	2****	5

## Key Performance Indicators continued

Key Performance Indicators	1 Jan 2024 – 31 Dec 2024	1 Jan 2023 – 31 Dec 2023
<b>Social performance</b>		
O&M FTE jobs supported	22	28
Number of health and safety audits	32	35
Number of serious accidents or injuries	0	0
Number of sites able to host educational visits	4	3
Number of renewable energy education events sponsored	10	13
Community funding	£75,607	£114,908
GWh free or discounted renewable energy to homes and businesses	18	20
Value of free or discounted renewable energy to homes and businesses	£4.7m	£5.2m
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
<b>Governance performance</b>		
Unadjusted gender pay gap	N/A	N/A
Portfolio board gender diversity (female %)	1:2.2	1:2.3

\* The energy production is decreased due to the disinvestment from Gabriel Wind South.

\*\* 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

\*\*\* (1) Through drainage works by one of the hydro power plants it was discovered that the soils were contaminated due to neighbouring industrial plant. Currently being addressed in cooperation with the county administrative board.

(2) Part of a tube for a fish escape way was damaged, which risked hindering the accessibility for fish. This was amended promptly and was deemed to not have had a negative impact.

\*\*\*\* A deer found in the water by one of the hydropower plants and a sheep found on one of the solar sites. The operations of the assets are not believed to have caused any harm.

## 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 two 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
<b>(a) the likely consequences of any decision in the long term</b>	<p>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 decisions form a key part of the decision-making process.</p> <p>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.</p>
<b>(b) the interests of the Company's employees</b>	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.
<b>(c) the need to foster business relationships with suppliers, customers and others</b>	The Board's approach is described under 'Stakeholder Engagement' below.
<b>(d) the impact of the Company's operations on the community and the environment</b>	The Board places significant 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 Company, including transparent disclosure of these risks, and taking mitigating actions to reduce or eliminate them where possible. A description of the Company's sustainable and responsible Investment Policy is set out on pages 46 to 63.
<b>(e) the desirability of the Company maintaining a reputation for high standards of business conduct</b>	The Board's approach is described under 'Culture and Values' below.
<b>(f) the need to act fairly as between members of the company</b>	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
<b>Shareholders</b>	Shareholders and their ongoing support are critical to the Company's continued existence and the deployment of our long-term investment strategy.	<p>The Board is committed to maintaining open channels of communication to encourage meaningful communication with shareholders to understand their views. The Company has various methods of engagement, including:</p> <ul style="list-style-type: none"> <li>• regular market announcements, and publication of quarterly fact sheets which are available on the Company's website;</li> <li>• the AGM, where shareholder attendance and participation is welcomed and where possible shareholders will have the opportunity to meet the Board and Investment Manager and address questions to them directly;</li> <li>• views and feedback are sought from institutional investors via the Company's corporate brokers;</li> <li>• Capital Markets Day; and shareholder meetings.</li> </ul>	<p>Engagement covered a number of key topics, including:</p> <ul style="list-style-type: none"> <li>• shareholder meetings to discuss the Company's strategy; and</li> <li>• an Investor presentation held by the Investment Manager to discuss recent acquisitions in the portfolio and to receive questions from shareholders.</li> </ul>	<p>During the year the Company acquired three hydropower assets in Sweden, for c.£6 million. The acquisitions should prove accretive to the NAV over the long-term. Further information on the Company's acquisitions can be found on page 27.</p> <p>The proceeds from the sale of the Gabrielsberget wind farm will fund further growth and investment across the Company's portfolio. Further information can be found on page 27.</p>

## 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
<b>Investment Manager</b>	The Investment Manager's performance is critical for the Company to successfully deliver its investment strategy and carry out the Investment Objective within the parameters of the Company's Investment Policy.	<p>The Board maintains a constructive working relationship with the Investment Manager, through:</p> <ul style="list-style-type: none"> <li>• regular and open dialogue at Board meetings, as well as regular contact on operational and investment matters outside of meetings; and</li> <li>• providing constructive challenge and advice to the Investment Manager.</li> </ul>	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.	The Board determined that the Investment Manager maintains a strong internal control environment, and during the year the Board approved the recommendation of the Management Engagement Committee (MEC) for the continued appointment of the Investment Manager, being in the best interests of shareholders.
<b>Service Providers</b>	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 supports the Company to meet all relevant obligations.	<p>The Board maintains regular contact with its service providers, both through Board and Committee meetings as well as outside of the regular meeting cycle.</p> <p>The MEC is responsible for conducting periodic reviews of service providers to ensure they continue to function at an acceptable level and are appropriately remunerated to deliver the expected level of service.</p>	Throughout the year, the Board has worked closely with its service providers, including its External Auditors, joint Corporate Broker, the Company Secretary, and the AIFM to ensure that the Company is managed efficiently and accurately, in accordance with applicable laws, regulations, and best practices.	<p>During the year, the MEC 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.</p> <p>The Board approved the recommendation of the MEC to retain all other key service providers, providing continuity of service and familiarity with the Company's objectives. It was considered that this was in the best interests of the Company and its shareholders.</p>

## 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
<b>Asset-level counterparties</b>	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 into 3 hydropower assets.	Acquired 3 new assets during the period, increasing ongoing servicing requirements from O&M counterparties.
<b>Debt-providers</b>	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.	<p>Debt will be a key component of the Company's funding strategy looking forward and the portfolio will utilise the Revolving Credit Facility (RCF) debt facility and SEB debt when beneficial.</p> <p>During the year, the Company used the proceeds of the sale of the Gabrielsberget wind farm to fully repay its RCF. Further information on the Company's RCF can be found on pages 36 to 37.</p>

## 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 opportunities, and enable the Board to respond to risks with mitigating actions to reduce the potential impacts should any of the risks materialise.

Well managed risks are key to generating long-term shareholder returns. The purpose of the 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 the risk 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 key service providers follow procedures for identifying principal risks which they highlight to the Board on a regular basis. The Alternative Investment Fund Manager ("AIFM") is responsible for exercising the risk management function in respect of the Company. As part of this the AIFM has put in place a Risk Management Policy which includes maintaining a register of identified risks including emerging risks likely to impact the Company. Portfolio management has been delegated to the Investment Manager. There are thorough due diligence processes in place to ensure that potential investments align with the Company's objectives, incorporating financial and economic analysis alongside a comprehensive risk assessment. The joint brokers regularly update the Board on the performance of the Company's sector, competitors, and the investment company market. The Company Secretary informs the Board about upcoming governance, legislation or regulatory changes that could impact the Company, and the auditors provide specific briefings at least once a year.

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
<b>Exposure to wholesale electricity prices and risk to hedging power prices</b>	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.	<p>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.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>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.</p> <p>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 39 for an illustration of the portfolio's current fixed vs merchant revenues.</p>
<b>Exposure to the transactional effects of foreign exchange rate fluctuations and risks of foreign exchange hedging</b>	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.	<p>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.</p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>The Company will hedge expected income from foreign assets up to five years in advance.</p>

## Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
<b>Non-compliance with the investment trust eligibility conditions under sections S1158/S1159 of the CTA 2010</b>	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.	<p>The Company has contracted out the relevant monitoring to appropriately qualified professionals. The Investment Manager also monitors relevant qualifying conditions.</p> <p>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.</p>
<b>Construction risks for certain renewable energy projects</b>	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.	<p>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.</p> <p>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.</p>	<p>The Investment Manager will monitor construction carefully and report frequently to the Board and AIFM.</p> <p>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).</p> <p>Third party experts will be used as required to enhance knowledge and experience.</p>
<b>Reliance on third-party service providers</b>	<p>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.</p> <p>The Company relies on the Investment Manager and other service providers and their reputation in the energy and infrastructure market.</p>	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.	<p>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.</p> <p>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.</p>

## Risks and Risk Management continued

Risk Identified	Risk Description	Risk Impact	Mitigation
<b>Lack of availability of suitable renewable energy projects</b>	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.
<b>Conflicts of interest</b>	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.
<b>Risks relating to the technical performance of assets</b>	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
<b>Counterparties' ability to make contractual payments</b>	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.	<p>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.</p> <p>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.</p> <p>As part of the acquisition process, the Investment Manager conducts a thorough due diligence process on all projects.</p>
<b>Risks associated with Cyber Security</b>	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.	<p>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.</p> <p>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.</p>	<p>Cyber security policies and procedures implemented by key service providers are reported to the Board regularly to ensure conformity.</p> <p>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.</p>

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

## Risks and Risk Management continued

### 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.

The Directors have also considered the continuation vote to be proposed at the Company's AGM, in accordance with the Company's Articles of Association. The Directors believe that the outcome of the shareholder continuation vote will not impair the Company's ability to operate as a going concern.

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 £3.4 million as at 31 December 2024. The Group utilised €54.2 million of its facility with SEB to help fund the additional hydropower acquisitions. There is €14.3 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, which is undrawn, the facility is available for either new investments or investment in existing projects and working capital.

The Company's net assets at 31 December 2024 were £199.9 million and total expenses for the period ended 31 December 2024 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 Provisions 35 and 36 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 2029 (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 2029.

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 2029 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 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.

A handwritten signature in black ink, appearing to read 'Hugh W M Little', with a long horizontal stroke extending to the right.

Hugh W M Little

Chair

25 March 2025



# Governance





## Board of Directors



**Hugh W M Little**  
Chair

Hugh was appointed as independent Chair and non-executive 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 being Chair of Downing Renewables & Infrastructure Trust plc, Hugh has also been Chair of Drum Income Plus REIT plc and CLAN Cancer Support, a Scottish cancer charity, as well as having been a Governor of Robert Gordon University and Robert Gordon's College, both based in Aberdeen. He was also for 12 years a Director of Aberdeen Football Club plc.

Hugh won the 'Non-Executive Director of the Year' award at the Institute of Directors, Scotland awards ceremony in 2019.



**Joanna Holt**  
Non-Executive Director

Joanna was appointed as an independent non-executive 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. Joanna is also Chair of the Board for the Carbon Mineralisation Company 44.01. 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.

## Board of Directors continued



**Ashley Paxton**  
Non-Executive Director

Ashley was appointed as an independent non-executive 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 from 2002, leading its advisory practice in the Channel Islands until 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.



**Astrid Skarheim Onsum**  
Non-Executive Director

Astrid was appointed as an independent non-executive Director of the Company on 15 July 2024.

Astrid has extensive experience in global business ventures, particularly in the energy transition, circular economy and renewable energy sectors. In addition to her directorship at Downing Renewables & Infrastructure Trust Plc, Astrid is a Non-Executive Director of Seatrium Ltd (Singapore), Epiroc AB (Sweden), Spoor a.s (Norway) and is a member of the Advisory Board of Airloom Energy Inc (USA). Astrid has previously held several key leadership positions within the Aker ASA group (quoted on the Oslo Stock Exchange), including serving as Chief Digital Officer of Aker Solutions ASA and CEO of Aker Offshore Wind ASA.

She also served as CEO of NG Group AS and Chair of Nordic Unmanned ASA (quoted on Euronext Growth Market Oslo). Additionally, Astrid has contributed her expertise in climate-friendly investments as a government-appointed expert for the Norwegian Ministry of Industry and Fisheries.



## Directors' Report

The Directors of the Company are pleased to present their report for the year ended 31 December 2024.

### Directors

The Directors who held office during the year and as at the date of this report are detailed on pages 78 to 79.

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 2024 Annual General Meeting ("AGM") to issue up to 17,722,723 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 2025. The Company was also granted additional authority at the 2024 AGM to issue up to 17,722,723 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 2025.

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 £354,454 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 2024 AGM granting the Directors authority to repurchase up to 26,566,361 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 2025 or 31 December 2025. This authority will expire at the conclusion of, and renewal will be sought at the 2025 AGM. Ordinary Shares purchased by the Company may be held in treasury or cancelled. During the year, the Company bought back a total of 8,859,235 Ordinary Shares of 1p each with a nominal value of £88,592.35 at a total cost of £7,143,055.84. This represented 4.80% of the issued share capital at 31 December 2024. The shares bought back are held in treasury. 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.

As at 31 December 2024, the Company had 184,622,487 Ordinary Shares in issue, 13,234,598 of which were held in treasury. The total voting rights of the Company at 31 December 2024 were 171,387,889.

Subsequent to the year end and up to the date of this Annual Report, the Company bought back 1,076,289 Ordinary Shares of 1p each with a nominal value of £10,762.89 at a total cost of £902,421.41. This represents 0.6% of the issued share capital as at 31 December 2024. 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, 14,310,887 of which are held in treasury. The total voting rights of the

## Directors' Report continued

Company at the date of this Annual Report are 170,311,600. No shares have been disposed of from treasury during the year ended 31 December 2024 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 2024:

Shareholder	Number of Ordinary Shares	% of Total Voting Rights
Bagnall Energy Limited	27,501,267	16.02
T Choithram & Sons Ltd (UK)	10,000,000	8.16
EFG Private Bank Limited	9,031,331	4.89
Liontrust Investment Partners LLP	5,814,442	3.33
Stichting Juridisch Eigendom Privium Sustainable Impact Fund	4,500,000	3.67

Since the year end, Bagnall Energy Limited notified the Company on 10 February 2025 that it had increased its holding to 43,135,056 shares, which equates to 25.20% of the total voting rights in the Company. Between 31 December 2024 and the latest practicable date prior to the publication of the Annual Report, the Company did not receive any further notifications from shareholders with notifiable interests in the Company.

### 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 buyback 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 2024 are set out on in note 20 to the financial statements.

## Directors' Report continued

The Company will target a dividend of 5.95 pence in respect of the 12 months ending 31 December 2025, a 2.6% increase from 2024. 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 2024, drawings and commitments under the Company's Revolving Credit Facility are zero.

### Investment Management Arrangements

Downing LLP is the Company's Investment Manager. Under the terms of the Investment Management Agreement, 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 Management Agreement is subject to termination on not less than 12 months' written notice by any party, such notice not to be given prior to 10 December 2025. The Investment Management Agreement can be terminated at any time in the event of the insolvency of the Company, the AIFM or the Investment Manager, in the event that the Investment Manager ceases to be authorised and regulated by the FCA (if required to be so authorised and regulated to continue to carry out its duties under the Investment Management Agreement) or if certain key members of the Investment Manager's team cease to be involved in the provision of services to the Company and are not replaced by individuals satisfactory to the Company (acting reasonably). The Company has given an indemnity in favour of the Investment Manager (subject to customary exceptions) in respect of the Investment Manager's potential losses in carrying on its responsibilities under the Investment Management Agreement. The Investment Management Agreement is governed by the laws of England and Wales.

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 CFD recommendations is set out in the strategic report on pages 52 to 63.

## Directors' Report continued

### Requirements of the Listing Rules

Listing Rule 6.6.4 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 Directors confirm that there are no disclosures to be made pursuant to this rule.

### 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.

### Articles of Association

Amendments to the Company's Articles of Association require a special resolution to be passed by shareholders.

### 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 46 to 63.

### 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 31.

### Charitable and Political Donations

No charitable donations were made during the year (2023: £30,000).

No political donations were made during the year (2023: nil).

### Post Balance Sheet Events

#### Dividends

On 19 February 2025, the Board declared an interim dividend of 1.45 pence per share with respect to the period ended 31 December 2024.

The dividend will be paid on or around 28 March 2025 to shareholders on the register on 28 February 2025. The ex-dividend date is 27 February 2025.

The Directors' Report has been approved by the Board.

By order of the Board

**MUFG Corporate Governance Limited**  
**Company Secretary**

25 March 2025

# 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 2024. In this statement we report on the Company's compliance with the AIC Code of Corporate Governance, 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 to help achieve long-term success for the Company.

The Company assesses its governance standards against the principles and recommendations 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 Corporate Governance 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](http://www.theaic.co.uk). A copy of the UK Code can be obtained at [www.frc.org.uk](http://www.frc.org.uk). In 2024, the AIC published a revised Code following the publication of a new UK Code. The new AIC Code became effective on 1 January 2025 with the exception of Provision 34 which is effective from 1 January 2026. During the year, the Board considered the steps necessary to comply with the 2024 AIC Code and will report its compliance against it, in the Annual Report for the year ending 31 December 2025.

## Statement of Compliance with the AIC Code

In accordance with the FCA's UK Listing Rules, the Company is required to provide shareholders with a statement on how the main and supporting principles of the AIC Code 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 as disclosed below:

- 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.



## Corporate Governance Statement continued

### 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

##### Board Leadership and Purpose

- 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 46 to 74.

- 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 13 to 20.

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 performance review process, including its policies, practices and behaviour to ensure that it is appropriately aligned to the Company's purpose, values and strategy.

- 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 102 to 105 and information on the Company's risk management practices can be found on pages 69 to 74.

## Corporate Governance Statement continued

### 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 Board decision making. Further information on the Company's engagement with stakeholders is set out in the Section 172 statement on pages 65 to 68.

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@cm.mpms.mufig.com](mailto:dorecosec@cm.mpms.mufig.com)

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.

### Division of Responsibilities

- 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, independent on appointment, leads the Board by ensuring all Directors receive accurate, timely and clear information and promote 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 responsibilities of the Chair can be found on the Company's website <https://www.doretrust.com/about>.

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 reserved for decision by the Board which it reviews annually and 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.

The annual review of the Board's performance and effectiveness considers the performance of the Chair. The Directors, led by Joanna Holt, Chair of the Nomination Committee (in place of a senior independent director), have concluded that the Chair fulfils his role and supports and promotes the effective functioning of the Board.

Further information on the Board performance review can be found on page 93.

## Corporate Governance Statement continued

### AIC Code Principle

### How the Company Complies

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| <p>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.</p>       | <p>During the year under review, the Board comprised only of independent non-executive Directors. All Directors, including the Chair of the Board were independent of the Investment Manager at the time of appointment and remain so. No Director is a director of another investment company managed by the Company's Investment Manager.</p>   |
| <p>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.</p> | <p>The contributions of each Director, as well as their time commitments are reviewed annually as part of the Board performance review. 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.</p> <p>During the year under review, all Directors continued to devote sufficient time to the Company, provided appropriate levels of challenge, strategic guidance and specialist advice to the Company and the Investment Manager when required.</p> <p>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 100 to 101.</p> |
| <p>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.</p>   | <p>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.</p>   |

### Composition, succession and evaluation

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| <p>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.</p> | <p>The Nomination Committee, comprised of all Directors, leads 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 96 to 99.</p> <p>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.</p> <p>The Company's policy on diversity can be found on page 97.</p> |
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## Corporate Governance Statement continued

AIC Code Principle	How the Company Complies
<p>K. The Board and its committees should have a combination of skills, experience and knowledge.</p> <p>Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed.</p>	<p>The Directors bring a wide range of skills, experience and knowledge to the Board. Further details are set out in their biographies on pages 78 to 79.</p> <p>The Directors' skills, experience and knowledge are reviewed as part of the annual Board performance review process. As part of the process to appoint new Directors, the Board reviews the existing skills of the Directors and seeks to add persons with the complementary skills or with skills and experience that will fill any gaps in the Board's knowledge or experience and provide the expertise necessary as the Company progresses towards achieving its strategic goals.</p>
<p>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.</p>	<p>The Board conducts a Board performance review annually. For the period under review, this was carried out by way of a questionnaire prepared by the Company Secretary. The Directors met to review and discuss the results of the performance review, and to agree any necessary actions. Joanna Holt, Chair of the Nomination Committee, led the review process, which covered the functioning of the Board, the effectiveness of the Board Committees, the performance of the Chair and the independence and contribution made by each Director.</p> <p>The Nomination Committee considers the findings of the performance review process when making a recommendation to the Board regarding the election and re-election of Directors.</p> <p>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 2025.</p> <p>Further information regarding the proposed election of each Director can be found in the Notice of AGM.</p>
<b>Audit, risk and internal control</b>	
<p>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.</p>	<p>Any work outside the scope of the standard audit work requires prior approval by the Audit and Risk Committee, enabling oversight of the external auditor's performance, objectivity and independence.</p> <p>The Audit and Risk Committee carries out a review of the performance of the Auditor on an annual basis. Feedback from other third-party service providers with a close working relationship with the Auditor, including the Investment Manager, is included as part of this assessment.</p> <p>Further information regarding the work of the Audit and Risk Committee can be found on pages 102 to 105.</p>
<p>N. The Board should present a fair, balanced and understandable assessment of the company's position and prospects.</p>	<p>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.</p>

## Corporate Governance Statement continued

### AIC Code Principle

- 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.

### How the Company Complies

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 102 to 105 the Company has in place a detailed system for assessing the adequacy of those controls.

### Remuneration

- 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 111, 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.

Three out of four of the 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 106 to 112.

- 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 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.



## Corporate Governance Statement continued

### 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 four 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 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 79.

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 have 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 Operations

The Directors have adopted a formal schedule of matters reserved for the Board, which is published on the Company's website. 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.

## Corporate Governance Statement continued

### Board Meetings

There are 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.

#### Audit and Risk Committee

The Audit and Risk Committee meets at least three times 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. Given the size and nature of the Board it is felt appropriate that all Directors, including the Chair of the Board are members of the Committee.

Further details about the Audit and Risk Committee and its activities during the year under review are set out on pages 102 to 105.

#### Nomination Committee

The Nomination Committee meets at least once a year and is chaired by Joanna Holt. The Committee oversees Board recruitment and succession planning and the annual Board performance review process. Given the size and nature of the Board it is felt appropriate that all Directors are members of the Committee.

Further details about the Nomination Committee and its activities during the year under review are set out on pages 96 to 99.

#### Management Engagement Committee

The Management Engagement Committee meets at least 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. Given the size and nature of the Board it is felt appropriate that all Directors are members of the Committee.

## Corporate Governance Statement continued

Further details about the Management Engagement Committee and its activities during the year under review are set out on pages 100 to 101.

### Remuneration Committee

The Remuneration Committee meets at least once a year and is chaired by Ashley Paxton. The Committee conducts an annual review of the remuneration of the Directors. Given the size and nature of the Board it is felt appropriate that all Directors are members of the Committee.

Further details about the Remuneration Committee and its activities during the year under review are set out on pages 106 to 112.

### Meeting Attendance

The number of Board and Committee meetings held during the period ended 31 December 2024 and the attendance of the individual Directors is shown below:

	Board	Audit & Risk Committee	Nomination Committee	Remuneration Committee	Management Engagement Committee
Hugh Little	4/5*	3/3	1/1	1/1	1/1
Ashley Paxton	5/5	3/3	1/1	1/1	1/1
Joanna Holt	5/5	3/3	1/1	1/1	1/1
Astrid Skarheim Onsum**	2/2	2/2	1/1	1/1	1/1

\* Hugh Little was unable to attend one Board meeting during the year due to an unavoidable commitment.

\*\* Astrid Skarheim Onsum was appointed as a Director of the Company on 15 July 2024

During the year, the Board met a total of 11 times. In addition to the regular meetings detailed above, the Board also held four ad hoc meetings and Board sub-committee meetings. There were two ad hoc Audit and Risk Committee meetings and one ad hoc Nomination Committee meeting.

### Induction of New Directors

There is an established procedure in place for the induction of new Directors, 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 seek annual re-election. Every year the Board conducts a formal Board performance review process, and based on the findings of this year's review, the Board recommends the re-election of each of the Directors. In making this recommendation, due consideration has been given to each Directors' experience and expertise in investment matters, their independence and continuing effectiveness and commitment to the Company.

## Corporate Governance Statement continued

### Conflicts of Interest

It is the responsibility of each individual Director to avoid unauthorised conflicts of interest. 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 each 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 of Association, 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.

### Board Performance Review

The Board is aware of the need to continually monitor and improve performance and recognises that this can be achieved through regular Board performance review, which provides a valuable feedback mechanism for improving Board effectiveness and contributes towards good corporate governance. Reviews are undertaken annually, and for 2024, the review was conducted internally by the Company Secretary, following the completion of an external review in 2023. The review process was led by Joanna Holt, Chair of the Nomination Committee (in the place of a senior independent director).

## Corporate Governance Statement continued

The performance review was conducted by way of a questionnaire, which included both quantitative and qualitative elements, and was specifically designed to assess the strengths and independence of the Board, the Chair, the Committees of the Board and the individual Directors of the Company. The review focussed on several key areas, including the Board's culture, dynamics and composition, meeting effectiveness, knowledge and training, stakeholder engagement, and focus on strategy and direction of the Company.

The Board discussed the results of the review and identified three key areas of focus for 2025:

- detailed consideration of key strategic topics, such as through deep dive sessions and holding an annual strategy day
- continued focus on share price discount management
- Shareholder engagement and communications

Overall, the Board concluded that all Directors contribute effectively and have the skills and experience relevant to the leadership and direction of the Company, as well as sufficient time to devote to the Company's affairs. The Chair demonstrates effective leadership of the Board, possessing the right mix of skills and experience to facilitate Board discussions, encouraging individual contribution as well as constructive, rigorous debate and attributing sufficient focus to strategic issues.

### 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 to provide 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 Company's risk management and internal control systems, covering all material controls, including financial, operational and compliance controls, 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.

The Board and the Audit and Risk Committee are taking the necessary steps to ensure the Company is able to report against the requirements of provision 34 of the 2024 AIC Code which will take effect from 1 January 2026.



## Corporate Governance Statement continued

### 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.

The Company has in place a robust risk matrix 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 69 to 74.

# Nomination Committee Report

## Membership

Joanna Holt – Chair

Ashley Paxton – Member

Hugh Little – Member

Astrid Skarheim Onsum – Member (from 15 July 2024)

## Statement from the Chair of the Nomination Committee

I am pleased to present the Nomination Committee Report for the year ended 31 December 2024.

The Nomination Committee (the “Committee”) comprises all Directors of the Company and met twice during the year. Given the limited size of the Board, the Directors feel it is appropriate to have all members of the Board as members of the Committee. The usual cycle of business is for the Committee to meet once per year, but in 2024 an additional meeting was held to discuss and recommend to the Board the appointment of Astrid Skarheim Onsum as a Director of the Company.

## 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 review process that relate to the composition of the Board; and
- to review annually the time required from non-executive Directors.

The Terms of Reference were reviewed by the Committee during the year, and several minor changes were recommended to align the Terms of Reference with the 2024 AIC Code of Corporate Governance. The Committee’s Terms of Reference are available on the Company’s website <https://www.doretrust.com/>. The Committee’s meeting attendance is set out on page 92.

## 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, to deepen the Board’s Nordic sector experience and to further develop Board strategic insight. The Committee conducted interviews of a shortlist of candidates, provided by external recruitment consultant, Fidelio Partners Board Development and Executive Search Ltd (“Fidelio”). Fidelio 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

## Nomination Committee Report continued

a prospective candidate and the diversity of the Board, with particular reference to the Listing Rules' targets on diversity and inclusion, as set out in the Board Diversity Policy below. The Committee was pleased to recommend the appointment of Astrid Skarheim Onsum as non-executive Director to the Board, with effect from 15 July 2024. Astrid has a wealth of experience in energy markets and renewable energy in the Nordic region, all of which complements the skills and experience already on the Board. As part of the recruitment process, the Committee considered Astrid's other commitments and external appointments and determined that Astrid had sufficient time to dedicate to her duties as a Director of the Company.

Further information on the Directors other commitments can be found in the Directors biographies on pages 78 and 79.

### 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 diversity and inclusion targets in the UK 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 Rules, 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. Following the appointment of Astrid in July 2024, the Board is now compliant with target a), as 50% of the Board of Directors are women. Target b) is not applicable to the Company as it is externally managed and does not have executive management functions. Regarding target c), whilst currently not compliant, the Board actively considers diversity, inclusion and equal opportunity as part of its succession planning and will give due consideration to these matters and the diversity targets when appointing Directors in the future.

## Nomination Committee Report continued

The following tables, show the gender and ethnic background of the Directors as of the date of this report, in accordance with Listing Rule 6 Annex 1.

	Gender identity or sex		Number of senior positions on the Board
	Number of Board members	Percentage on the Board	
Men	2	50%	
Women	2	50%	Not applicable*
Not specified/prefer not to say	–	–	

	Ethnic background		Number of senior positions on the Board
	Number of Board members	Percentage on the Board	
White British or other White (including minority white groups)	4	100%	Not applicable*
Mixed/Multiple Ethnic Groups	–	–	Not applicable*
Asian/Asian British	–	–	Not applicable*
Black/African/Caribbean/ Black British	–	–	Not applicable*
Other ethnic group, including Arab	–	–	Not applicable*
Not specified/prefer not to say	–	–	Not applicable*

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.

## Nomination Committee Report continued

### 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. Three of the Company's four 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. The Committee considered succession planning throughout the year, and to ease the succession process, earlier tenure end dates will be considered in ongoing annual reviews.

### 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.

In determining whether to recommend a director for re-election, the Committee reviews the quality of a director's participation and contributions to Board and Committee meetings, as well as the results of the annual Board performance review.

### Board Performance Review

The Committee has considered the performance of the Board during the year. The details and actions arising from the annual Board performance review, facilitated internally, are described in the Corporate Governance Statement on page 93. Following the performance review, the Board 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 Board believes it is in the best interest of shareholders to recommend that Hugh Little, Joanna Holt and Ashley Paxton be re-elected and that Astrid Skarheim Onsum be elected by shareholders at the Company's 2025 AGM.



**Joanna Holt**

Chair of the Nomination Committee  
25 March 2025



# Management Engagement Committee Report

## Membership

Hugh Little – Chair

Ashley Paxton – Member

Joanna Holt – Member

Astrid Skarheim Onsum – Member (from 15 July 2024)

## Statement from the Chair of the Management Engagement Committee

I am pleased to present the Management Engagement Committee Report for the year ended 31 December 2024. Throughout the year, the Committee continued to support the Board through comprehensive review and monitoring of the Investment Manager's performance, as well as other key third party service providers.

The Committee comprises all Directors of the Company and met once during the year.

## 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.

## Management Engagement Committee Report continued

The Terms of Reference were reviewed by the Committee during the year, and several minor changes were recommended to align the Terms of Reference with the 2024 AIC Code of Corporate Governance.

The Committee's Terms of Reference are available to view on the Company's website <https://www.doretrust.com/>. Committee meeting attendance is set out on page 92.

### 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, taking into account the interactions with Downing throughout the year, the quality and continuity of the Downing team, investment processes and strategy, and makes a recommendation to the Board about its continuing appointment. During the year, the Committee met with Downing's CEO to discuss Downing's succession plans, as well as the incentivisation and retention procedures in place for key individuals.

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 reported in the 2023 Annual Report, on 1 February 2024 the AIFM was changed 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. Further details can be found on page 16 of the 2023 Annual Report.

### Review of Other Service Providers

During the year the Committee reviewed the performance of its third-party service providers, by scoring each provider on a scale of one to three ranging from failing against targets, to exceeding requirements. The review is conducted annually, and covers all service providers, including, but not limited to, the Company's Auditors, BDO LLP, the Brokers, Singer Capital Markets and Winterflood Securities, the AIFM, JTC Global AIFM Solutions, the Administrator, JTC (UK) Limited, and the Company Secretary, MUFG Corporate Governance Limited (formerly Link Company Matters Limited).

Following the review, the Committee concluded that the appointments of each of its service providers remained in the best interests of the Company and their continued appointment was recommended to the Board.



**Hugh W M Little**

Chair of the Management Engagement Committee  
25 March 2025

# Audit and Risk Committee Report

## Membership

Ashely Paxton – Chair

Joanna Holt – Member

Hugh Little – Member

Astrid Skarheim Onsum – Member (from 15 July 2024)

## Statement from the Chair of the Audit and Risk Committee

I am pleased to present the Audit and Risk Committee Report for the year ended 31 December 2024.

The Audit and Risk Committee (the “Committee”) comprises all Directors of the Company and met five times during the year ended 31 December 2024 and twice post year end. The Directors have reviewed Hugh Little’s ongoing membership of the Committee given that he is Chair of the Board. Mr Little was independent on his appointment as Chair and provides a significant contribution to the Committee, as such the Directors believe it is important for him to continue to be a member of the Committee. The Committee as a whole has competence relevant to the sector in which the Company operates.

## Responsibilities of the Committee

The primary responsibilities of the Committee are to review and challenge, where necessary, the Company’s financial statements. As part of this process, the Committee shall:

- 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;
- 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, BDO LLP (“BDO”);
- review the content of the annual report and financial statements in their entirety 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;
- 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;
- 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;
- appoint an external Auditor, approve the Auditor’s remuneration, and monitor the extent of any proposed non-audit services and make recommendations to the Board as appropriate;
- review the Auditor’s independence, objectivity and performance and the effectiveness and quality of the audit process;
- consider annually whether there is a need for the Company to have its own internal audit function; and

## Audit and Risk Committee Report continued

- act in accordance with the Financial Reporting Council's (the "FRC") Minimum Standard for Audit Committees (the "Minimum Standard").

During the year, the Committee reviewed and updated its Terms of Reference in line with the Minimum Standard, and the 2024 AIC Code of Corporate Governance. The Committee's Terms of Reference are available to view on the Company's website and the Committee's meeting attendance is set out on page 92.

### Activities in the Year

- conducted a review of the internal controls and risk management systems of the Company, including an extensive review of the Company's risk register;
- 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 2024 and the statutory audit of the Annual Report for the year ended 31 December 2024, 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;
- reviewed the viability statement;
- reviewed the FRC's annual Audit Quality Inspection and Supervision Report on BDO, and discussed the findings with the Audit Partner; and
- assessed the implications of the new requirements of the 2024 AIC Code of Corporate Governance, especially those related to internal controls, and examined processes and procedures to ensure DORE can report to shareholders on how the Company maintains an effective internal control framework.

### 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 69 to 74.

### 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.

## Audit and Risk Committee Report continued

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 regularly reviewed by the Committee. 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 considers annually whether an internal audit function should be established. The Committee again concluded this year that the systems and procedures employed by the Investment Manager and the Company's other service providers provide sufficient assurance that the Company's assets are safeguarded by a properly maintained control environment. 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 2029. Based on this assessment the Committee has 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 2029. Additional information can be found on pages 75 and 76.

### 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 Committee reviewed the conditions referred to above and is 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 a matter requiring a major element of judgement. The Committee debated the appropriateness of adopting the standard with the Investment Manager and external Auditor and concluded that applying the investment entity exemption to IFRS 10 improves stakeholders' understanding of the financial performance and position of the Group. The Committee advised the Board accordingly. The Company's viability statement can be found on pages 75 and 76.



## Audit and Risk Committee Report continued

### 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 £194,500 (2023: £193,500). This figure includes non-audit fees of £11,000 (2023: £10,000).

The Committee has in place a policy on the supply of any non-audit services provided by the Auditor. All non-audit services provided by the Auditor during the year were considered and approved in advance by the Committee and recorded in the minutes of the meeting. 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 2024. 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 2024 is his fourth as Audit Partner. The Committee is satisfied that the Auditor's objectivity and independence is not impaired by the performance of the non-audit services and that the Auditor has fulfilled its obligations to the Company and its shareholders.

### Re-appointment of the Auditor

BDO was selected as the Company's Auditor at the time of the Company's IPO following a competitive process and review of the Auditor's credentials. During the year, the Committee reviewed the Auditor's performance, services provided during the year, and independence and objectivity, and 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 2025 Annual General Meeting.



**Ashley Paxton**

Chair of the Audit and Risk Committee  
25 March 2025

# Directors' Remuneration Report

## Membership

Ashley Paxton – Chair

Joanna Holt – Member

Hugh Little – Member

Astrid Skarheim Onsum – Member (from 15 July 2024)

## Statement from the Chair of the Remuneration Committee

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2024.

As set out in the Corporate Governance statement on pages 84 to 95, and above, the Remuneration Committee ("the Committee") comprises all Directors and met once during the year ended 31 December 2024. Given the limited size of the Board, the Directors feel it's appropriate to have all members of the Board fulfil the role. Hugh Little was independent on appointment.

The Committee reviews the fees of the Directors annually, giving due consideration to the required time commitments of the Directors, whether each Director has sufficient time to devote to their roles, the results of the Board performance review and whether Directors have acted effectively and in the best interests of the Company and its shareholders.

During the year, the Committee also considered the Director fees of the Company's peer group, the average for similar-sized investment trusts and the Trust Associates 2024 newsletter on investment company non-executive Directors' fees. Directors' fees were last increased in 2022, and in consideration of inflation rates in recent years and based on the above-mentioned review materials, the Committee determined that a modest increase in director fee levels was appropriate to ensure the Company remained in line with its peers. Accordingly, the fee levels are as follows:

	Expected fees for the year ending 31 December 2025	Fees for the year ended 31 December 2024
Chair	£60,000	£55,000
Chair of the Audit and Risk Committee	£49,000	£45,000
Director	£44,000	£40,000

These changes took effect on 1 October 2024.

The aggregate limit for Directors' fees of £300,000 per annum is set out in the Company's Articles of Association. The approval of shareholders would be required to increase this limit.

## Directors' Remuneration Report continued

In accordance with the Companies Act 2006, the Company is required to obtain shareholder approval of its Remuneration Policy on a triennial basis. Ordinary resolutions will be put to shareholders at the forthcoming AGM to be held in 2025 to receive and approve the Directors' Remuneration Report and to receive and approve the Directors' Remuneration Policy. If approved by shareholders, the Directors' Remuneration Policy will be effective immediately upon the passing of the resolution at the AGM. There are no significant changes expected in the way the proposed Remuneration Policy, if approved, will be implemented in the next financial year.

### 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 Remuneration 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.

### 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 Directors' Remuneration Report for the year ended 31 December 2023 and the Directors' Remuneration Policy were approved by shareholders at the Annual General Meetings held on 6 June 2024 and 6 April 2022 respectively.

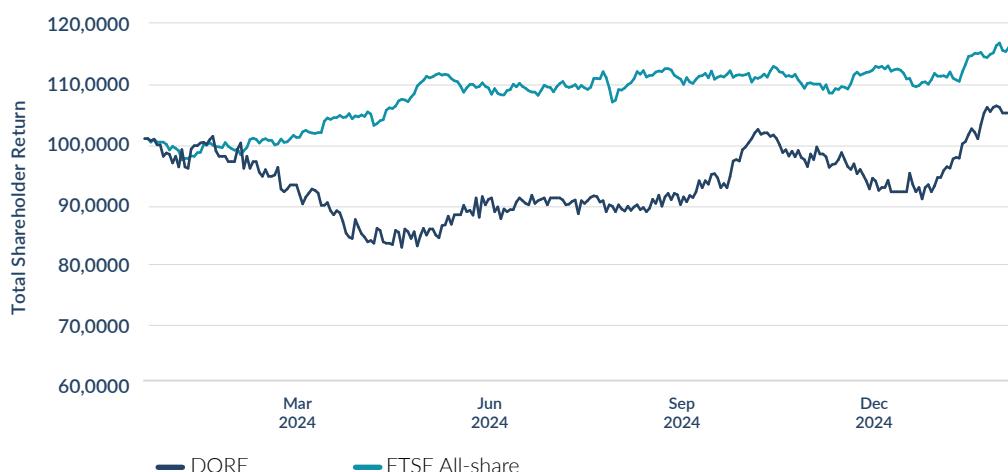
The votes cast were as follows:

	Directors' Remuneration Report (AGM 2024)		Directors' Remuneration Policy (AGM 2022)	
	Number of votes	% of votes cast	Number of votes	% of votes cast
For	81,682,848	99.77	52,151,106	99.82
Against	184,514	0.23	96,528	0.18
Total votes cast	81,867,362	100	52,247,634	100
Number of votes withheld	31,672	–	26,825	–

## Directors' Remuneration Report continued

### 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 for the Year Ended 31 December 2024 (audited)

The remuneration paid to the Directors during the year ended 31 December 2024 is set out in the table below:

	Year ended 31 December 2024			Year ended 31 December 2023		
	Fees £	Expenses £	Total £	Fees £	Expenses £	Total £
Hugh W M Little	55,000	1,849	56,849	55,000	529	55,529
Joanna Holt	40,000	1,437	41,437	40,000	1,314	41,314
Ashley Paxton	45,000	5,254	50,254	45,000	3,052	48,052
Astrid Skarheim Onsum*	18,459	3,610	22,105	–	–	–
<b>Total</b>	<b>158,495</b>	<b>12,150</b>	<b>170,645</b>	<b>140,000</b>	<b>4,895</b>	<b>144,895</b>

\* Astrid Skarheim Onsum was appointed 15 July 2024

There is no variable component to the Directors' pay, all pay is fixed.

## Directors' Remuneration Report continued

### 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, 31 December 2023, and 31 December 2024 and the year ending 31 December 2025.

Director	% from 2024-2025	% from 2023-2024	% from 2022-2023	% from 2021-2022
Hugh W M Little	9.1	Nil	7.3	2.5
Joanna Holt	10.0	Nil	10.3	3.6
Ashley Paxton	8.9	Nil	9.1	3.1
Astrid Skarheim Onsum <sup>1</sup>	–	–	–	–

1 Astrid Skarheim Onsum was appointed on 15 July 2024

### Relative Importance of Spend on Pay

The table below sets out in respect of the year ended 31 December 2024:

- a) the remuneration paid to the Directors;
- b) the investment management fee; and
- c) the distributions made to shareholders by way of dividend.

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000	Percentage change 2023-2024
Directors' remuneration*	158	140	13%
Investment management fee	1,967	2,044	-4%
Dividends paid to shareholders	9,999	9,696	3%

\* Astrid Skarheim Onsum was appointed as a Director of the Company on 15 July 2024.



## Directors' Remuneration Report continued

### 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 2024, the interests of the Directors and any connected persons in the shares of the Company are set out below:

	Year ended 31 December 2024 Number of Shares	Year ended 31 December 2023 Number of Shares
Hugh W M Little	250,000	204,045
Joanna Holt	21,085	21,085
Ashley Paxton*	130,000	100,000
Astrid Skarheim Onsum**	0	–

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

\*\* Astrid Skarheim Onsum was appointed as a Director of the Company on 15 July 2024.

There have been no changes to any of the above holdings between 31 December 2024 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.

## Directors' Remuneration Report continued

### Remuneration Policy

The Remuneration Policy was last approved at the Company's AGM on 6 April 2022. The policy must be put to a shareholders' vote at least once every three years. Accordingly, an ordinary resolution will be put to shareholders at the Company's 2025 AGM to receive and approve the Directors' Remuneration Policy and will take effect once approved by shareholders. The Remuneration Policy will be in effect until next put to shareholders for renewal of that approval, which must happen every three years or until such time as the Board may choose to change the Policy (where approval would be sought from shareholders), whichever is earliest. The Remuneration Policy is set out below in full and is unchanged from that previously approved by shareholders. There will be no change in the way that the Remuneration Policy is implemented.

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.

## Directors' Remuneration Report continued

### Directors' remuneration components

The components of the remuneration package for the Company's non-executive Directors, which comprise the Directors' Remuneration Policy, are set out below:

Remuneration type	Description and approach to determination
Fixed fees	Annual fees are set for each of the Directors, taking into account the time commitment and responsibilities of the role, the experience of the Board as a whole and with reference to comparable organisations and appointments. The fees of the non-executive Directors are determined within the limits of the Articles of Association and will not exceed £300,000 per annum. Directors do not participate in discussions relating to their own fee.
Additional fees	<p>If any Director performs or renders any special duties or services outside his ordinary duties as a Director, they may be paid such reasonable additional remuneration as the Board may from time to time determine.</p> <p>Additional fees may be paid to any Director who fulfils the role of Chair of the Board, any Committees of the Board and Senior Independent Director, as the Board may determine within the limits of the Articles of Association.</p>
Expenses	Each Director shall be entitled to be repaid all reasonable expenses properly incurred in the performance of their duties as a Director, including any expenses incurred in attending meetings of the Company.
Other	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. Under the Directors' letters of appointment, there is no notice period, and no compensation is payable to a Director on leaving office.

### Approval

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



**Ashley Paxton**

Chair of the Remuneration Committee  
25 March 2025

## 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.

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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.

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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.

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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.

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### 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.

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## 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)**

25 March 2025



# Alternative Investment Fund Manager's Report

## Background

The Alternative Investment Fund Manager's Directive (the "**AIFMD**") came into force on 22 July 2013. The objective of the AIFMD was to ensure a common regulatory regime for funds marketed in or into the EU which were not regulated under the UCITS regime. This was primarily for investors' protection and also to enable European regulators to obtain adequate information in relation to funds being marketed in or into the EU to assist their monitoring and control of systemic risk issues.

JTC Global AIFM Solutions Limited (the "**AIFM**"), which was appointed as the Company's alternative investment fund manager on 1 February, 2024, is a non-EU Alternative Investment Fund Manager (a "**Non-EU AIFM**") and the Company is a non-EU Alternative Investment Fund (a "**Non-EU AIF**"). Although the AIFM is a non-EU AIFM, so the depositary rules in Article 21 of the AIFMD do not apply, the transparency requirements of Articles 22 (Annual report) and 23 (Disclosure to investors) of the AIFMD do apply to the AIFM and therefore to the Company. In compliance with those articles, the following information is provided to the Company's shareholders by the AIFM.

## 1. Material Changes in the Disclosures to Investors

During the financial year under review, there were no material changes to the information required to be made available to investors under Article 23 of the AIFMD before they invest in the Company from the information set out in the Company's prospectus dated 7 June, 2022, save as disclosed below and in certain sections of the annual financial report, those being the Chairman's Statement, Investment Manager's Report, the sections headed "Sustainability and Responsible Investment", "Section 172 (1) Statement", "Risk and Risk Management", "Going Concern and Viability" and the Directors' Report, including the Corporate Governance Statement.

Proposed changes to the Company's investment policy, which are to be voted upon by shareholders at the Company's 2025 annual general meeting, are disclosed in the Chairman's Statement and in the section of this annual financial report headed "Strategy and Business Model".

## 2. Risks and Risk Management Policy

The current principal risks facing the Company and the main features of the risk management systems employed by AIFM and the Company to manage those risks are set out in the sections headed "Risk and Risk Management", the Directors' Report, the Audit and Risk Committee's Report and in note 16 to the financial statements. The AIFM also has a comprehensive risk matrix (the "**Risk Matrix**"), which is used to identify, monitor and manage material risks to which the Company is exposed.

## 3. Leverage and borrowing

The Company is entitled to employ leverage in accordance with its investment policy as set out in the Company's prospectus. As at the balance sheet date, the Company had access to a revolving credit facility of £40 million, as well as two additional long-term debt facilities at asset level of £74.3 million and €68.5 million, of which €54.2 million was drawn on the latter. In total, the Sterling value of debt was £111.1 million as at the balance sheet date. Further information on the debt facilities can be found in the Investment Manager's Report. There were no changes in the Company's borrowing powers and policies, details of which are given in the section of this annual financial report headed "Strategy and Business Model".

## Alternative Investment Fund Manager's Report continued

### 4. Environmental, Social and Governance ("ESG") Information

Because the AIFM is a non-EU AIFM and the Company is not marketed into the EEA, the AIFM is not required to comply with Regulation (EU) 2019/2099 on Sustainability-Related Disclosures in the Financial Services Sector (the "**SFDR**"). However, the Company has voluntarily chosen to report in line with Article 9 of the SFDR and details of the Company's and its advisers ESG objectives and actions taken are reported on in the section of this annual financial report entitled "Sustainability and Responsible Investment." See also the section headed "Key Performance Indicators" and the SFDR Periodic Disclosure Template (Unaudited) for environmental and sustainability-related metrics and other ESG-related information.

As a member of the JTC group of Companies, the AIFM's ultimate beneficial owner and controlling party is JTC Plc, a Jersey-incorporated company whose shares have been admitted to the Official List of the UK's Financial Conduct Authority and to trading on the London Stock Exchange's Main Market for Listed Securities (mnemonic JTC LN, LEI 213800DVUG4KLF2ASK33). In the conduct of its own affairs, the AIFM is committed to best practice in relation to ESG matters and has therefore adopted JTC Plc's ESG framework (the "**ESG Framework**") and a copy of the ESG Framework can be viewed online at <https://www.jtcgroup.com/esg/>.

As at the date of this report, JTC Plc is a signatory of the U.N. Principles for Responsible Investment. The JTC group is also carbon neutral, works to support the achievement of various U.N. Sustainable Development Goals and reports under the Task Force on Climate-related Financial Disclosures ("the **TCFD**") and the SASB framework.

The AIFM is also cognisant of the announcement published by H.M. Treasury in the UK of its intention to make mandatory by 2025 disclosures aligned with the recommendations of the Task Force on Climate-Related Disclosures, with a significant proportion of disclosures mandatory by 2023. The AIFM also notes the roadmap and interim report of the UK's Joint Government-Regulator TCFD Taskforce published by H.M. Treasury on 9 November, 2020. The AIFM continues to monitor developments and intends to comply with the UK's regime to the extent either mandatory or desirable as a matter of best practice.

The AIFM and Downing LLP ("**Downing**" or the "**Investment Manager**") as the Company's alternative investment fund manager and investment manager respectively do consider ESG matters in their respective capacities. Detailed reporting on the Investment Manager's approach to sustainability and the Company's performance in this area is included in the sections of this annual financial report headed "Sustainability and Responsible Investment" and "Climate Disclosure, based on the recommendations of the Climate Related Financial Disclosures". The Company's approach to corporate governance matters is described in the section headed "Corporate Governance Statement" within the Directors' Report.

The AIFM's Risk Matrix referred to in section 2 above is used to identify, monitor and manage material risks to which the Company is exposed, including ESG and sustainability risks, the latter being an environmental, social or governance event or condition that, if it occurred, could cause an actual or a potential material negative impact on the value of an investment. We also consider sustainability factors, those being environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## Alternative Investment Fund Manager's Report continued

### 5. Remuneration of the AIFM's Directors and Employees

During the financial year under review, no separate remuneration was paid by the AIFM to three of its executive directors, Kobus Cronje, Graham Sleep and Graham Taylor, because they were all employees of the JTC group of companies, of which the AIFM forms part. The fourth executive director, Matthew Tostevin, is paid a fixed fee of £10,000 for acting as a director. Mr Tostevin is paid additional remuneration on a time spent basis for services rendered to the AIFM and its clients. Other than the directors, the AIFM has no employees. The Company has no agreement to pay any carried interest to the AIFM. During the year under review, the AIFM paid £10,000 in fixed fees and £36,892.08 in variable remuneration to Mr Tostevin.

### 6. Remuneration of the AIFM Payable by the Company

The AIFM was during the period under review paid a fee of 0.04% per annum of the Company's net asset value, subject to a minimum of £40,000 per annum, such fee being payable quarterly in arrears. The AIFM was also paid a one-off transfer fee of £5,000 upon its appointment as the Company's AIFM.

Subsequent secondary issues of shares of the Company in the primary market are supported on a time spent basis, subject to a cap of £10,000 per each such issue. Other significant non-routine work may be agreed between the AIFM and the Company from time to time and charged for on a time spent basis. The total fees paid to the AIFM during the year under review were £80,169.86.

**JTC Global AIFM Solutions Limited**  
**Alternative Investment Fund Manager**

**25 March 2025**





## Independent Auditor's Report

### To the members of Downing Renewables and Infrastructure Trust PLC

#### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 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 2024 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 material 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 4 years, covering the years ended 31 December 2021 to 31 December 2024. 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;



# Independent Auditor’s Report continued

- Reviewing the future commitments of the Company and checking they have been appropriately incorporated into the forecast;
- Reviewing the amount of headroom in the forecasts of both the base case and downside scenarios; and
- Reviewing the assessment from board considering that continuation voting will not create a material uncertainty regarding going concern and reviewing an opinion from broker confirming their support for the analysis, as well as other feedback from shareholders in favour of continuation.

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

Key audit matters	Valuation of investments	2024	2023
		Yes	Yes
Materiality	Company financial statements as a whole £2.998m (2023: £3.212m) based on 1.5% (2023: 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

#### 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.

There is a fraud risk due to high level of estimation uncertainty regarding judgemental inputs such as future power prices, power generation, discount rates, asset lives and inflation, involved in determining the valuation.

There is risk of error in the model integrity, classification of investments as loan vs equity, calculation of unrealised gains due to complexity in the valuation models regarding accuracy of contractual inputs.

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.

### How the scope of our audit addressed the key audit matter

For new investments, obtained and reviewed purchase agreements and contracts and considered whether inputs were accurately reflected in the valuation model.

In respect of all underlying equity investments valued using discounted cash flow models, we performed the following specific procedures:

- 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.
- Agreed power generation and power price forecasts to power purchase agreements and independent reports prepared by management's expert. We assessed the competency, independence and objectivity of management's expert.
- For existing investments, we compared the assumptions used in the current year to the prior year audited assumptions and obtained sufficient evidence for significant changes in assumptions.
- Used spreadsheet analysis tools to assess the integrity of the valuation models and track changes to inputs or structure from the valuation model used in the prior year.
- Considered the accuracy of forecasting by comparing forecasts to actual results and challenged the reasons for significant variances and whether these have been adequately factored into future modelling.
- 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.
- 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. Where appropriate, we sensitised the valuations where other reasonable alternative assumptions could have been applied. We also considered the completeness and clarity of disclosures regarding the range of reasonable alternative assumptions in the financial statements.

For loan investments we agreed them to loan agreements and verified the relevant terms of the loan, and recalculated interest income and compared to that recorded.

#### Key observations

Based on our procedures performed we found the valuation of the investment portfolio and judgements applied therein to be acceptable.

## Independent Auditor's Report continued

### Our application of materiality

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

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

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

Company financial statements		
	2024	2023
Materiality	£2.998m	£3.212m
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	£2.098m	£2.248m
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 £384k (2023: £382k), based on 5% of revenue return before tax (2023: 5%). We further applied a performance materiality level of 70% (2023:70%) 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.

## Independent Auditor's Report continued

### Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £149k (2023: £160k) and for those items impacting realised return £19k (2023: £19k). 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.

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#### 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.

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#### 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.
-

## Independent Auditor's Report continued

### Other Companies Act 2006 reporting

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

<b>Strategic report and Directors' report</b>	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"><li>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</li><li>the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.</li></ul> <p>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.</p>
<b>Directors' remuneration</b>	<p>In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.</p>
<b>Matters on which we are required to report by exception</b>	<p>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:</p> <ul style="list-style-type: none"><li>adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or</li><li>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</li><li>certain disclosures of Directors' remuneration specified by law are not made; or</li><li>we have not received all the information and explanations we require for our audit.</li></ul>

### Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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



## Independent Auditor's Report continued

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:

### Non-compliance with laws and regulations

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 tests included but were not limited to:

- 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.;
- Review of minutes of board meetings throughout the period regarding any instances of non-compliance with laws and regulations;
- Assess design and implementation of the control environment in monitoring compliance with laws and regulations; and
- 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.

### Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiring of management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;

## Independent Auditor's Report continued

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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

Our procedures in response to the above included:

- Procedures set out in the Key Audit Matters section above;
- Testing all post year-end journals which have been posted after year-end but relate to the year-end values by agreeing them to supporting evidence, and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud;
- Incorporating an element of unpredictability by testing a judgemental sample of smaller expense items that would not otherwise be selected for testing; and
- Evaluating whether the judgments and estimates made in selecting the significant assumptions indicate possible management bias.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Independent Auditor's Report continued

### 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.

A handwritten signature in black ink that reads "Peter Smith". The signature is written in a cursive, slightly slanted style.

**Peter Smith (Senior Statutory Auditor)**

For and on behalf of BDO LLP, Statutory Auditor  
London, United Kingdom  
25 March 2025

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 2024 to 31 December 2024

		Revenue 31 December 2024	Capital 31 December 2024	Total 31 December 2024	Revenue 31 December 2023	Capital 31 December 2023	Total 31 December 2023
	Notes	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Income</b>							
Return on investment	5	10,888	(2,702)	8,186	10,872	(564)	10,308
<b>Total income</b>		<b>10,888</b>	<b>(2,702)</b>	<b>8,186</b>	<b>10,872</b>	<b>(564)</b>	<b>10,308</b>
<b>Expenses</b>							
Investment management fees	4	(1,967)	–	(1,967)	(2,043)	–	(2,043)
Directors' fees	18 & 22	(164)	–	(164)	(150)	–	(150)
Other expenses	6	(1,082)	–	(1,082)	(1,191)	–	(1,191)
<b>Total expenses</b>		<b>(3,213)</b>	<b>–</b>	<b>(3,213)</b>	<b>(3,384)</b>	<b>–</b>	<b>(3,384)</b>
<b>Profit before taxation</b>		<b>7,675</b>	<b>(2,702)</b>	<b>4,973</b>	<b>7,488</b>	<b>(564)</b>	<b>6,924</b>
<b>Taxation</b>	7	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Profit after taxation		7,675	(2,702)	4,973	7,488	(564)	6,924
<b>Profit and total comprehensive income attributable to:</b>							
Equity holders of the Company		7,675	(2,702)	4,973	7,488	(564)	6,924
Earnings per share- Basic & diluted (pence)	8	4.4	(1.5)	2.9	4.1	(0.3)	3.8

The total column of this statement is the Statement of Comprehensive Income of the Company prepared in accordance with UK-adopted international accounting standards. 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 2024

		31 December 2024	31 December 2023
	Notes	£'000s	£'000s
<b>Non-current assets</b>			
Investments at fair value through profit and loss	9	199,517	212,030
		<b>199,517</b>	<b>212,030</b>
<b>Current assets</b>			
Trade and other receivables	10	416	337
Cash and cash equivalents	15	778	1,778
		<b>1,194</b>	<b>2,115</b>
<b>Total assets</b>		<b>200,711</b>	<b>214,145</b>
<b>Current liabilities</b>			
Trade and other payables	11	(782)	(2,083)
		<b>(782)</b>	<b>(2,083)</b>
<b>Total liabilities</b>		<b>(782)</b>	<b>(2,083)</b>
<b>Net assets</b>		<b>199,929</b>	<b>212,062</b>
<b>Capital and reserves</b>			
Called up share capital	12	1,846	1,846
Share Premium		65,910	65,910
Special distributable reserve	13	99,717	107,341
Treasury Account		(11,172)	(4,065)
Revenue reserve		11,509	6,209
Capital reserve		32,119	34,821
<b>Shareholders' funds</b>		<b>199,929</b>	<b>212,062</b>
<b>Net asset value per ordinary share (pence)</b>	14	<b>116.65</b>	<b>117.65</b>

The audited financial statements of Downing Renewables & Infrastructure Trust PLC were approved by the Board of Directors and authorised for issue on 25 March 2025 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 2024

	Notes	Share Capital £'000s	Share Premium £'000s	Capital Reserve £'000s	Treasury Account £'000s	Revenue Reserve £'000s	Special Distributable Reserve £'000s	Total £'000s
<b>Net assets attributable to shareholders at 31 December 2022</b>								
		1,846	65,910	35,385	–	1,140	114,618	218,899
Shares bought back		–	–	–	(4,065)	–	–	(4,065)
Dividends		–	–	–	–	(2,419)	(7,277)	(9,696)
Total comprehensive income for the year		–	–	(564)	–	7,488	–	6,924
<b>Net assets attributable to shareholders at 31 December 2023</b>								
		1,846	65,910	34,821	(4,065)	6,209	107,341	212,062
Shares bought back	12	–	–	–	(7,107)	–	–	(7,107)
Dividends	20	–	–	–	–	(2,375)	(7,624)	(9,999)
Total comprehensive income for the year		–	–	(2,702)	–	7,675	–	4,973
<b>Net assets attributable to shareholders at 31 December 2024</b>								
		1,846	65,910	32,119	(11,172)	11,509	99,717	199,929

The Company's distributable reserves consist of the Special distributable reserve, Capital reserve attributable to realised capital gains and Revenue reserve. There have been no realised gains or losses at the reporting date. Total reserves available for distribution were £111,226k (2023: £113,897k).

## Statement of Cash Flows

For the year ending 31 December 2024

		Year to 31 December 2024	Year to 31 December 2023
	Notes	£000s	£000s
<b>Cash flows from operating activities</b>			
Profit before taxation		<b>4,973</b>	<b>6,924</b>
Adjusted for:			
Interest income	5	(9,888)	(9,872)
Unrealised loss on investments at fair value	5	2,702	564
(Increase)/Decrease in receivables		(79)	230
(Decrease)/Increase in payables		(1,302)	221
Loan Interest Received	9	9,490	11,500
<b>Net cash outflows from operating activities</b>		<b>5,896</b>	<b>9,567</b>
<b>Cash flows from investing activities</b>			
Loan advanced to DORE Holdco Limited	9	–	(17,356)
Loan repaid by DORE Holdco Limited	9	10,210	–
<b>Net cash inflow/(outflows) from investing activities</b>		<b>10,210</b>	<b>17,356</b>
<b>Cash flows from financing activities</b>			
Amounts paid in respect of share buybacks		(7,107)	(4,065)
Dividends paid	20	(9,999)	(9,696)
<b>Net cash outflows from financing activities</b>		<b>(17,106)</b>	<b>(13,761)</b>
Decrease in cash and cash equivalents		(1,000)	(21,550)
Cash and cash equivalents at the start of the year		1,778	23,328
<b>Cash and cash equivalents at the end of the year</b>	15	<b>778</b>	<b>1,778</b>

# Notes to the Financial Statements

For the year ending 31 December 2024

## 1. General Information

The Company is registered in England and Wales under number 12938740 pursuant to the Companies Act 2006 and its registered office is Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

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 (now the FCA's closed-ended investment funds category) 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 2024 to 31 December 2024 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 30 January 2024. 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 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.

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 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 3 years 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 2025) inflation forecast of 3.3% for the purposes of UK asset valuations, falling to a medium-term inflation forecast of 3.00% from 2026. 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 2025) forecast of 2.25% is used for the Swedish asset valuations. The forecast in the medium term (2026 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 four 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.

Discount rates in use across the portfolio range from 6.5% to 8.05%, with the weighted average value at 8.0%.

The significant estimates, judgement or assumptions for the year are set out in further detail on page 137.



## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 2. Basis of preparation (Continued)

#### Basis of Consolidation

The sole objective of the Company through its subsidiary DORE Hold Co Limited is to invest in Renewable Energy Infrastructure Projects for the purposes of obtaining investment income and capital appreciation, 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.

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 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 2024, the Company had net assets of £119.9 (2023: £212.5) million including cash balances of £0.8 million (2023: £1.8 million) which are sufficient to meet current obligations as they fall due. 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 the facility was undrawn.

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 Administrator; and
- Increased volatility in the fair value of investments.

The Directors have reviewed Company forecasts and projections which cover a period of at least 12 months 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 at least the next 12 months from the date of approval of this report. The directors have considered the impact of the current economic environment in their review. 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.

### 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.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 2. Basis of preparation (Continued)

#### Critical accounting judgements, estimates and assumptions (Continued)

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 146.

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.

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. For information on the specific judgements made by management in applying the definition of an investment entity refer to the "Basis of consolidation" policy on page 133.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 2. Basis of preparation (Continued)

#### New standards issued

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 this 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 or after 1 January 2025:

- Amendments to IFRS 9 regarding the classification and measurement of financial instruments – effective from 1 January 2026
- Addition of IFRS 18 on presentation and Disclosures in Financial Statements – effective from 1 January 2027

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.

#### 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.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 3. Material Accounting Policies (Continued)

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

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.

#### 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.



## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 3. Material Accounting Policies (Continued)

#### 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 profit and loss with incremental costs associated with raising capital charged through the Special Distributable Reserve or Share Premium Account. 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.

#### 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 £1,966,606 (2023: £2,042,579) of management fees during the year, investment management fees of £470,964 (2023: £1,530,183) 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.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 5. Return on investment

	31 December 2024	31 December 2023
	£'000s	£'000s
Unrealised movement in fair value of investments (Note 9)	(2,702)	(564)
Interest receivable on shareholder loans (note 9)	9,888	9,872
Provision of Corporate Services to DORE Holdco Limited	1,000	1,000
	<b>8,186</b>	<b>10,308</b>

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 2024	31 December 2023
	£'000s	£'000s
Alternative investment fund manager fee	111	182
Fees payable to the Company's auditor for the audit of the Company's annual accounts	199	188
Fees payable to the Company's auditor for other services	12	10
Company secretarial fee	82	67
Legal fees	83	61
Depositary fee	9	55
Hedging advisory	5	25
Marketing fee	79	76
Broker fee	53	53
Retainer fee	53	52
Professional fees	109	346
Other fees	287	76
	<b>1,082</b>	<b>1,191</b>

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 6. Other expenses (Continued)

Total fees payable to BDO LLP for non-audit services during the year were £11,000 (2023: £10,000). This relates to certain agreed upon procedures in respect of the interim financial statements under the International Standard of Related Services (ISRS) 4400 (Revised) 'Agreed-Upon Procedures Engagements'.

### 7. Taxation

Taxable income during the year was offset by expenses and the tax charge for the year ended 31 December 2024 is £Nil.

As described above, the Company is recognised as an ITC for accounting years and therefore not liable to UK taxation. 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.

#### (a) Analysis of charge in the year

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

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 7. Taxation (Continued)

#### (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 25%. 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	7,675	(2,702)	4,973
Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 25%	1,919	(676)	1,243
<b>Effect of:</b>			
Capital profits not taxable	–	676	676
Excess expenses utilised	–	–	–
Non-taxable income		–	
Expenses non deductible	25	–	25
Taxable loss not utilised	45	–	45
Interest distributions	(1,989)	–	(1,989)
Timing differences	–	–	–
Group relief	–	–	–
Excess management expenses	–	–	–
<b>Total charge / (credit) for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>

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.

As at 31 December 2024 the company had a potential deferred tax asset of £45,000 in respect of tax losses which are available to be carried forward and offset against future taxable profits. A deferred tax asset has not been recognised as it is considered unlikely that the company will make suitable taxable profits in excess of the tax losses in future periods. The unrecognised deferred tax asset has been calculated using a corporation tax rate of 25%.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 8. Earnings per share

For the year to 31 December 2024			
	Revenue £'000	Capital £'000	Total £'000s
Revenue and capital profit attributable to equity holders of the Company	7,675	(2,702)	4,973
Weighted average number of ordinary shares in issue	174,559,112	174,559,112	174,559,112
<b>Basic and diluted earnings per share (pence)</b>	<b>4.4</b>	<b>(1.5)</b>	<b>2.9</b>

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
<b>Basic and diluted earnings per share (pence)</b>	<b>4.1</b>	<b>(0.3)</b>	<b>3.8</b>

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 2024 £'000s	Total 2023 £'000s
<b>Fair value at start of the year</b>	<b>212,030</b>	<b>196,866</b>
Loan advanced to DORE Holdco Limited	–	17,356
Loan Repaid by DORE Holdco Limited	(10,210)	–
Unrealised loss on investments at FVTPL	(2,702)	(564)
Loan Interest accrued	9,888	9,872
Loan Interest repaid	(9,490)	(11,500)
<b>Fair value at end of the year</b>	<b>199,517</b>	<b>212,030</b>



# Notes to the Financial Statements continued

For the year ending 31 December 2024

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

There is a loan agreement between the Company and DORE Hold Co Limited for £200,000,000 (2023: £200,000,000). At the reporting date £158,903,079 (2023: £169,113,413) 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 £494,944 (2023: £96,110). Interest is repayable at the repayment date of 31 December 2030 unless otherwise agreed between the parties to repay earlier. As the loans are carried at fair value, any credit risk movement would be reflected in the fair value.

The Company received interest payments of £9,516,468 (2023: £11,500,000) during the year. Included in the fair value are cash balances at DORE Hold Co of £2.7 million (2023: £5.3 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).

The following table analyses the Company's assets at 31 December 2024:

	Level 1 £'000s	Level 2 £'000s	Level 3 £'000s	Total £'000s
<b>Investment portfolio summary</b>				
Unquoted investments at fair value through profit and loss	–	–	199,517	199,517
<b>Total</b>	<b>–</b>	<b>–</b>	<b>199,517</b>	<b>199,517</b>

## Notes to the Financial Statements continued

For the year ending 31 December 2024

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

#### Fair value measurements (Continued)

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.

As 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 for the Group.

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.

#### 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 51 to 62.

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

## Notes to the Financial Statements continued

For the year ending 31 December 2024

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

#### Discount rate

The weighted average valuation discount rate applied to calculate the portfolio valuation is 8.0%.

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 2024	14.02	24,022	199,517	(19,661)	(11.47)

#### 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. 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 2024	(9.21)	(15,780)	199,517	15,613	9.11

#### Power prices

The sensitivity considers a flat 10% movement in power prices for all years, i.e. the effect of adjusting the 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 2024	(10.65)	(18,254)	199,517	18,218	10.63

## Notes to the Financial Statements continued

For the year ending 31 December 2024

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

#### 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 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 2024	(8.39)	14,380	199,517	16,583	9.68

#### 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 Swedish Krona), 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 2024	(3.08)	(5,280)	199,517	10,061	5.87

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 10. Trade and other receivables

	31 December 2024	31 December 2023
	£'000s	£'000s
Prepayments	68	85
VAT	–	–
Debtors	348	252
	<b>416</b>	<b>337</b>

### 11. Trade and other Payables

	31 December 2024	31 December 2023
	£'000s	£'000s
Accounts Payable	26	584
Accruals	740	1,349
VAT	16	150
	<b>782</b>	<b>2,083</b>

Included in the accruals amount at the year end, £470,964 (2023: £1,530,183) relates to the management fee charged by Downing LLP during the year.

### 12. Called up share capital

Allotted, issued and fully paid:	Number of Shares
Opening Balance at 1 January 2024	184,622,487
Ordinary Shares issued	–
<b>Closing Balance of Ordinary Shares at 31 December 2024</b>	<b>184,622,487</b>

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 8,859,235 shares for a cost of £7,107,421, these shares are held in the Company's equity account under treasury shares. Since the 31 December 2024 the company has repurchased a further 1,076,289 shares for a cost of £0.9 million now held in treasury.



## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 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 2024 the special distributable reserve account was £99,716,489 (2023: £107,340,301).

### 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 2024 of £199,928,512 (2023: £212,061,828) and ordinary shares of 171,387,889 (2023: 180,247,124) in issue at 31 December 2024.

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 £0.8 million (2023: £1.8 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.

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 16. Financial Risk Management (Continued)

### 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 is not considered to be materially exposed to interest rate risk due to 93.2% of the debt in the portfolio being fixed out to 2032.

The Company's interest and non-interest bearing assets and liabilities as at 31 December 2024 are summarised below:

	Interest Bearing	Non-Interest bearing	Total
	£'000	£'000	£'000
<b>Assets</b>			
Cash and cash equivalents	–	778	778
Trade and other receivables	–	416	416
Investments at fair value through profit and loss	158,903	40,614	199,517
<b>Total assets at 31 December 2024</b>	<b>158,903</b>	<b>41,808</b>	<b>200,711</b>
<b>Total assets at 31 December 2023</b>	<b>169,113</b>	<b>45,032</b>	<b>214,145</b>
<b>Liabilities</b>			
Accrued expenses	–	(782)	(782)
<b>Total liabilities at 31 December 2024</b>	<b>–</b>	<b>(782)</b>	<b>(782)</b>
<b>Total liabilities at 31 December 2023</b>	<b>–</b>	<b>(2,083)</b>	<b>(2,083)</b>

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 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, which has currently been undrawn.

	Less than 1 year	1-5 years	More than 5 years	Total
Assets	£'000	£'000	£'000	£'000
Investments at fair value through profit and loss (note 9)	–	–	199,517	199,517
Trade and other receivables	416	–	–	416
Cash and cash equivalents	778	–	–	778
<b>Liabilities</b>				
Trade and other payables	(782)	–	–	(782)
Total at 31 December 2024	412		199,517	199,929
Total at 31 December 2023	32	–	212,030	212,062

### 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.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 16. Financial Risk Management (Continued)

#### Credit risk (Continued)

The carrying 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 2024 is summarised below:

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Trade and other receivables	416	337
Loan Investment	158,903	169,113
Cash and cash equivalents	778	1,778
<b>Total</b>	<b>160,097</b>	<b>171,228</b>

There is a loan agreement between the Company and DORE Hold Co Limited for £200,000,000 (2023: £200,000,000). DORE Hold Co Limited is wholly owned subsidiary of the Company. The total undrawn facility is £41,096,921.

#### 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 2024, 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.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 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 2024	Ownership Interest as at 31 December 2023
DORE Hold Co Limited <sup>1</sup>	England <sup>2</sup>	100%	100%
DORE Sweden Hold Co Limited <sup>3</sup>	England <sup>2</sup>	100%	100%
Downing Transmission Pathfinder Holdco Limited <sup>3</sup>	England <sup>2</sup>	100%	100%
Downing Hydro AB <sup>23</sup>	Sweden <sup>4</sup>	100%	100%
Downing Hydro Sweden Holdco AB <sup>3</sup>	Sweden <sup>4</sup>	100%	100%
Downing Grid AB <sup>3</sup>	Sweden <sup>4</sup>	100%	100%
Downing Wind Sweden Holdco AB <sup>9</sup>	Sweden <sup>4</sup>	100%	100%
Abercomyn Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Andover Airfield Solar Developments Ltd <sup>5</sup>	England <sup>2</sup>	100%	100%
Appleton Renewable Energy Ltd <sup>5</sup>	England <sup>2</sup>	100%	100%
Appleton Renewables Ltd <sup>5</sup>	England <sup>2</sup>	100%	100%
Beeston Solar Energy Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Beeston Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Bergslagskraft AB <sup>23</sup>	Sweden <sup>4</sup>	100%	0%
Bourne Park Solar Ltd <sup>7</sup>	England <sup>2</sup>	100%	100%
Brookside Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Brown Argus Trading Ltd <sup>8</sup>	England <sup>2</sup>	100%	100%
Chalkhill Commercial PV Ltd <sup>8</sup>	England <sup>2</sup>	100%	100%
Chalkhill Life Holdings Ltd <sup>3</sup>	England <sup>2</sup>	100%	100%
Deeside Solar Farm Ltd <sup>8</sup>	England <sup>2</sup>	100%	100%
Downing Summit AB <sup>23</sup>	Sweden <sup>4</sup>	100%	100%



# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

Investment	Place of Business	Ownership Interest as at 31 December 2024	Ownership Interest as at 31 December 2023
Emerald Isle Solar Energy Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Emerald Isle Solar Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Ferðapjónustan Húsafelli ehf. <sup>23</sup>	Iceland <sup>4</sup>	100%	100%
Föreningen Lagmansholms Kraftverk u.p.a <sup>23</sup>	Sweden <sup>4</sup>	100%	100%
Gottne Energi AB <sup>23</sup>	Sweden <sup>4</sup>	100%	100%
Greenacre Redbridge Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Greenacre Solar Energy Ltd <sup>10</sup>	England <sup>2</sup>	100%	100%
Greenacre Solar Ltd <sup>10</sup>	England <sup>2</sup>	100%	100%
Heulwen Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Högforsen Kraftverk AB <sup>23</sup>	Sweden <sup>4</sup>	100%	100%
Hulse Energy Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Hulse Renewable Energy Ltd <sup>11</sup>	Northern Ireland <sup>2</sup>	100%	100%
KPP132 Ltd <sup>19</sup>	England <sup>2</sup>	100%	100%
KPP141 Ltd <sup>19</sup>	Northern Ireland <sup>2</sup>	100%	100%
Mersey Reactive Power Limited <sup>12</sup>	England <sup>2</sup>	100%	100%
Moray Energy Ltd <sup>13</sup>	Northern Ireland <sup>2</sup>	100%	100%
Moray Power (UK) Ltd <sup>13</sup>	Northern Ireland <sup>2</sup>	100%	100%
Moray Power Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Newton Solar Energy Ltd <sup>14</sup>	England <sup>2</sup>	100%	100%
Newton Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Occasum Holdings Limited <sup>8</sup>	England <sup>2</sup>	100%	100%
Penarth Energy Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Ridgeway Solar Energy Ltd <sup>15</sup>	England <sup>2</sup>	100%	100%
Ridgeway Solar Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

Investment	Place of Business	Ownership Interest as at 31 December 2024	Ownership Interest as at 31 December 2023
Ringlet Trading Ltd <sup>8</sup>	England <sup>2</sup>	100%	100%
ROC Solar (UK) Ltd <sup>16</sup>	Northern Ireland <sup>2</sup>	100%	100%
ROC Solar Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Solar Finco 1 Limited <sup>17</sup>	England <sup>2</sup>	100%	100%
Solar Finco 2 Limited <sup>18</sup>	England <sup>2</sup>	100%	100%
Solar Finco 3 Limited <sup>23</sup>	England <sup>2</sup>	100%	100%
TGC Solar Oakfield Ltd <sup>15</sup>	England <sup>2</sup>	100%	100%
Triumph Renewable Energy Ltd <sup>19</sup>	Northern Ireland <sup>2</sup>	100%	100%
Triumph Solar Energy Ltd <sup>19</sup>	Northern Ireland <sup>2</sup>	100%	100%
Triumph Solar Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
Voltaise (UK) Ltd <sup>20</sup>	England <sup>2</sup>	100%	100%
Voltaise Ltd <sup>6</sup>	England <sup>2</sup>	100%	100%
Wakehurst Renewable Energy Ltd <sup>21</sup>	Northern Ireland <sup>2</sup>	100%	100%
Wakehurst Renewables Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	100%
York NIHE Ltd <sup>22</sup>	Northern Ireland <sup>2</sup>	100%	100%
York Renewable Energy Ltd <sup>22</sup>	England <sup>2</sup>	100%	100%
York Renewables Ltd <sup>6</sup>	Northern Ireland <sup>2</sup>	100%	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 10 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 Advokatbyrå 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

# Notes to the Financial Statements continued

For the year ending 31 December 2024

## 17. Unconsolidated subsidiaries, associates and joint ventures (Continued)

- 10 Both companies are 100% owned by Greenacre Solar Ltd
- 11 Hulse Renewable Energy Ltd is 100% owned by Hulse Energy Ltd
- 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% owned 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 Voltaire (UK) Limited is 100% owned by Voltaire 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

## 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 £164,093 (2023: £140,000). The Company has 4 non-executive Directors.

The Company had no employees during the year.

## 19. Contingencies and commitments

The Company has no commitments or contingencies. (2023: no commitments or contingencies). The total undrawn facility on the loan between the Company and DORE Hold Co Limited is £41,096,921 (2023: £30,886,587).

## 20. Dividends declared

As outlined on page 8 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 2024.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 20. Dividends declared (Continued)

	Dividend per share	Total dividend
Interim dividends paid during the year ended 31 December 2024	pence	£'000
With respect to the quarter ended 31 December 2023	1.345	2,411
With respect to the quarter ended 31 March 2024	1.450	2,568
With respect to the quarter ended 30 June 2024	1.450	2,529
With respect to the quarter ended 30 September 2024	1.450	2,492
Interim dividends declared after 31 December 2024 and not accrued in the year	Dividend per share	Total dividend
	pence	£'000
With respect to the quarter ended 31 December 2024	1.450	2,483

On 19 February 2025, The Board declared an interim dividend of 1.45 pence per share with respect to the period ended 31 December 2024.

The dividend is expected to be paid on or around 28 March 2025 to shareholders on the register on 28 February 2025. The ex-dividend date is 27 February 2025.

The target dividend for the year from 1 January 2025 has been increased by 2.6% to 5.95 pence per ordinary share.

During the year, the Board declared interim dividends in respect of the quarterly periods ending 31 March 2024, 30 June 2024, 30 September 2024 for 1.450 pence per share and 1.345 pence per share for the quarter end 31 December 2023. As outlined in the Company's Prospectus, the Company has chosen to designate part of these interim dividends as an interest distribution.

The dividend for the period to 31 December 2024, 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 2024 was paid as 1.087 pence per share as an interest payment and 0.363 as an ordinary dividend. The dividend paid for the period to 30 June 2024 was paid as 1.087 pence per share as an interest payment and 0.363 as an ordinary dividend. The dividend paid for the period to 30 September 2024 was paid as 1.160 pence per share as an interest payment and 0.290 as an ordinary dividend.

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 19 February 2025, The Board declared an interim dividend of 1.45 pence per share with respect to the period ended 31 December 2024.

## Notes to the Financial Statements continued

For the year ending 31 December 2024

### 21. Events after the balance sheet date (Continued)

The dividend is expected to be paid on or around 28 March 2025 to shareholders on the register on 28 February 2025. The ex-dividend date is 27 February 2025.

The target dividend for the year from 1 January 2024 has been increased by 2.6% to 5.95 pence per ordinary share.

### 22. Related party transactions

The amounts incurred in respect of the Investment Management fees during the year to 31 December 2024 was £1,968,839. Of this amount, £473,197 were unpaid at 31 December 2024.

The amounts paid in respect of Directors fees during the year to 31 December 2024 was £164,093. The amounts paid to individual directors during the year were as follows:

Hugh W M Little (Chair) - £56,250.

Jo Holt - £41,000.

Ashley Paxton - £46,000.

Astrid Skarheim Onsum - £19,494.62.

Due to the Company being an externally managed investment company, there are no other fees due to key management personnel.

The Company completed the sale of its entire interest in Gabrielsberget wind farm in Sweden ("Gabrielsberget") to Angel Wind, a subsidiary of Bagnall Energy, another fund managed by the Investment Manager.

### Intercompany Loans

During the year interest totalling £9.89 (2023: £9.87) million was charged on the Company's long-term interest-bearing loan between the Company and its subsidiary. At the year end, £494,944 (2023: £96,110) remained unpaid.

The loan to DORE Hold Co Limited is unsecured. As at the balance sheet date, the loan balance stood at £158.9 (2023: £169.1) million.

### Transactions with the Investment Manager

During the year, £1,957,732 (2023: £1,359,160) of fees were earned by INFRAM LLP, a subsidiary of Downing Group LLP for the asset management services relating to DORE's underlying spv portfolio.



# Other Information





## Alternative Performance Measures (Unaudited)

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 2024	As at 31 December 2023
As at 31 December 2024				£'000	£'000
		Page			
NAV	a	130		199,926	212,062
Debt held in unconsolidated subsidiaries	b	n/a		119,106	140,148
<b>Gross Asset Value</b>	<b>a + b</b>			<b>319,032</b>	<b>352,210</b>
<b>Leverage</b>	<b>B / (a + b)</b>			<b>37.3%</b>	<b>39.8%</b>

### 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.

				As at 31 December 2024	As at 31 December 2023
Year Ended 31 December 2024				£'000	£'000
		Page			
NAV at 1 January 2024	pence	a	130	117.7	118.6
NAV at 31 December 2024	pence	b	130	116.7	117.7
Reinvestment assumption	pence	c	n/a	(0.2)	0.0
Dividends paid	pence	d	5	5.695	5.285
<b>Total NAV Return</b>	<b>((b + c + d) / a) - 1</b>			<b>3.8%</b>	<b>3.5%</b>

## 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.

				As at 31 December 2024 £'000	As at 31 December 2023 £'000
Year Ended 31 December 2024				Page	
Opening price at 1 January 2023	pence	a	n/a	88.0	113.50
Closing price at 31 December 2023	pence	b	5	77.0	90.0
Benefits of reinvesting dividends	pence	c	n/a	-0.77	-0.27
Dividends paid	pence	d	5	5.695	5.285
<b>Total Return</b>		<b>((b+c+d)/a)-1</b>		<b>-6.8%</b>	<b>-16.3%</b>

### 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 2024 £'000	Year Ended 31 December 2023 £'000
Year Ended 31 December 2024				Page	
Average NAV		a	n/a	205,600	214,967
Annualised Expenses		b	n/a	3,213	3,384
<b>Ongoing charges ratio</b>		<b>b / a</b>		<b>1.5%</b>	<b>1.6%</b>

## 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 2024 £'000	Year Ended 31 December 2023 £'000
Year Ended 31 December 2024			Page		
Dividend from IPO to 31 December 2024	pence	a	n/a	18.230	12.535
Ordinary Share price as at 31 December 2024	pence	b	5	77.0	90.0
Issue price at IPO	pence	c	n/a	100.00	100.00
Annualisation factor		d	n/a	0.29	0.4
Dividend yield by reference to share price		(a/b * d)		6.8%	5.6%
Dividend yield by reference to Issue Price		(a/c * d)		5.2%	5.0%

### Dividend Cover

Dividend cover illustrates the number of times the Company's cash flow can cover its dividend payments to Shareholders.

		Year Ended 31 December 2024 £'000	Year Ended 31 December 2023 £'000
Year Ended 31 December 2024	Page		
Cash flows (from portfolio companies)	n/a	17,682	15,283
Cash expenses (Company and Hold Co)	n/a	(4,949)	(3,591)
Debt amortisation	n/a	6,751	5,592
Dividends paid in 2024	n/a	10,008	9,696
<b>Dividend Cover</b>		<b>1.20</b>	<b>1.21</b>
<b>Dividend Cover pre debt amortisation</b>		<b>1.88</b>	<b>1.78</b>

## Alternative Performance Measures (Unaudited) continued

### Weighted Average Cost of Debt

As at 31 December 2024	Debt Type	Principal	Interest Rate	Weighted Interest Rate
Aviva	Solar – amortising	£64,716,327	0.81%	0.5%
Vantage Infrastructure	Solar – amortising	£9,592,339	1.54%	0.1%
SEB	Hydro – bullet	€54,200,000	3.25%	1.2%
<b>Weighted Average Cost of Debt</b>				<b>1.8%</b>

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%	1.1%
Santander	RCF	£18,600,000	7.44%	0.9%
<b>Weighted Average Cost of Debt</b>				<b>2.5%</b>

# 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 62 and 63.

SFDR indicators not included in the table on pages 62 and 63 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?

Did this financial product have a sustainable investment objective?

[tick and fill in as relevant, the percentage figure represents the sustainable investments]

✖

Yes

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

It made sustainable investments with a social objective: %

No

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

It promoted E/S characteristics, but did not make any sustainable investments

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## 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 indicators.

*...and compared to previous periods?*

For this reporting period, the number of renewable power assets, capacity and renewable energy generated were lower in 2024 compared to 2023, due to the sale of the Wind asset, Gabrielsberget, at 4,860 assets, 202.9 MWh and 395 GWh respectively. This means 25,000 less tonnes of CO2 equivalent have been avoided in this period as a contribution to the sustainable investment objective. The acreage of land managed has increased to 1074, which as we discuss above, means more carbon sequestration capability through its trees and soil. Reporting on habitats has also evolved with metrics commencing in this period. Social indicators show a slight reduction due to the disposal, with decreases in operations and maintenance jobs (from 28 to 22) and health and safety audits (from 35 to 32).

*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.

## SFDR Periodic Disclosure Template (Unaudited) continued

### 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.

## SFDR Periodic Disclosure Template (Unaudited) continued

### 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 a global standard sustainability reporting. Relevant indicators in this report are shown below.

### Statement of use

The Company has reported the information cited in this GRI content index for the period January 1<sup>st</sup> 2024 to December 31<sup>st</sup> 2024 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	January 1 <sup>st</sup> 2024 to December 31 <sup>st</sup> 2024. 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

<b>2015 Paris Agreement</b>	an agreement within the United Nations Framework Convention on Climate Change, dealing with greenhouse-gas-emissions mitigation, adaption, and finance, signed in 2016
<b>AIC</b>	Association of Investment Companies
<b>Asset Manager</b>	INFRAM LLP a company operated by Downing LLP. Downing LLP is the controlling member.
<b>CCGT</b>	Combined Cycle Gas Turbines
<b>Corporate PPA</b>	a PPA with a corporate end-user of electricity rather than with an electricity utility
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>CO<sub>2</sub>e</b>	Carbon dioxide equivalent
<b>COP26</b>	The 2021 United Nations Climate Change Conference
<b>DHAB</b>	Downing Hydro AB
<b>Distribution network</b>	low voltage electricity network that carries electricity locally from the substation to the end-user
<b>ESG</b>	environmental, social and governance
<b>FiT</b>	feed-in tariff
<b>GAV</b>	Gross asset value – the aggregate value of the Group’s underlying investments, cash and cash equivalents, and third-party borrowings.
<b>GBP</b>	Pounds Sterling
<b>GHG</b>	Greenhouse Gas
<b>GRESB</b>	GRESB is an organization that provides ESG assessments and sustainability benchmarks for commercial real estate and infrastructure.
<b>Group</b>	the Company and its subsidiaries
<b>GW</b>	Gigawatt
<b>GWh</b>	Gigawatt hours
<b>Investment Manager</b>	Downing LLP (Company No: OC341575)
<b>IPO</b>	Initial Public Offering
<b>KPI</b>	key performance indicator
<b>MW</b>	Megawatt
<b>MWh</b>	Megawatt hour
<b>MWp</b>	Megawatt peak
<b>NAV</b>	Net asset value
<b>NAV Total Return</b>	A measure of NAV performance over the reporting year (including dividends paid).
<b>NIROC/s</b>	Northern Ireland ROC/s
<b>O&amp;M</b>	operations and maintenance
<b>Ofgem</b>	the Office of Gas and Electricity Markets
<b>Offtaker</b>	a purchaser of electricity and/or ROCs under a PPA
<b>Other Infrastructure</b>	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

## Glossary continued

<b>PPA</b>	a power purchase agreement
<b>PPS</b>	Pence per share
<b>RCF</b>	Revolving credit facility
<b>Renewable Energy Directive</b>	EU Renewable Energy Directive (2009/28/EC)
<b>RO</b>	Renewables Obligation
<b>ROC/s</b>	renewables obligation certificate/s
<b>SE2</b>	South Sweden
<b>SE3</b>	North Sweden
<b>SEB</b>	Skandinaviska Enskilda Banken AB
<b>SEK</b>	Swedish Kroner
<b>SEM</b>	Single Electricity Market
<b>SFDR</b>	Sustainable Finance Disclosure Regulation
<b>Solar PV</b>	photovoltaic solar
<b>SORP</b>	Statement of recommended practise
<b>SPV</b>	Special purpose vehicle
<b>Sustainable Development Goals</b>	Set out in the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015
<b>Total Shareholder Return</b>	A measure of share price performance over the reporting year (including dividends reinvested).
<b>Transmission network</b>	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
<b>Transmission System Operator</b>	Svenska kraftnät is the authority responsible for ensuring that Sweden's transmission system operates effectively.



## 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

<b>Directors (all non-executive)</b>	Hugh W M Little (Chair) Joanna Holt Ashley Paxton Astrid Skarheim Onsum
<b>Registered Office</b>	Central Square 29 Wellington Street Leeds LS1 4DL
<b>AIFM</b>	JTC Global AIFM Solutions Limited Ground Floor Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT
<b>Fund Administrator</b>	JTC (UK) Limited The Scalpel 18 <sup>th</sup> Floor 52 Lime Street London EC3M 7AF
<b>Investment Manager</b>	Downing LLP 3 <sup>rd</sup> Floor 10 Lower Thames Street London EC3R 6AF
<b>Joint Brokers</b>	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

<b>Sponsor</b>	Singer Capital Markets Advisory 1 Bartholomew Lane London EC2N 2AX
<b>Company Secretary</b>	MUFG Corporate Governance Central Square 29 Wellington Street Leeds LS1 4DL
<b>Solicitors to the Company</b>	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
<b>Registrar</b>	MUFG Corporate Markets Central Square 29 Wellington Street Leeds LS1 4DL
<b>Auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

## Shareholder Information

### Key Dates

March 2025	Annual results announced Payment of fourth interim dividend
June 2025	Annual General Meeting
June 2025	Company's half-year end Payment of first interim dividend
September 2025	Interim result announced Payment of second interim dividend
December 2025	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 MUFG Corporate Markets. 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 [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or by sending a letter to MUFG Corporate Markets, 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](http://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@cm.mpms.mufg.com](mailto:dorecosec@cm.mpms.mufg.com).

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