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Renewables Infrastructure Grp (The)
25 February 2025

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# The Renewables Infrastructure Group Limited

"TRIG" or "the Company", a London-listed investment company advised by InfraRed Capital Partners ("InfraRed") as Investment Manager and Renewable Energy Systems ("RES") as Operations Manager.

## Announcement of 2024 Annual Results

TRIG announces its Annual Results for the Company for the year ended 31 December 2024. The Annual Report and Accounts are available on the Company's website: [www.trig-ltd.com](www.trig-ltd.com)

### Highlights

For the year ended 31 December 2024

Resilient underlying performance; decrease in portfolio valuation driven by externalities

- Robust pro-forma portfolio EBITDA of £493m[1] (2023: £610m), reflecting more normalised power price levels in GB and Europe compared to highs of 2022 / 2023.

- Healthy cash flow generation despite third-party transmission-related outages, with gross cash cover of 2.1x (2023: 2.8x) and net dividend cover of 1.0x (2023:1.6x), after the repayment of £206m project level debt.

- 11.8p reduction in NAV per share[2] to 115.9p (31 December 2023: 127.7p) driven by a reduction in power price forecasts, adjustments to operational assumptions, the impact of third-party grid outages and higher valuation discount rates.

- The weighted average Portfolio Valuation[3] discount rate as at 31 December 2024 has increased to 8.6% (31 December 2023: 8.1%), largely reflecting higher return rates in the UK and changes in portfolio mix.

Capital allocation priorities remain balance sheet management and cash returns for shareholders

- Sale of four windfarms: Little Raith, Forss, Pallas and partial stake in Gode 1 for a total £185m, at an average premium of >10%.

- Overall gearing reduced by £340m (following post year end completion of the Gode disposal)[4], with project-level gearing of 37% (31 December 2024: 37%). Project-level debt is fixed rate and is scheduled to be systematically repaid within the term of contracts with fixed revenue per unit generation.

- Share buyback programme tripled from £50m to £150m, representing approximately 8% of TRIG's shares in issue based on the share price as at 21 February 2025. 36m shares bought back to date for a total consideration of £33m.

- 2025 dividend target[5] set at 7.55p/share, a 1.1% increase on 2024's achieved dividend of 7.47p/share.

Inherent value with clear visibility

- High levels of cashflow visibility, with 80% of projected revenues in 2025 at a fixed price per unit of generation and 60% of forecast revenues over the next 10 years directly linked to inflation indices.

- Over £300m of further divestments and financings being progressed to fund the expanded buyback programme, reduce floating-rate debt and meet investment commitments.

- The current share price implies a 10% dividend yield[5] and a base case annualised return of 12%, providing a 7% and 9% equity risk premium as compared to UK and European risk-free rates, respectively

**Richard Morse, Chairman of TRIG, said:**

"Against a challenging operational and market backdrop, the Company's diversified portfolio has delivered healthy cashflow generation, enabling the continued reduction of portfolio debt, the share buyback programme and increasing dividends to shareholders. In addition to the accretive sales the Company has already announced, the Manager is pursuing further asset sales and financings in 2025 in order to reduce short-term debt further and fund the tripling of the Company's share buyback programme.

The Board is highly cognisant of the challenging market backdrop for the Company's shareholders, and it is our priority to execute the Company's capital allocation priorities to drive greater shareholder returns. In this spirit, we have also reached an agreement with the Company's Managers to change the basis of the management remuneration to one that secures better value and that is also appropriate for the long-term success of the Company."

1 The unaudited EBITDA figures presented are based upon the aggregation of SPV-level revenues and operating costs measured on a consistent basis across regions.

2 The NAV per share as at 31 December 2024 is calculated on the basis of the 2,463,893,326 Ordinary Shares in issue as at 31 December 2024 (see Note 11 of TRIG's 2024 Annual Report) plus a further 881,732 Ordinary shares to be issued to the Managers in relation to part payment of the Managers fee for H2 2024 (see Note 17 of TRIG's 2024 Annual Report).

3 On an Expanded basis. Please refer to the Financial Review section of TRIG's 2024 Annual Report for an explanation of the Expanded basis.

4. Includes repayments of project-level debt of £206m (2023: £219m) and £55m (2023: £34m) of revolving credit facility drawings during the year. Additionally, £85m of value has been achieved from the part disposal of Gode which exchanged in 2024, with a completion notice issued in February 2025 and cash proceeds due to be received on 5 March 2025. Once received, cash proceeds from the part sale of Gode will be available to further reduce RCF drawings.

5 This is a target only and not a profit forecast. There can be no assurance that this target will be met.

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**Notes**

## The Company

The Renewables Infrastructure Group ("TRIG" or the "Company") is a leading London-listed renewable energy infrastructure investment company. The Company seeks to provide shareholders with an attractive long-term, income-based return with a positive correlation to inflation by focusing on strong cash generation across a diversified portfolio of predominantly operating projects.

TRIG is invested in a portfolio of wind, solar and battery storage projects across six markets in Europe with aggregate net generating capacity of 2.7GW; enough renewable power for 1.8 million homes and to avoid 2.2 million tonnes of carbon emissions per annum.

Further details can be found on TRIG's website at www.trig-ltd.com.

### Investment Manager

InfraRed Capital Partners is an international infrastructure asset manager, with more than 160 professionals operating worldwide from offices in London, Madrid, New York, Sydney and Seoul. Over the past 25 years, InfraRed has established itself as a highly successful developer and steward of infrastructure assets that play a vital role in supporting communities. InfraRed manages US 13bn of equity capital[1] for investors around the globe, in listed and private funds across both core and value-add strategies.

InfraRed is part of SLC Management, the institutional alternatives and traditional asset management business of Sun Life.

For more information, please visit www.ircp.com.

[1] Uses 5-year average FX as at 30th June 2024 of GBP/USD of 1.2821; EUR/USD 1.1141. EUM is USD 12.741m.

### Operations Manager

TRIG's Operations Manager is RES ("Renewable Energy Systems"). RES is the world's largest independent renewable energy company, working across 24 countries and active in wind, solar, energy storage, biomass, hydro, green hydrogen, transmission, and distribution. An industry innovator for over 40 years, RES has delivered more than 24GW of renewable energy projects across the globe and plans to bring more than 22GW of new capacity online in the next five years.

As a service provider, RES has the skills and experience in asset management, operations and maintenance (O&M), and spare parts - supporting 41GW of renewable assets across 1,300 sites. RES brings to the market a range of purposeful, practical technology-based products and digital solutions designed to maximise investment and deployment of renewable energy. RES is the power behind a clean energy future where everyone has access to affordable zero carbon energy bringing together global experience, passion, and the innovation of its 4,500 people to transform the way energy is generated, stored and supplied.

Further details can be found on the website at www.res-group.com.

## Chair's Statement

TRIG has continued to make meaningful progress on its strategic aims despite macroeconomic headwinds. The Company's prudent capital structure provides a strong foundation to finance our growth opportunities and offer a compelling financial return proposition.

The Company delivered on its 2024 capital allocation priorities, including payment of £184m to shareholders in dividends, commencement of a £50m share buyback programme, reduction of debt across the group by £340m (following completion of the post year-end Gode disposal)[1] and reinvestment of £48m. The underlying performance and cash generation of TRIG has been robust; however, the performance of TRIG's share price over the past year has been disappointing.

Much of the share price movement has been driven by macroeconomic and political factors. Nonetheless, the Board recognises the need to continue action in respect of that which is within the Company's control. As announced on 11 February 2025:

- The Board is increasing the dividend target to 7.55p per share for 2025. This takes the total increase in the Company's dividend over the past three years to over 10%.
- The Board is increasing the scale and pace of the Company's share buyback programme from £50m to £150m.
- The Managers have delivered c.£210mdisposals over the past 24 months at an average 11% premium to carrying value. The Board is pleased to report that the Managers are progressing a further £300m of disposals and financings to take advantage of the disconnect between private and listed investment markets, to fund the enhancement of returns to shareholders.

TRIG's operational cash flows[2] remain robust with £390m generated during the year from 5.9TWh clean electricity produced by the portfolio. Four divestments totalling £185m were signed in 2024 at an average 10% premium to carrying value, demonstrating the Company's active approach to balance sheet management and portfolio construction, and highlighting the continued disconnect between TRIG's share price and the robust underlying portfolio performance.

While the macroeconomic environment continues to weigh heavily on share prices, resulting in persistent discounts to Net Asset Values, an investment at TRIG's share price at 31 December 2024 would have an implied long-term annualised return of 11%.[3] The Board believes this represents compelling risk-adjusted value for investors, including a dividend yield of 10.3%.[7] With an excellent track record of income growth, opportunities for future capital appreciation, and a 1GW development pipeline, TRIG is well placed to provide attractive total returns to shareholders.

TRIG's large, high-quality £3bn portfolio of renewables infrastructure is diversified across technologies, geographies and power markets, enabling its Managers to pivot investment decisions to where they see best value and to mitigate risks associated with any one segment of the market. The operational portfolio has a capacity of 2.3GW, and during 2024 generated enough electricity to power 1.6m homes and displace 2.0m tonnes of $CO_2$ per annum.

**Financial performance**

TRIG generated strong cash flow in 2024 through robust operations supplemented by selective disposals. Operational cash flow of £390m represents gross cash cover of 2.1x the 2024 dividend, or 1.0x net dividend cover after the repayment of £206m of portfolio level debt across the Group.[4] Portfolio distributions were impacted by lower power prices in 2024 compared to recent years as well as grid outages. These two factors moderated dividend cover for the year, and whilst the offshore cable outages have been repaired, there is typically some time-lag before commercial protections such as insurance proceeds are received. The power price outlook for 2025 is improved compared to 2024, with attractive revenue fixes struck for the coming year.

TRIG's Investment Manager takes a conservative approach to portfolio construction and balance sheet management:

- The portfolio benefits from the direct inflation linkage of over half of its projected revenues over the next ten years.
- 80% of forecast revenues are fixed per unit of electricity generated for the next 12 months and 70% over the next ten years, respectively. This provides TRIG with strong recurring revenue visibility to fund shareholder returns and growth objectives.
- TRIG also has limited exposure to higher interest rates with c.90% of debt being fixed rate, at an average interest rate of 3.5%, and fully amortising, with £425m having been repaid over the last two years and over £900m of debt scheduled to be repaid over the next five years.

The Company's Net Asset Value per share at 31 December 2024 was 115.9p, with macro and external factors being the largest component of the 11.8p reduction to the prior year. Earnings per share for the year were -4.7p per share, reflecting the reduction in valuation.

Macro factors that have weighed on the valuation include slightly lower power price forecasts, increased valuation discount rates for UK assets and lower 2024 outturn inflation. Other items that have reduced NAV per share include: impacts in relation to external grid and transmission infrastructure, including the impact of the third party cable failures in the year at the Hornsea One and East Anglia One UK offshore wind projects which are now repaired; the annual review of operational assumptions including asset level energy yields; and the impact of lower than forecast actual generation and power price during the year. The Company has benefitted from gains from revenue fixes and profits on divestment as well as accretion from share buybacks in the year.

**Active management**

The wide-ranging capabilities of the Company's Managers, InfraRed and RES, is a key strength of TRIG. They adopt an active asset management strategy that is unique and valuable in the renewables investment company peer group. In addition to core investment and operational capabilities, their team includes specialists in development stage investing, oversight of platform investments, operational enhancements and revenue management, each of which created value in the year.

Key development milestones were achieved with the Ryton battery project in the UK on track to be commissioned in H2 2025, the grid connection date for the Spennymoor battery project in the UK being successfully accelerated from 2031 to 2026 and the repowering of Cuxac onshore wind farm in France having selected the preferred turbine supplier. Seven planning approvals were received in relation to the wider batteries pipeline. Nonetheless, and in recognition of the share price, the Managers are deferring final investment decisions and investment spend where possible.

TRIG acquired its first development platform during the year, Fig Power, a UK energy projects developer with a focus on battery storage, enhancing portfolio diversification and continuing TRIG's strategic evolution. Fig Power's near-term pipeline of 400MW has been integrated into the TRIG portfolio and takes the development pipeline to 1GW capacity that could enter construction by 2030. These value-add opportunities are expected to be organically funded and have the potential to provide attractive risk-adjusted returns by leveraging the Managers' expertise in flexible capacity[5] and development and construction projects. We continue to harness RES's operational and commercial capabilities to enhance and optimise performance of existing assets. For example, RES is installing aerodynamic blade hardware and software enhancements to increase the energy yield across 69MW of capacity, with internal calculations indicating an increase of up to 6%. Agreements have been reached to roll-out the same software upgrades to a further 4 sites totalling 76MW capacity, and we are excited by the return potential.

We have also made key strides in respect of power price management with attractive fixes struck in Great Britain (GB), France, Spain and Sweden. These include a three-year power purchase agreement ("PPA") to supply a green hydrogen provider in France and a ten-year agreement to sell Guarantee of Origin certificates in Sweden, both at pricing above levels assumed in the portfolio valuation.

The Company's principal risks are monitored by the Board and the Managers and mitigated as appropriate. TRIG continues to have four enduring principal risks with a high residual impact which are: political / regulatory risk; power prices; production performance and counterparty credit. These and other risks are considered and expanded on in the Risk and Risk Management section.

**Capital allocation and dividend**

The Board and Managers' capital allocation priorities remain to pay an attractive, progressive dividend and maintain a robust balance sheet. Thereafter, accretive investment opportunities are considered, which include share buybacks that set a high investment hurdle rate at the prevailing share price.

I am pleased to report a dividend target of 7.55p per share for 2025, an increase of 1.1% above the 2024 level. This increase is consistent with our policy of increasing the dividend to the extent it is prudent to do so,[6] while retaining the flexibility to invest for attractive capital growth and the desire to build dividend cash cover. The 2025 dividend target represents a 10.3% yield[7] to TRIG's closing share price on 21 February 2025.

Divestment proceeds have been applied to reducing floating rate drawings on the Company's revolving credit facility ("RCF"). It is expected that proceeds will be received in early March 2025 from the sale of a 15.2% stake in Gode offshore wind farm, which was announced 1 August 2024, and upon receipt, the RCF balance will reduce to c. £230m. RCF drawings are expected to be reduced to £100m during 2025 using proceeds from divestments, refinancings and projected retained cash.

Given our robust cash position and the persistent discount to Net Asset Value during the year, the Board is increasing the scale and pace of the Company's share buyback programme from £50m to £150m, recognising the attractive investment opportunity of acquiring TRIG's shares when trading at their current discount to Net Asset Value. Between commencement of the programme on 9 August 2024 and 24 February 2025, the Company has purchased 36m of its own shares for a total consideration of £33m.

**Governance**

Good governance is an important tenet of the Board. Following the conclusion of the Board's succession plan in 2023, the Nomination Committee commissioned an external evaluation of the Board's effectiveness in the year, in advance of the typical three-year cycle. The external evaluator reported no material findings, and a number of their constructive recommendations have been adopted to further enhance the Board's operation.

As announced in February 2024, Richard Crawford stepped down from leading the day-to-day investment management of TRIG in the summer when he retired from full-time employment. TRIG continues to benefit from Richard's experience through his ongoing membership of TRIG's Investment and Advisory Committees. Richard handed his responsibilities to Minesh Shah as part of a well-planned and smooth transition.

The management team continues to engage with energy sector and financial regulation consultations. This includes significant engagement with government and industry participants on the UK's Review of Electricity Market Arrangements and on cost disclosure regulations stemming from Packaged Retail and Insurance-based Investment Products (PRIIPs) and Market in Financial Instruments Directive II (MiFID).

As part of the Review of Electricity Market Arrangements (REMA) consultation, the UK Government is considering either reforming the existing national market or the introduction of zonal pricing. Zonal pricing would involve setting electricity prices in several locations on the transmission grid, rather than having a single nationwide wholesale price. We and other market participants have written to the UK Government expressing our concerns in respect of zonal pricing, including creating uncertainty that could jeopardise the UK Government's objective to deliver a rapid and low-cost energy transition.

The Board was pleased to see the FCA's forbearance in respect of cost disclosures in the autumn; however was disappointed that its principles were not adopted by all market participants. The Investment Manager is engaging with the FCA and industry to seek that the replacement CCI legislation is implemented in the same spirit as was intended by the forbearance. In line with Financial Conduct Authority (FCA) statements, TRIG has adopted a zero-charges MIFID disclosure on the basis that it does not levy charges on its shareholders with detail on the operating expenses of the Company provided in this Annual Report and Accounts.

The Board has continued to meet with shareholders through individual meetings, group site visits and at the Company's AGM.

Over the course of the last year, the Board and the Managers have been in discussions in relation to the services provided to TRIG under the management agreements and the fees paid to the Managers. Management fees has also been a subject of discussion in the regular cycle of meetings between shareholders and the Chair and Senior Independent Director of the Board.

As of 1 April 2025, rather than being applied to adjusted portfolio value, the new management fee will instead be applied to an equal weighting of (i) the average of the closing daily market capitalisation during each quarter and (ii) the published Net Asset Value for the quarter. At the prevailing share price, the changes would entail a 28% reduction in the annualised, ongoing management fee compared to that paid in 2024. The changes agreed further align the Managers with TRIG's strategy and the interests of shareholders.

Recognising the priority of realising capital to enhance shareholder returns, the IMA and OMA will now include a transaction fee that would apply to future disposals and certain other transactions. Qualifying transactions would be subject to Board approval. Importantly, the combination of the ongoing management and transaction fees payable for the sale of individual assets and the raising of new debt finance will not exceed the quantum the management fee would have been under the present arrangements.

In order to incentivise the Managers to achieve the best result for shareholders in the event of a takeover or an equivalent asset sale, the Board has agreed a fee payable to the Managers of 3% of the value achieved in excess of Net Asset Value and 3% of the value achieved in excess of market capitalisation (pro-rated accordingly in relation to an equivalent asset sale).

These terms are subject to documentation and, where applicable, regulatory requirements.

**Outlook**

Looking forward, we remain confident that the themes of decarbonisation and energy security in Europe, which underpin the sector's attractiveness, will endure. TRIG's 2.3GW operational portfolio continues to support these goals and our 1GW 2030 pipeline of proprietary development projects provides opportunities to displace fossil fuel generation further, deliver earnings growth and contribute to attractive shareholder returns.

We are conscious that the sustained share price discounts to Net Asset Values experienced across the sector over the past 18 months have materially impacted investor returns. The disciplined capital allocation strategy we have outlined of asset recycling and accretive investments, including share buybacks, can provide returns growth without dependence on equity capital markets for new funding. TRIG is well positioned in this regard with its robust balance sheet, resilient portfolio and expert management team, as well as providing scale and liquidity for shareholders.

Richard Morse

**Chair**

24 February 2025

1. Includes repayments of project-level debt of £206m (2023: £219m) and £55m (2023: £34m) of RCF drawings during the year. Additionally, £85m of value has been achieved from the part disposal of Gode which exchanged in 2024, with a completion notice issued in February 2025 and cash proceeds due to be received on 5 March 2025. Once received, cash proceeds from the part sale of Gode will be available to further reduce RCF drawings.
2. On an Expanded basis. Please refer to the Financial Review section for an explanation of the Expanded basis. Operational cash flow generated is reconciled to the cash flow statements as follows: cash received from investments £238m less Company (including its immediate subsidiaries TRIG UK and TRIG UK I) expenses £53m plus project-level debt repayments £206m. Note: this measure excludes profits on disposals of £9m received during 2024, with which gross cash cover would be 2.2x and net dividend cover would be 1.06x.
3. Portfolio discount rate less ongoing charges, adjusted for share price discount to NAV at the 31 December 2024 of 29%.
4. The Company, TRIG UK, TRIG UK I and its portfolio of investments are known as the "Group".
5. Flexible capacity is generation technologies that can store energy and respond to electricity demand levels and pricing signals,

such as batteries, pumped hydro storage and green hydrogen.

6. The Company's dividend policy is to increase the dividend when the Board considers it prudent to do so, considering forecast cash flows, expected dividend cover, inflation across TRIG's key markets, the outlook for electricity prices and the operational performance of the Company's portfolio.

7. The 2025 target represents a 10.3% dividend yield when referenced to the share price of 73.6p per share at 21 February 2025. The 2025 target should not be seen as an indication of the Company's expected results or returns.

# Investment Report

### Financial highlights

Financial performance and near-term outlook

| Key underlying portfolio metrics | 2023 | 2024 | Commentary | 2025 outlook |
|---|---|---|---|---|
| **Pro-forma portfolio revenue (£m)** | **793** | **671** | TRIG's share of revenues for each project in the portfolio | **Improving with higher power prices and the more significant operational matters resolved** |
| **Fixed revenues %** | **65%** | **75%** | | **80%** |

### Cash and debt metrics

| | | | | |
|---|---|---|---|---|
| **Pro-forma portfolio EBITDA (£m)** | **610** | **493** | Revenue less operating costs such as operations, maintenance, rent, business rates and insurance | **Improving with higher power prices and the more significant operational matters resolved** |
| **Pro-forma portfolio EBITDA margin** | **77%** | **73%** | EBTIDA as a percentage of total revenues | |
| **Cash from projects before debt repayments (£m)** | **558** | **444** | EBITDA less interest payable by projects on project finance debt, tax payments and working capital movements | |
| **Operational cash flows (£m)[1]** | **502** | **390** | Operational cash flows after deducting operating and finance costs from the fund | |
| **Gross cash cover** | **2.8x** | **2.1x** | | |
| **Distributable cash flows (£m)** | **283** | **184** | Operational cash flows less project level debt repayments made during the year | |
| **Net dividend cover** | **1.6x** | **1.0x** | | **c.1.1x** |
| **Total project-level gearing** | **£2.1bn** | **£1.8bn** | | **Reduced by £206m during 2024, reducing further to £1.6bn by December 2025** |
| **Revolving credit facility (£m)[2]** | **364** | **309** | | **Expected to be reduced to c.£100m by December 2025** |

### Achieved merchant power price (£/MWh)

| | | | |
|---|---|---|---|
| **GB** | **113** | **70** | **Improving with higher gas prices** |
| **Spain** | **39** | **29** | **Improving with lower hydro levels** |
| **Sweden** | **24** | **22** | **Remains low, particularly in northern price regions following significant generation capacity build out** |

1. On an Expanded basis. Please refer to the Financial Review section for an explanation of the Expanded basis. Operational cash flow generated is reconciled to the cash flow statements as follows: cash received from investments £238m less Company (including its immediate subsidiaries TRIG UK and TRIG UK I) expenses £53m plus project-level debt repayments £206m. Note: this measure excludes profits on disposals of £9m received during 2024, with which gross cash cover would be 2.2x and net dividend cover would be 1.06x.

2. As at 31 December. Upon receipt of proceeds from the partial disposal of Gode, it is expected that the RCF balance will reduce to c.£230m.

**Financial highlights**

*Financial performance and near-term outlook*

The Group's operational cash flow for the year at £444m or £390m less fund expenses, represents 2.1 times cover of the £184m cash dividend paid to shareholders and was used to repay £206m portfolio-level debt. After operating, finance costs and working capital, the Group's distributable cash flow of £184m (2023: £283m) during the period covered the cash dividend 1.0 times. Pro-forma EBITDA for the year was £493m (2023: £610m). The table above shows TRIG's share (pro-rated for TRIG investment %) of revenues, EBITDA and cash received from investments.

The balances above are not on a statutory IFRS basis but are pro-forma portfolio balances which show the Group's share of the revenue and EBITDA for each of the projects. These balances have been provided to give shareholders more transparency as to the Group's capacity for investments and resilience to service a progressive dividend.

Revenues are expected to improve from 2024 to 2025 with improved power pricing and with the more significant grid outages experienced in 2024 having been resolved.

In general, it takes one to two months between earning revenue and receiving the cash up from investments. Consequently, working capital produces variations between earnings measures and cash measures. In periods of rising prices these working capital balances are expected to grow, therefore increasing the differences, and vice versa in periods of falling prices.

Revenues were lower in 2024 compared to 2023, driven mainly by a decline in power prices from elevated levels in 2023, the impact of divestments over the past 24 months and external grid infrastructure outages. These revenue reductions flow through to EBITDA and distributable cash flows.

The movement in distributable cash flows from 2023 to 2024 is less than the reduction in revenues. This is due to taxes levied on high power prices during 2023 across most geographies, exacerbated by windfall taxes most notably in the UK, which led to a one-off increase in taxes at project level in 2023 that did not apply in 2024 when power prices had reduced below intervention levels.

EBITDA is strong at 73% reflecting the high capital expenditure and low operational gearing of renewables projects. After servicing project finance interest and debt repayments, tax and working capital, cash is distributed from the portfolio to TRIG.

**Valuation**

The Company's Net Asset Value as at 31 December 2024 was 115.9p per share (31 December 2023: 127.7p per share) and the Company's portfolio valuation was £3,116m. Earnings for the period were -4.7p per share (2023: 0.2p), principally due to macro and external factors. The Managers' active financial and operational management of TRIG has reduced the impact of macro and external factors on the portfolio valuation, including:

The successful delivery of the 242MW Ranasjö and Salsjö onshore wind farms through construction into operations

- Divestments totalling £185m signed during the year at an average 10% premium to carrying value
- Fixing power and guarantee of origin certificate pricing for multiple projects at attractive prices improving the value assumed in the portfolio valuation, with further opportunities being developed
- Limited cash flow exposure to rising interest rates due to fixed interest rate borrowings and limited refinancing risk across the project companies. Portfolio-level debt, which represents c.90% of debt across the Group, has an average fixed interest rate of 3.5% and amortises c. £200m per annum with no refinancing risk

Gains from revenue fixes and profits on divestment added £19m or 0.8p per share to the portfolio valuation. Share buybacks in the year added a further 0.1p/share. Macroeconomic movements that adversely impacted the portfolio valuation, and therefore earnings, by c. 6.1p per share primarily included: slight reductions in power price forecasts, reducing NAV by 2p per share; increases in valuation discount rates applied for the UK assets, reducing NAV by 1.5p per share; lower outturn 2024 inflation than forecast, reducing by 1p. The balance relates to other revenue forecasts and foreign exchange (FX) movements.

Other factors that impacted the portfolio valuation include: transmission infrastructure outages, which were repaired during the year; grid downtime in Germany; and increased grid losses for transmission connected UK offshore wind projects, collectively reducing NAV by 2.4p per share. Lower than forecast generation and achieved pricing during the year, reducing NAV by 1.8p per share, and a review of operational assumptions including asset-level energy yields year, reducing NAV by [illegible]p per share, and a review of operational assumptions including asset-level energy yields and operating costs, resulted in a net reduction of NAV by 2.4p per share.

The Investment Manager believes the Company's portfolio valuation remains a fair representation of the total value of the Company's underlying assets. This has been demonstrated over the past 24 months through £210m of divestments carried out at a 11% premium to carrying values. Nonetheless the Company's share price continues to demonstrate a significant dislocation between the valuation placed on renewables assets by private buyers, and the valuation public market investors are placing on the Company's shares. This backdrop is reflected in the Managers' pursuit of further disposals.

Greater detail on the valuation movements for the year ended 31 December 2024 can be found in the Valuation of the Portfolio section on page 38 of the 2024 Annual Report.

**Capital allocation**

Responsible balance sheet management and disciplined capital allocation are key priorities for the Company's Board and Managers, particularly in light of the prevailing elevated cost of capital compared to recent historical levels.

Divestment proceeds received in the year have been allocated to share buybacks, floating rate debt reduction and construction spend.

The Company commenced a £50m share buyback programme on 9 August 2024, of which £33m has been invested to date with the Company having bought back 36m shares. Buybacks at a significant discount to NAV are an economically rational capital allocation. As such, and at the prevailing share price discount to NAV, the Board has increased the scale, pace and term of the Company's buyback programme from £50m to £150m, representing approximately 8% of TRIG's shares in issue. The programme is expected to end by 31 May 2026, subject to market conditions. The Managers are progressing over £300m of disposals and financing initiatives to take advantage of the disconnect between private and listed markets, and enhance returns to shareholders.

The Company's floating rate debt and refinancing risk is isolated to its revolving credit facility ("RCF"). Borrowings under the RCF were £309m at 31 December 2024. It is expected that proceeds will be received in early March 2025 from the sale of a 15.2% stake in Gode offshore wind farm, which was announced 1 August 2024, and upon receipt the RCF balance will reduce to c. £230m. The RCF was refinanced in 5 February 2025 and has a maturity of 31 March 2028. The interest rate on the RCF is currently c.5.3%. The majority of TRIG's debt is long-term, fixed-rate, amortising project-level debt. The average interest rate on this debt is 3.5%. project-level debt was reduced by £206m in the year to £1.8bn at 31 December 2024, which represents 37% of enterprise value.

Construction and development spend of £48m was incurred during the year. These investments were predominantly in the Ranasjö and Salsjö onshore wind farms, Ryton battery storage project and the Fig Power development platform, all of which represent attractive investment opportunities for the Company in areas of strategic priority. New investment decisions are being benchmarked against alternative uses of capital, particularly share buybacks. Where possible, final investment decisions and expenditure are being deferred.

Future commitments for new projects have not been increased in the year and existing commitments have been delayed where possible without jeopardising the value of the existing investment. Remaining commitments of £95m are expected to be substantially funded from operational cash flows.

| | **2025** | **2026** | **2027** | **Total** |
|---|---|---|---|---|
| Outstanding commitments (£m) | **39** | **18** | **38** | **95** |

The Managers are actively pursuing further divestment and financing opportunities to progress the Company's capital allocation priorities.

**Dividend**

The dividend target for 2025 has been set at 7.55p per share, representing a 1.1% growth on the 2024 dividend, which reflects the Board and the Managers' desire to build dividend cash cover. The 2025 dividend target represents an 10% yield[1] to TRIG's closing share price on 21 February 2025.

**Investment highlights**

The Investment Manager takes a careful and considered approach to portfolio composition so that TRIG consistently benefits from a large, diversified and balanced portfolio with investments spread across different geographies, technologies, revenue types and project stages to mitigate risk.

The Managers' successful delivery of projects through development and construction stages into operations is a key route to creating value for shareholders. Several significant milestones were reached during the year, including the commissioning of the Ranasjö and Salsjö onshore wind farms in Sweden. Adding 121MW of net operational capacity to the portfolio.

TRIG's ongoing construction and development projects continue to progress well: the Ryton battery storage project in the UK has entered construction and is expected to be commissioned in H2 2025. The repowering of Cuxac onshore wind farm in France has continued to progress having selected the preferred turbine supplier, and the grid connection date for the Spennymoor battery project in the UK has been brought forward from 2031 to 2026.

Battery storage assets are critical to the energy transition and are particularly complementary within a portfolio of renewables generation assets, which can absorb the higher volatility commensurate with the higher returns battery storage investment offers.

During the year, TRIG acquired Fig Power, a UK energy projects developer with a focus on battery storage, comprising an advanced pipeline of 400MW across seven projects, with grid offers ranging from 2025 to 2033. The investment has been integrated into the portfolio. The Fig Power team have made good progress in the year having secured planning permission for seven projects representing 190MW / 380MWh capacity with a further five projects totalling 280MW / 560 MWh in planning. A key milestone for the Fig Power portfolio will be the outcome of the National Energy System Operator's review of the grid connection queue on the back of the government's Clean Power 2030 plan. This is expected towards the end of 2025. TRIG's development pipeline represents 1GW capacity that could enter construction by 2030. These projects can present the opportunity to deliver double-digit rates of return on a build-and-hold basis. In addition to a pipeline of projects for TRIG to build, the Investment Manager expects that, taking into account factors including TRIG's cost of capital implied by its share price together with portfolio balance and weightings, there will be opportunities to sell developed projects to third parties and crystallise a development profit for TRIG.

Importantly, development activity is expected to be self-funded through retained cash in excess of the dividend, proceeds from portfolio rotation and debt capacity as existing portfolio-level debt amortises. These value-add opportunities have the potential to provide attractive risk-adjusted returns by leveraging the Managers' expertise in flexible capacity and development and construction projects.

**Principal risks and uncertainties**

TRIG's principal risks, approach to risk management and counterparty exposures are set out in the Risk and Risk Management section of this report. Below is a commentary on the key movements in these risks in the period. In a macroeconomic environment where inflation and interest rates continue to be elevated, the correlation of portfolio returns to inflation and the Company's approach to long-term, fixed-rate and amortising structural debt are key risk mitigants.

**Political and regulatory**

*The risk of government or regulatory support for renewables changing adversely.*

The 'windfall' taxes and levies on generators introduced in 2022 in the wake of particularly elevated power prices across TRIG's core markets have now all expired, with the exception of the Electricity Generator Levy in the UK which remains in place until 31 March 2028. There remains a risk that further intervention may result if electricity prices were to increase significantly again; however, current power price forwards and the forecasts used in the valuation of the portfolio are below the recent intervention price levels.

Across TRIG's markets, 2024 saw elections in the UK and France, and early elections in Germany in February 2025. The Labour Government in the UK has announced a number of policies in support of the renewable energy industry including: reducing planning hurdles for onshore wind development, increasing the budget for the AR6 Contracts for Difference allocation round and establishing a state-owned energy company to support more nascent renewable technologies; however, the impact of these policies is expected to be realised over the longer term. In France and Germany, there is less clarity given the lack of clear political majority in France resulting in challenges in approving the 2025 fiscal budget and the very recent election process in Germany. The Managers will continue to monitor policy developments and engage on reform consultations across the markets in which TRIG is invested.

The governments across Europe, including the UK, continue to assess options to reform electricity markets, including how the wholesale electricity price is set and whether new long-term revenue support contracts should be made available to existing generators. TRIG's approach to diversify political and regulatory risk across jurisdictions helps to reduce the impact on the portfolio from individual risks at the national level. A range of technologies and locations across the UK reduces, but does not remove, the risks associated with the potential implementation of locational pricing in the GB power market. In particular, revenues could be adversely impacted in areas of lower demand where many UK wind sites are based due to the strong wind resource available with some partial offset likely from wind and solar sites in areas of higher demand.

**Power prices**

*The risk of electricity prices reducing or not increasing as expected.*

Power prices in 2024 continued to reduce from the highs seen in 2022 / 2023 and were particularly low in the Nordics and Iberia where higher rainfall resulted in elevated hydro levels relative to historical averages. The power price outlook for 2025 is improved compared to 2024 with attractive revenue fixes having been put in place for the coming year as part of TRIG's revenue management strategy. Price volatility remains as increasing variable generation capacity across Europe has led to greater instances of negative intra-day pricing highlighting the case for flexible capacity, including battery storage, and the requirement for an active revenue management strategy.

There has been little change in the long-term fundamentals of power prices in the period, leading to limited movements in long-term power price forecasts compared to those as at 31 December 2023 in most geographies. The valuation of the Company's portfolio overlays market derived forward prices to a blend of cannibalised power price forecast curves produced by three independent forecasters. There is a risk that actual power prices achieved are below these forecasts.

As the penetration of renewables increases and therefore intermittency of energy systems increases, TRIG will be more actively seeking to provide balancing services to the grid through battery storage. By discharging electricity during periods of low generation and absorbing excess electricity in periods of high renewable availability, batteries are able to smooth the intra-day price volatility associated with variable renewable resource. The inclusion of batteries in TRIG's portfolio therefore provides a valuable natural hedge against volatility in power prices from generation assets located in the same market.

**Production performance**

*The risk that portfolio electricity production falls short of expectations.*

Overall, generation for the year was down against budget with the single largest impact coming from unplanned, third-party grid outages. Further detail on operational performance during the year can be found in the Operations Report on page 31 of the 2024 Annual Report. The Operations Manager continues to develop and oversee the deployment of energy yield value enhancements to improve generation output, as detailed in the Enhancements section.

**Counterparty credit**

*The risk of failure of a major supplier*

TRIG's portfolio is weighted towards wind-power assets, a sector that is dominated by a small number of equipment manufacturers. Counterparty failure could result in equipment not being supplied to construction projects or operational and maintenance services not being provided to commissioned projects or being disrupted.

Turbine manufacturers have experienced financial pressure due to cost escalation over the past few years of prolonged high inflation. While this has moderated slightly with trading performance in 2024 improving for many of TRIG's key turbine suppliers, counterparty risk is still considered to be elevated and will continue to be monitored closely for signs of whether this improvement is sustained into 2025.

Construction activities are limited by TRIG's Investment Policy cap of 25% of portfolio value and were 6% of Portfolio Value at 31 December 2024. Construction projects are in the battery storage sector where there is a wider range of equipment suppliers compared to the wind sector.

The increase in independent operations and maintenance service suppliers reduces dependence on the original equipment manufacturers, particularly with respect to onshore technologies.

**Revenue profile**

TRIG benefits from diversification across several power markets, with projects in Great Britain, the Single Electricity Market (Northern Ireland), the main continental European power market (France and Germany), the Nordic market (Sweden) and the Iberian market (Spain).

TRIG's portfolio cash revenues have substantial medium-term protection from movements in power prices as the portfolio receives a high proportion of its revenue from government subsidies such as Feed-in Tariffs ("FiTs"), Contracts for Difference ("CfDs"), Renewable Obligation Certificates ("ROCs") or from selling electricity generated via power purchase agreements ("PPAs") with fixed prices or from other hedges, together referred to as fixed revenues. The Managers take an active approach to revenue management, and further details on fixes and PPAs, including corporate PPAs, entered into in the period can be found within the Operations Report.

The Group[2] receives a portion of its revenues in Euros; 39% of the portfolio by value is invested in Euro-denominated assets,[3] the Group employs foreign exchange hedging to significantly mitigate the cash flow and valuation exposure to this risk, as expanded upon in the Valuation of the Portfolio section on page 38 of the 2024 Annual Report.

The Investment Manager implements the Company's foreign exchange hedging policy through Sterling-Euro swaps for up to four years forward. As a result of the interest rate differential between UK and the Eurozone, forward foreign exchange contracts over the next four years have been struck at levels better, in Sterling terms, compared to the exchange contracts over the next four years have been struck at levels better, in Sterling terms, compared to the foreign exchange rate as at 31 December 2024 and used in the portfolio valuation.

1. The 2025 target should not be seen as an indication of the Company's expected results or returns.
2. The Company, TRIG UK, TRIG UK I and its portfolio of investments are known as the "Group".
3. Including Sweden which receives electricity revenues from Nord Pool in Euros.

## Operations Report

**Operational performance**

| | | Net capacity (MW) | 2024 Load factor | Electricity production (GWh) | Performance vs Budget |
|---|---|---|---|---|---|
| **Onshore** | UK | 548 | 29% | 1,403 | -5% |
| | France | 259 | 23% | 523 | -13% |
| | Sweden | 401 | 28% | 923 | -5% |
| **Offshore** | GB | 376 | 43% | 1,420 | -3% |
| | Germany | 232 | 41% | 822 | -3% |
| **Solar** | GB, France, | 156 | 11% | 151 | -9% |
| | Spain | 363 | 21% | 673 | -4% |
| **Total** | | **2,335** | | **5,915** | **-4.9%** |

During the year 5.9TWh was generated, equivalent to 2% of the UK domestic electricity usage. Overall electricity generation was 4.9% below budget for the year. The single largest impact on generation was from unplanned grid outages, due to equipment owned by third parties - distribution or transmission owners, which are used to export electricity from the site grid connection point to the national grid. Insurance claims are underway, for applicable outages earlier in the year, with some interim payments now received.

Wind and irradiation levels in the year were 1% above the long-term mean, weighted by the TRIG portfolio's distribution across the UK and western Europe. This is the sixth year within the last ten when the UK wind resource, weighted for the TRIG portfolio's geographical dispersal, has been at or above the 1996 to-date long-term mean. The weather was more stable overall in 2024 compared to recent years, with all wind regions within 3% of their respective long-term mean averages. Excluding grid outages, generation was 2.8% below budget.

The Managers have dedicated resource that actively develops, implements and secures commercial and operational enhancements.

Revenue management highlights:

- Signing of a three-year corporate supply agreement in France with a green hydrogen manufacturer. Generation for 2025 has been fixed at a premium to forecast prices.
- Ten-year contract with a European auto manufacturer for the sale of Guarantee of Origin (GoO) certificates associated with 282GWh of annual generation in Sweden; and.
- The price for 828GWh generation output in 2025 has been fixed by the Managers across GB & NI and Spain. This is in addition to the 3TWh fixed under government contracts.

Since year end, TRIG has entered heads of term discussions in respect of a ten-year corporate PPA for 2% of the Group's annual generation. This will be incorporated into the portfolio valuation once executed.

The key operational enhancements highlight in the year was the progression of blade and software improvements to increase generation across 174MW net generation capacity:

- Installation of phase one is complete in respect of 69MW. Internal calculations indicate up to 6% energy yield increase, which is being validated by a third-party
- Hardware and software trials are underway across 114MW, with roll-out across the associated sites expected to be completed during 2025 and uplifts validated in 2026
- These enhancements have not been included in energy yield budgets nor the portfolio valuation, until fully externally validated. A 3% energy yield uplift across 174MW net generation capacity could add £6m to Portfolio Value

Potential blade and software upgrades are being developed for a further 76MW net generation capacity.

**Onshore wind**

**UK**

Performance in the region across the year was on budget, excluding the impact of outages caused by offsite third-party owned grid

equipment, which adversely impacted some sites' ability to export. Where applicable, insurance claims have been submitted to ensure that the projects deliver commercially. Underlying wind resource was 2% above the long-term mean.

A re-tendering of Operations and Maintenance ("O&M") contracts for Altahullion and Lough Hill in Northern Ireland concluded during the year, which provides price certainty through to repowering in the late 2020s with competitive terms secured.

An enhanced approach has been adopted for managing strategic spares at older Northern Ireland onshore wind sites. This approach included a review of historic and forecast parts usage, updated lead times for securing parts and single point of failure analysis to re-confirm critical components - whether large or small. To further support future major component exchanges that require crane usage, a proactive crane hard-standing design review was performed. This helps to ensure that the ground conditions are well understood, and appropriate and safe to use prior to cranes arriving on-site as well as minimising down time.

At Mid Hill, an off-site grid transformer owned by a third party failed in mid-June, preventing the site from being able to export electricity to the grid. The wind farm has now been fully returned to service and lost generation is expected to be compensated. Crystal Rig 1 suffered a flash-over in October during switching activities within a turbine. A comprehensive cleaning and rectification programme is underway across the site, with turbines expected to be returned to service during Q1 2025.

Within the Fred Olsen joint venture, blade hardware enhancement works were performed at Rothes 1 and Paul's Hill. Installations included blade tip furniture to smooth the wind flow around the end of the blades as well as vortex generators along the length of the blade to reduce turbulence as the air leaves the blade, both of which reduce loading on the blades and towers and increase the energy yield secured. Close to half of the hardware has been installed, the remainder of the turbines on these sites will have hardware installed in summer 2025.

**France**

France was the only wind region within TRIG's portfolio where the mean wind in the year was below the long-term mean. This lower wind contributed to the greater variance between budget and actual generation in the period.

Proactive measures at some of the more mature sites have been undertaken to reduce risk to related downtime as the projects are prepared for repowering.

Older sites in southern France have recently suffered from below budget availability due to higher component faults or component failures. To address these failure rates, new O&M contracts have been entered into with larger, dedicated teams of technicians. This greater focus of resources will help to maintain and then improve performance on these four sites as they move towards repowering.

Some negative pricing events have been experienced in the region, during which generation is curtailed so as to mitigate losses. Ancillary service contracts are being reviewed to help mitigate the risk or value of any negative pricing that arises in future.

In the second half of the year, a PPA was signed for TRIG to supply Hyd'Occ, a green hydrogen facility, with renewable electricity from the Company's onshore wind farms located in the Occitanie region. The project will contribute to the energy transition through the development of a low-carbon hydrogen industry in the region.

Vannier onshore wind farm's environmental authorisation is subject to an ongoing legal challenge. A court ruling has required the wind farm to temporarily suspend generation, for an assumed period of up to 12 months, whilst updated environmental data is collected. TRIG has commercial protections in place for this.

**Sweden**

The Ranasjö and Salsjö projects were energised in January, with full operations being achieved in April following the ramp-up phase. Located in central Sweden, the sites consist of 39 Siemens turbines each rated at 6.2MW. TRIG has a 50% interest in the projects representing 121MW of net generation capacity. Some turbines have suffered gearbox issues since take-over requiring rectification, which is performed under warranty at the turbine supplier's cost, with an availability warranty in place to protect the project from any associated downtime. Ranasjö and Salsjö experienced higher than expected wind since their commissioning, whilst Grönhult and Jädraås wind was on-budget across the full year. However, Jädraås suffered from thirdparty grid maintenance works, which reduced its export capacity, preventing the region from fully benefiting from the good wind. A long-term fix for GoO certificates associated with 282GWh of annual generation in Sweden was entered into at prices in excess of those assumed in TRIG's valuation assumptions.

A RES analytics and diagnostics software tool, Anemo Live, is currently being implemented at Grönhult to enhance operation of the site by sourcing significantly higher resolution data, enabling turbine performance to be better understood and optimisation opportunities for yield enhancement to be identified.

**Offshore wind**

**GB**

UK wind resource for TRIG's offshore windfarms was 3% above the long-term mean. The previously reported grid faults, that occurred on third-party owned offshore transmission infrastructure but affected TRIG and its co-shareholders on East Anglia One and Hornsea One, have been repaired. The cost of repair was suffered by the asset owner, not the projects. Insurance to compensate for lost generation is in place. Claims have been submitted and an initial payment on account received. An insurance excess applies, so whilst the projects are not fully insulated from the grid owners' equipment failures, they are substantially protected and the risk management is considered to be appropriate.

Beatrice experienced a one-month grid curtailment to enable works to be performed on a third-party owned substation, adversely impacting its ability to export during this time.

At Hornsea One, Power Curve 'Optipitch' upgrades have been rolled mout and it has achieved success in a bid for the provision of Electricity System Response (ESR) services to National Grid ESO. Following the end of the project's warranty period in July 2024, O&M services have been transferred to Orsted, with availability warranties preserved.

**Germany**

Wind resource was on-budget during the year, supporting good generation performance before the impact of grid losses and a substation outage at Merkur, alongside curtailments at Gode for negative pricing events. Commercial terms for PPA have been improved to identify and reduce exposure to negative pricing in the future.

A turbine power curve upgrade was completed at Merkur, enabling the turbines to generate more electricity at a given windspeed. Merkur also had additional blade leading-edge protection works completed. These blade works reduce the erosion suffered by the blades as they pass through the air, thereby improving their long-term aerodynamic performance whilst also extending the blade lifespan with fewer repairs required

**Solar and storage**

**Spain**

Very good availability was achieved across the large Spanish assets, which represent over 80% of the TRIG solar portfolio by generation volume. Generation was adversely impacted by export curtailment in response to low power prices for the Cadiz projects in H1 2024. These curtailments resulted from above-average rainfall increasing run of river hydroelectric power generation in the region, which suppressed power prices. Since Q2, Cadiz price curtailment has improved, reducing related losses from 15GWh in Q2 to less than 1GWh in Q3.

New route to market agreements for the Cadiz solar sites enabled participation in the ancillary services market from Q3 2024, providing an additional revenue stream for the projects when curtailed at low prices. This commercial enhancement is already in place at TRIG's other Spanish solar site, Valdesolar.

Further commercial enhancements were achieved for the Spanish solar sites, including the completion of an O&M tender at Cadiz as well as the execution of a PPA with fixed pricing elements at Valdesolar on attractive terms, increasing power price security across the Spanish portfolio.

In July, the Cadiz solar projects were awarded the Spanish Photovoltaic Union (UNEF) Seal of Excellence for Sustainability, recognising the integration of social and environmental factors following an independent audit.

**GB**

GB solar performed well across the year. Module replacement for one site is scheduled for 2025, which will improve the overall efficiency and prolong the life of the site. The Broxburn storage asset passed its extended performance test, demonstrating good compliance and asset health, to continue participation in Capacity Market Process. Studies are also commencing to analyse optimal revenue streams following the expiration of the project's Enhanced Frequency Response contract in June 2028.

**France**

The French solar projects, which represent approximately 5% of the TRIG solar portfolio by generation volume, generally performed well through the year. Two sites in French overseas territories are undertaking site-wide module replacement, which commenced in H2 2024, and will improve generation efficiency and output. Phasing of the module replacements has been ordered to minimise offline capacity at any one time, with both sites expected to be back to full operations during H2 2025.

**Development and construction**

Swedish wind farms Ranasjö and Salsjö, representing 121MW net generation capacity for TRIG were commissioned in H1 2024.

The first project in TRIG's 1GW 2030 development pipeline, the 78MW two-hour Ryton battery storage project near Newcastle, commenced construction in April and is progressing on schedule. Ground works are complete. Independent Connection Provider and Electrical Balance of Plant works commenced in July. Energisation is targeted for winter 2025 and full commercial operation in spring 2026.

The grid connection date for the 100MW Spennymoor project has successfully been brought forward from 2031 to 2026. Design and procurement activities are being progressed. Recognising TRIG's capital allocation priorities and the investment return hurdle rate set by share buybacks, the Managers have deferred the final investment decision to 2025.

A revised planning consent has been obtained for the 90MW Drakelow project reflecting the final site design. The grid connection date for the project has been delayed by two years due to delays to wider grid reinforcement works. Engagement is ongoing with the grid companies.

Repowering works continue to progress in France. Cuxac onshore wind development site secured an inflation-linked tariff of €86/MWh and obtained authorisation for the increase in site capacity from 22.8MW to 25.2MW. The preferred turbine supplier has also been selected and EPC negotiations are being progressed. The final investment decision has been deferred to 2025 and will be informed by the Board's capital allocation strategy and relative risk-reward for alternative uses of capital at the time.

A planning application for the repowering of Haut Cabardès onshore wind farm in France was submitted in December 2024, with approval expected to take 12 to 18 months.

Fig Power, the battery development platform acquired by TRIG in 2024, has made significant progress in the year. Ten of the battery projects now have site lease options signed and seven projects have obtained planning permission. A further five projects have submitted and are awaiting receipt of planning permission. The first project with a 2027 grid connection date will be considered for its final investment decision in 2025, which will factor in TRIG's capital allocation priorities. More broadly, a key milestone for the Fig Power portfolio will be the outcome of the GB National Energy System Operator's Strategic Spatial Energy Plan outlined in December 2024 as part of the wider Clean Power 2030 strategy. Development expenditure and overheads of the platform in 2025 are expected to be modest.

**Health and safety**

Delivering high quality health, safety and environmental ("HSE") standards within the portfolio continues to be the top priority. The portfolio asset managers promote a strong safety culture through a proactive approach, utilising safety drills, training days and internal and external audits, amongst other activities, which complement the robust safety frameworks. RES, the Operations Manager, continues to engage proactively with the asset managers to share best practice and lessons learned across the portfolio. TRIG's Managers continue to promote a strong HSE culture throughout the portfolio, encouraging open communication, reporting and continuous improvement. The best practice approach to HSE culture is exemplified by the HSE coordination group hosted twice a year by the Operations Manager. The group fosters relationships between the various asset managers across the portfolio and provides a forum to share information and discuss matters that have arisen on the portfolio and wider industry. There has been a continued focus on positive leading indicators such as the number of independent and internal safety audits and assurance reviews, hazard identifications and safety walks.

During 2024, across the portfolio there have been no HSE-reportable severe accidents. Over the past five years TRIG has reduced the 12-month rolling average seven-day Lost Time Accident Frequency Rate ("LTAFR") from 0.49 for the 2020 financial year to 0.23 for the 12 months to 31 December 2024, reflecting both a reduction in higher risk construction activity in the period as well as active management of health and safety risk by the site managers across the portfolio.

Highlights of proactive measures taken in 2024 include:

- A revised HSE assurance process launched by RES for TRIG projects focusing on undertaking desk-based management system and site-based inspections. The assurance process is built upon core ISO standards and is overseen by the Operations Manager. Targets in relation to these assurance reviews have also been embedded in TRIG's RCF sustainability KPIs.
- Project Company Director visits which have taken place or are scheduled at sites across the portfolio, to ensure familiarity with the sites and to engage with the local service providers on safety and other key themes.
- A large number of drills and exercises conducted across the portfolio. This includes offshore emergency rescue training at Beatrice offshore wind farm and person overboard training at Gode offshore wind farm. HSE awareness campaigns were run on a large number of topics including hand safety, winter weather driving and

awareness campaigns were run on a large number of topics including hand safety, winter weather driving and manual handling.

- A RES Global Safety Focus Event took place in May 2024 incorporating some 4,500 colleagues from 24 countries all undertaking a safety stand down day to focus on best-in-class safety culture and performance.

**Enhancements**

The Managers, RES and InfraRed are dedicated to enhancing portfolio performance, shareholder returns and stakeholder value through both commercial and technical initiatives. The Managers apply a structured framework to identify, appraise and implement enhancements at both individual and portfolio levels. Examples of the enhancements progressed during 2024 include:

**Increasing revenues:**

Blade improvements to increase generation:

- The installation of a first phase package of aerodynamic improvements to multiple turbines' blades at four sites in the UK wind portfolio (100% owned with total site capacities of 59MW) is complete, with the data collection period to validate the energy uplift underway.
- Installation of an initial phase is complete at two sites within a French joint venture portfolio, with data collection underway, and is well progressed at two further GB projects within a separate joint venture portfolio (of which 66MW represents TRIG's share), benefiting from RES's wider understanding and associated research and development on TRIG sites.
- An associated suite of parameter changes to the turbine controller, to maximise the additional energy yield from the hardware upgrades, has been installed and validated on a trial site in GB (48MW) - recognising that, once blade aerodynamics have been altered, further performance optimisation can be obtained by changing the way in which the blades are operated.
- Software upgrades improved yield by 1% in addition to the 5% achieved from the blade hardware upgrades at the initial trial site.

Wind turbine software enhancements to improve operational efficiency using advanced technologies:

- The wake steering and collective control trial at Altahullion in Northern Ireland has completed with independent energy yield
- uplift analysis concluded over the winter of 2023 demonstrating an uplift of over 0.5%. This enhancement is an innovative retrofitted upgrade to increase electricity production whilst also reducing turbine loads and thereby helping to prolong good structural health of the wind turbines. Approval has been granted for deployment at a second UK site;
- A power curve upgrade package that optimises the pitch of the blades at wind speeds below rated power has been deployed at Merkur offshore wind farm following trials, expected to increase energy yield by 0.7%. Validation has commenced to determine the final energy yield uplift, on which payment is based;
- Power Curve 'Optipitch' upgrades have also been rolled out at Hornsea One with an estimated 0.7% energy yield uplift. Deployment is similarly anticipated in Q1 2025 at Beatrice with an estimated uplift of 1%; and
- A power boost upgrade, which increases a turbine's power output by up to 5% in certain operating conditions, is under the final stages of assessment at Hornsea One, with a "mini" version ready to deploy when weather conditions allow;
- A wake steering system from a turbine manufacturer continues to be progressed at two offshore windfarms, with negotiations underway at a third;

Minimising lost production:

- Shadow flicker typically arises on sunny winter days when the sun is low in the sky, for very distinct time periods that change each day. Software upgrades have been implemented at Blary Hill to automatically identify the positioning of the sun relative to the turbines and local dwellings coupled with the cloud cover, to determine whether shadow flicker is likely to occur from a particular wind turbine. This approach helps to ensure that wind turbines are only curtailed when shadow flicker is present, typically only ten-twenty hours per year, to minimise the lost production and any potential adverse impact.
- Ice- phobic blade waxing trial complete at Haut Languedoc. Buildup of ice on blades can cause weight imbalances across the rotor, resulting in turbines stopping automatically to prevent damage to the turbines, with resulting production losses in winter. The wax application is to assess its efficacy in preventing ice build-up, thereby reducing production losses.

- RES' proprietary AnemoLive remote performance optimisation tool will be installed at four projects to complement existing condition monitoring and enhance the identification of operational improvement opportunities.
- A trial of a new RES product to optimise the power output and inverter temperature at solar parks has commenced on three GB projects. The software manages temperatures at a threshold to avoid overheating and tripping. On hot days this optimisation can result in an increase in output by up to 20% and will reduce degradation on inverters and associated replacement rates

Additional revenue streams:

In addition to the primary sources of revenue from wind and solar sites relating to the sale of electricity and / or an enabling subsidy, additional smaller ancillary revenues can also sometimes be obtained.

- In Spain, a new sales agreement for the Cadiz solar sites has enabled participation in the ancillary services market, principally to participate in balancing market activities. In addition to the new revenue stream, through the provision of such services, there is also a reduced likelihood of the grid operator from needing to curtail the site to maintain system stability, resulting in less uncompensated curtailments.
- In Sweden, ancillary services for the provision of grid balancing services have been identified, with the installation of software to facilitate the process now contracted with the grid operator, in order to access a new revenue stream at Ranasjö and Salsjö.
- In France, contracts to provide grid-balancing ancillary services are progressing for the four southern French sites which are scheduled
- to be repowered, offering the potential for an additional revenue stream for the remaining operating life of these projects.
- Two GB solar sites are scheduled to take part in a flexibility service, offered by local Distribution Network Operators that will help balance demand-supply on the system.
- Hornsea One was successful in tendering for the provision of Electricity System Restoration (formerly known as Black Start) 'Top-up' functionality to the National Grid over a five-year contract from November 2025. This capability enables the project to help restore the grid in the event of a partial or total loss of power on the grid, following which, other large generators without Black Start capability are then able to re-connect to the grid.

Optimising operations:

- The recently renewed operation and maintenance contracts at Altahullion and Lendrum's Bridge onshore wind farms have been supplemented with a comprehensive spares strategy to mitigate ongoing challenges in the spares market for components for these older turbines. This structure facilitates a more efficient procurement approach, more cost-effective spares and lower downtime for the turbines.
- GB solar inverter repowering studies are well progressed, which once inverters have been replaced, will reduce operating costs, increase availability and prolong the life of the sites.
- Further GB solar inverter software optimisation opportunities are currently being evaluated to enable inverters to operate more dynamically, particularly in hot weather, to avoid degradation and trips due to excessive temperatures.

## Directors' Statement of Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008 requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. 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 of the Company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's

financial position and financial performance; and

- Make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper 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 (Guernsey) Law, 2008. 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 the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey and the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Directors' responsibility statement**

We confirm that, to the best of our knowledge:

- The financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- The Chair's Statement, the Strategic Report and Report of the Directors include a fair review of the development and performance of the business and the position of the Company and Group taken as a whole together with a description of the principal risks and uncertainties that it faces; and
- The Annual Report and financial statements when taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 24 February 2025 and is signed on its behalf by:

Richard Morse

**Chair**

24 February 2025

## Publication of documentation

The above information is an extract from TRIG's 2024 Annual Report. The Annual Report has been submitted to the National Storage Mechanism and will shortly be available for inspection at: https://data.fca.org.uk/#/nsm/nationalstoragemechanism. It can also be obtained from the Company Secretary or from the Reports & Publications section of the Company's website, at https://www.trig-ltd.com/.



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