



Octopus Renewables Infrastructure Trust plc

Impact Report

For the year ended
31 December 2022

Contents

Impact Report	3
Foreword	4
Impact Strategy	6
Stewardship and Engagement	7
Performance	8
Anti-Bribery and corruption	10
Regulatory Disclosures	11
Case Studies	14
Planet	21
Carbon measurement and reporting	23
Carbon reduction	28
Securing ORIT’s future carbon offsets	29
EU Taxonomy for Sustainable Finance	30
Case Studies	35
People	41
Health and Safety Approach	43
Promoting a “Just Transition”	44
Diversity and Inclusion	45
People Initiatives	46
Projects	46
Case Studies	47

Impact Report

As at 31 December 2022

£1,304m

Total value of sustainable investments – 100% of all investments

2021: (£878m)

1,740GWh

Potential Renewable Electricity

2021: (1,168GWh)

522k

Equivalent homes powered by clean energy¹

2021: (337k)

580k

Estimated tonnes of carbon avoided²

2021: (364k)

2.9m

Equivalent new trees required to avoid same carbon³

2021: (1.8m)

318k

Equivalent cars off the road required to avoid same carbon⁴

2021: (200k)

All metrics are calculated based on an estimated annual production of the whole portfolio once fully constructed (excluding conditional acquisitions).



¹ Homes powered is based on latest regional average household consumption in the region of production

² Carbon avoided is calculated using the International Financial Institution's approach for harmonised GHG accounting

³ Trees equivalent is based on UK Woodland and Peatland carbon statistics

⁴ Equivalent cars is calculated using a factor for displaced cars derived for the UK government GHG Conversion Factors for Company reporting.

Foreword

In a year of unprecedented climate disasters and energy security risks ignited by Russia's war in Ukraine, the urgent need to accelerate the sustainable energy transition is ever clearer. Positively, 2022 saw a record-setting \$1.1 trillion of investment into low-carbon energy technologies and, for the first time, solar and wind power overtook fossil fuel gas as Europe's main source of electricity generation⁵. Pivoting investment towards low-carbon industries and technologies is critical for addressing the challenges ahead, but an annual funding gap remains. The magnitude of investment required is still over three times the capital that was invested in 2022 and that gap needs to be closed to achieve a pathway consistent with net zero.

A radical transformation of the current energy sector is also key in mitigating the threats of climate change and energy security. Our Investment Manager is part of an Energy Group with a unique perspective and resources to support this necessary disruption. The knowledge, expertise, resource and ambition is applied to enable the convergence of renewable generation with storage whilst also championing electrification and demand side management. Bringing this together with ORIT's capital secure positions ORIT to enable investors to contribute to these objectives.

To fulfil ORIT's mission to accelerate the net zero transition, the Board and Investment Manager have continued to build on ORIT's diversified portfolio of Renewable Energy Assets. A key step to ensuring a "Just Transition" is to consider environmental and social impacts throughout the whole lifecycle of a project. By increasing investments in development and construction phase projects, ORIT is not only adding new renewable capacity to the grid and helping countries meet their net zero targets, but also ensuring that responsible investment practices are implemented at the earliest possible stage of an asset's lifetime.

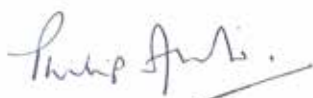
ESG is embedded into all aspects of the investment process, and the strategy captures ORIT's desire to incorporate biodiversity and social benefits alongside its investments. This year, the Investment Manager continued to monitor the ESG risks faced by the sector and ORIT's portfolio, ensuring robust mitigation measures were in place. This included measures to protect ORIT's solar supply chain from human rights risks through the adoption of a new procurement policy and through collaboration with industry bodies and expert auditing parties. ORIT has been classified as a dark green (Article 9) fund under the new Sustainable Finance Disclosure Regulation ("SFDR") and all investments are considered 100% EU Taxonomy-aligned, further demonstrating the ambition of its sustainable investment objective.

Under the backdrop of global climate concerns, ensuring ORIT's resilience to future climate changes is of the utmost importance. ORIT undertook in-depth climate risk assessments over the last year to better understand potential physical and transition risks – and opportunities – across its portfolio, the results of which are discussed in this year's enhanced

⁵ <https://www.weforum.org/agenda/2023/02/low-carbon-investment-record-2022/>

Task Force on Climate-related Disclosures (“TCFD”) report. ORIT welcomes the addition of future regulatory disclosures that support “anti-greenwashing” efforts such as the Taskforce for Nature Related Disclosures and the UK’s Sustainable Disclosure Requirements (“SDR”).

The IEA’s 2022 World Energy Outlook distinguishes technologies accelerating the transition as the solution to the energy and climate crises⁶. Noting the clear contribution that ORIT provides to various global goals coupled with the reinforced assurances from ORIT’s ESG disclosures, ORIT’s stakeholders can be certain of ORIT’s critical role within this transition.

A handwritten signature in dark ink, appearing to read 'Phil Austin', with a horizontal line extending from the end of the signature.

Phil Austin MBE

Chair

⁶ <https://www.iea.org/reports/world-energy-outlook-2022/key-findings>

Impact Strategy

ORIT is an impact fund with a core impact objective to accelerate the transition to net zero through its investments, building and operating a diversified portfolio of Renewable Energy Assets.

ORIT enables individuals and institutions to engage with the energy transition and invest directly into a portfolio of Renewable Energy Assets which generates a yield through renewable energy generation. The renewable energy generated supports the transition to net zero by replacing unsustainable energy sources with clean power. This intended outcome is the Company's core impact objective.

The ability to invest in Renewable Energy Assets is a powerful tool, which not only enables people to invest in line with their values, but also drives necessary change, facilitating the transition to a more sustainable future. More information on this "Theory of Change" can be found in the Company's Impact Strategy, published separately on the Company's website <https://octopusrenewablesinfrastructure.com/>.

The Impact Strategy considers all of ORIT's culture, values and activities through three lenses: **Performance**, **Planet** and **People** – to ensure that our activities integrate ESG risks and bring to life additional impact opportunities. The Impact Strategy defines ESG and Impact as:

- **ESG** — a vital risk management approach across Environmental, Social and Governance factors to identify and mitigate a range of potential issues to protect, and hopefully enhance, the long-term value of our investments
- **Impact** — what an investment does to the environment or society. Our aim is to minimise our principal adverse impacts and to seek opportunities to enhance positive impacts where possible.

The Company makes long-term investments that require a long-term view to be taken both in initial investment decisions and in subsequent asset management; adopting lasting and sustainable business practices. Beyond the core objective of accelerating the transition to net zero, ORIT seeks to generate additional impact through Performance, Planet and People impact initiatives.

More details and background information related to the Company's Impact Strategy including information on our four impact themes of Stakeholder engagement, Equality and wellbeing, Innovation and Sustainable momentum can be found in the separately published **Impact Strategy**.

Stewardship and Engagement



Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.⁷



The Investment Manager manages ORIT's investments in line with its Engagement and Stewardship Policy. Where ORIT has 100% ownership stakes, the Investment Manager has direct control of the underlying assets, usually through directorship services. In these cases, rights do not need to be "exercised" as the Investment Manager directly controls the Investee Companies' strategy, financial and non-financial performance, risk, capital structures, social and environmental impact, corporate governance as well as the appointment of third party operators of the assets. As well as decision making oversight, the Investment Manager carries out service reviews on each material third-party service provider. Where service providers fail to meet the standards set, particularly with regard to HSE, ORIT will use its contractual rights to first look to improve the service provision, and if that is unsuccessful, terminate the service provider.

In circumstances where ORIT does not hold a controlling interest in the relevant Investee Company, the Investment Manager will secure shareholder rights through contractual and other arrangements, to, inter alia, ensure that the renewable energy asset or portfolio company is operated and managed in a manner that is consistent with ORIT's investment and ESG Policy. The Investment Manager will always take up portfolio investment Board seats, attend Board meetings and will directly use their influence to monitor and support investee companies on relevant matters to galvanise other shareholders in line with ORIT's ESG Policies.

Regardless of the percentage of ownership, it is the Company's aim to provide investment specific active stewardship. ORIT always exercises its shareholder rights in relation to approval rights and investment reserved matters. Regular reporting data is provided to the ORIT Board on investee performance, including any environmental or social issues or risks. The Investment Manager also engages on market wide industry specific risks alongside different stakeholders in the market to drive towards positive stewardship outcomes.

The initiatives and case studies presented in the Impact Report provides examples of the application of the Engagement and Stewardship policy.

The Investment Manager's full Engagement and Stewardship Policy can be viewed here:
<https://octopusrenewablesinfrastructure.com>

⁷ UK Stewardship Code 2020's definition to Stewardship

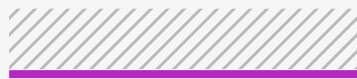
The background is a teal-colored image of tall grass with small white flowers. A white pyramid graphic, composed of many thin horizontal lines, is positioned at the bottom center of the page.

Performance



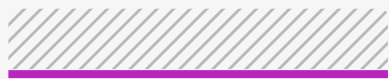
Performance

Impact Objective: Build and operate a diversified portfolio of Renewable Energy Assets, mitigating the risk of losses through robust governance structures, rigorous due diligence, risk analysis and asset optimisation activities to deliver investment return resilience and the maximum amount of green energy.



£1,304m

Total value of sustainable investments – 100% investments committed into renewables⁸



1,740GWh

of potential annual renewable energy generation, 669MWh of which has and will be additional generation from construction assets⁹



36

Assets

Delivering the investment objective

The Board views the Impact Strategy as integral to the delivery of the core investment objective, and not as a cost to the Company. ESG processes and policies are a prudent risk management tool that improve the financial performance of the Company while reducing risks. The ultimate aim is to increase capacity to produce green power and maximise the green electrons produced by the operational portfolio.

Integration into the investment cycle

Every investment the Company makes is assessed against our Performance, Planet and People framework through an ESG scoring matrix. This ensures that our investments adhere to ORIT's ESG Policy and minimum scoring threshold for investment approval, which all transactions met in the year.

⁸ Total asset value including total debt and equity commitments

⁹ Metric calculated based on an estimated annual production of the construction portfolio once fully constructed (excluding conditional acquisitions).



The Investment Manager considers ESG risks at each stage of the investment cycle through this ESG scoring matrix. It is used as a tool to drive ESG engagement and ensure that ESG risks are promptly identified, appropriately investigated, and carefully mitigated where necessary.

Materiality of risks included in the ESG matrix is determined using guidance from the Sustainability Accounting Standards Board ("SASB") framework that identifies financially material ESG risks by asset class. The ESG Risk Matrix contains sections on Planet (environmental factors, such as biodiversity, water and waste) and People (social and employee matters, human rights, anti-corruption and anti-bribery matters). It aims to ensure that any potential adverse impacts are mitigated such that the investment is sustainable. At the post-completion stage, the Investment Manager carries out an onboarding process to ensure that its Asset Management team continue to oversee any residual ESG risks.

Anti-bribery and corruption

It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates.

Service Providers (including Directors of the Company):

1. Must not promise, offer, give, request, agree to receive or accept a financial or other advantage in return for favourable treatment, to influence a business outcome or to gain any business advantage on behalf of themselves or of the Company.
2. Must follow all the anti-bribery and corruption laws to which the Company and Company Directors/Service Providers are subject.
3. Are liable to disciplinary action, dismissal, legal proceedings and possibly imprisonment if they are involved in bribery and corruption. Appropriate action will be taken against those who fail to comply.

The Company has obtained a copy of the Investment Manager's, Company Secretary's, Administrator's and Broker's anti-bribery policies and procedures and is satisfied that these are adequate for the purposes of the Company. The Investment Manager seeks to ensure asset level service providers have appropriate policies in place and conduct due diligence as appropriate as part of completing the ESG Matrix. Anti-bribery, equal opportunities, modern slavery, whistle blowing policies and supplier code of conducts are all reviewed as part of this process.

Further information in relation to Conflicts of Interest can be found on page 159 of the [Annual Report](#) within the Corporate Governance Statement.



Regulatory Disclosures

Task Force on Climate-related Financial Disclosures

ORIT is a supporter of the recommendations of the Task Force on Climate-related Financial Disclosures. Whilst ORIT is not yet in scope to make mandatory TCFD-aligned disclosures, the Company has voluntarily begun to make TCFD-aligned disclosures as it believes that the effects of climate change should become routinely considered in business and investment decisions.

The TCFD disclosures can be found in the Risk and Risk Management Statement section on page 107 of the [Annual Report](#).

Sustainable Finance Disclosure Regulation ("SFDR")

ORIT is classified as an Article 9 product under the EU SFDR regulation.

Please refer to page 226 of the [Annual Report](#) and to the [ORIT website](#) for ORIT's SFDR disclosures.

Future regulatory disclosures

A number of other regulatory frameworks aimed at increasing transparency in environmental and social factors are in development. This includes the Taskforce for Nature Related Financial Disclosures ("TNFD"), the UK's Sustainable Disclosure Requirements ("SDR") and the Task Force for Inequality Related Financial Disclosures ("TIFD"). The Investment Manager is keeping up with recent consultations and continues to evaluate likely impacts for ORIT's investments. ORIT's Impact Strategy is already well positioned to support the aims of the TNFD. The TNFD will provide a framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature's ecological services, helping redirect global financial flows towards nature-positive outcomes. ORIT's existing consideration of potential biodiversity impact and its desire to maximise biodiversity through additional initiatives at its sites speaks clearly to ORIT's ambition to use space intelligently to protect ecological services. ORIT's existing partnership with SUGi exhibits how ORIT's goal of protecting biodiversity extends beyond the borders of its sites.

The Company supports "anti-greenwashing" efforts and expects to start making the necessary disclosures in relation to SDR from 30 June 2024. The Company will assess the appropriate label to associate itself with once finalised (in mid-2023). Whilst the SDR and SFDR disclosures will need to be separate, we expect the Company to be well positioned to start adopting the regime.

The Company is also aware of the UK Green Taxonomy disclosures. The UK Government has established a Green Technical Advisory Group ("GTAG") to advise on the development of the UK Green Taxonomy. Once developed it is likely that SDR will take this into consideration.



Performance initiatives

Delivering investment performance is fundamental to the Impact Strategy, to supporting the transition to net zero and to being an impact fund. Asset optimisation initiatives and robust ESG risk management aim to improve financial resilience and overall performance of the Company, maximising the amount of green electricity the Company generates.

Projects

Our Investment Manager works with key partners to mitigate production risks and maximise performance of ORIT's operational assets. Production losses are investigated through a root cause analysis, delivering appropriate actions that improve technical performance. This active management approach has mitigated potential performance risks for ORIT over this period.

Project	Outcome
Transformer and Inverter refurbishments: Application of an effective interim solution and a resourceful use of existing parts to reduce carbon footprint and CAPEX in context of high inflation and global supply chain constraints.	A refurbished module was creatively sourced through refurbishment of equipment at a solar site where it was no longer required. This was utilised at Ottringham after an inverter module failure, avoiding a prolonged outage as the manufacturer was unable to ship parts to the UK. Similarly, a transformer at Ermine Street was refurbished whilst using a hired part in the interim to ensure continued contribution of green electrons to the grid. These actions successfully prevented months of business interruption at both sites (4 months at Ottringham which is equivalent to a 6% loss of generation and revenue, and 6 months at Ermine which is equivalent to 3% loss at Ermine) and enabled the reduction of the sites' carbon footprint by minimising waste materials and eliminating the need for copper extraction.  Sustainable Momentum
Innovative Drones: Using innovative drone technology, heat mapping of all the UK solar sites was conducted to identify areas of stress on the solar panels which can cause inefficiencies.	Early identification of stress areas allows the Investment Manager to ensure that preventative measures are put in place to optimise performance of the modules and mitigate losses.  Innovation
Proactive Switchgear improvements: A proactive initiative to upgrade the switchgear across multiple sites is 42% complete, with the remaining 58% scheduled for completion in Q1.	This preventative measure reduces the health and safety risk associated with potentially faulty switchgear and optimises the efficiency of generation.  Equality and Wellbeing  Innovation
Settlement reached for Finnish Wind Foundations: successful negotiations with foundation contractor on warranty and bond cover for turbine foundations.	This settlement provides enhanced protection to the project SPV with not only the 5-year warranty expected on civil work, but an additional bond covering the foundations for 8 years.  Stakeholder Engagement



Project	Outcome
Doubling wind: The Investment Manager strengthened ORIT's wind portfolio with wind acquisitions, construction management and operational management.	ORIT has made a significant number of wind acquisitions over the period. The number of operational wind sites on the ORIT portfolio has more than doubled from last year, increasing from 4 sites to 9 resulting in a 348MW operational wind portfolio. Wind asset construction significantly progressed over the period. Turbines are now erected at Cumberhead, with full operations expected end of March 2023. ORIT entered the offshore wind market, with a minority stake in the 270MW Lincs Wind Farm and expanded its geographical footprint managing 59MW of operational wind farms in Poland.
Curtailement reduction at Leeskow wind farm: A proposal has been made to reduce curtailement on site in collaboration with the German authorities.	The proposal has been made in response to the German government's policies to strengthen energy security following the Ukraine invasion. The site is expected to benefit from an increase in performance and therefore revenue once the curtailement is lifted.  Stakeholder Engagement  Sustainable Momentum
PPA innovation: Creation of bespoke PPA structure for Saunamaa and Suolokangas onshore wind farms (Finland) and an innovative PPA structure for Ljungbyholm onshore wind farm (Sweden).	The Investment Manager developed a bespoke PPA structure which enables hedging to take place periodically across the contract tenor, rather than having to decide whether or not to hedge at the point of contract signature. We estimate that the bespoke PPA structure delivered a 16% uplift in the assets' 2022 fixed price revenues. The Investment Manager originated and executed a corporate PPA with an innovative structure for its Ljungbyholm wind farm. The structure allows the asset to benefit from higher market prices while providing a degree of revenue certainty. Compared with if Ljungbyholm had entered into a vanilla fixed price corporate PPA, we estimate that this contract structure delivered a revenue uplift across 2022 of 139%¹⁰.  Innovation

¹⁰ Calculated based on third-party estimates of Swedish onshore wind CPPA prices at the time that Ljungbyholm's CPPA was signed.



Case Study:

Additionality with investment into Simply Blue Group

ORIT first invested in Simply Blue Group ("SBG") in August 2021 for a c.12% stake and following the latest investment, ORIT's ownership interest in SBG has increased to c.15.5%. The Company also agreed to provide a further investment of up to €6.25 million which is expected to be drawn in 2023 which would increase ORIT's ownership interest to c.19%. SBG is the leading developer for floating offshore wind. SBG's goal is to develop floating wind projects that will make a valuable contribution to Europe's electricity demand, making the most of the huge offshore wind potential there is across the global oceans to help create a clean, sustainable future for everyone.

Offshore wind has become a favoured form of renewable energy generation. It is expected to produce 7% – 11% of the EU's electricity demand by 2030. Up to 45% of this energy is identified as coming from floating wind. Floating wind foundations are normally used in deep waters where fixed foundations are no longer economically feasible. Space for fixed foundations is scarce in many countries (including the UK) as development of fixed wind projects has been occurring for the last 15 years. Floating offshore sites also benefit from high wind potentials allowing for greater wind energy production.

Investment into the development of these projects allows regions across Europe to maximise the financial benefit of its strong offshore wind resources and to generate long-term jobs for its local communities, while contributing to European and the UK governments' net zero targets.

Since ORIT's investment, SBG has been able to make huge strides towards harnessing the wind potential across Europe. With ORIT's initial investment in August 2021, SBG was able to increase its specialist team by 50% and enter new markets in Poland, Spain, Portugal, Sweden, Finland, and Italy. With a second investment in November 2022 SBG was able to continue to grow its global pipeline of projects to 10GW. More general support from the Investment Manager has helped to develop SBG's capabilities and shape future decisions.



Additionality is a concept within renewable energy that refers to organisations directly adding new capacity for renewable energy to the national grid. Organisations can achieve additionality by committing to and investing in green power generators in a way that allows them to fund new renewable power generation¹¹



¹¹ <https://www.igniteenergy.co.uk/news/additionalityand-ppas>



Impact tracker



Who?

Environment
(United Kingdom,
Ireland, Sweden,
US, Spain,
Portugal, Finland
and Italy)



How much?

10 GW in pipeline
50% increase in
team
6 new markets



What?

Invested to receive
a 15.5% stake in
their business,
helping them to
drive into new
markets and grow
the team.



Impact Theme

Equality and
Wellbeing
Sustainable
Momentum
Stakeholder
Engagement



Simply Blue Group employees



Case Study:

Strengthening ORIT's Climate Resilience

Climate change and the effort to mitigate it is impacting every aspect of our economy. Whilst renewable energy is a solution to help address climate change, renewable energy sites and businesses are not themselves exempt from the potential physical impacts of climate change. Climate change impacts can be categorised as physical climate risks or transitional climate risks.

- **Physical hazards** can have immediate impacts, defined as “**acute**”. An example is severe weather event damaging infrastructure. Changes can also develop over longer time horizons, defined as “**chronic**”, and these impacts vary in their intensity and frequency. An example is changing weather patterns affecting long-term asset performance.
- **Transitional climate risks** are those relating to business risks that follow societal and economic shifts toward a low-carbon and more climate-friendly future. Examples are changes in government policies and tax to accelerate the transition to net zero.

As part of ORIT's TCFD disclosure requirements and a wider Investment Manager-led exercise to better understand ORIT's climate change resilience, the Investment Manager engaged on a joint project with one of ORIT's energy market advisors, Baringa, to investigate the potential impacts of climate change to renewable energy companies.

European countries boast favourable energy policies for renewable energy projects. Alongside supporting financial mechanisms and leading technological innovation, transition measures are opportunities rather than risks for renewable energy companies. The financial risks and opportunities arising from policy measures targeting mitigation of climate change, for example, high CO₂ market price, low-carbon generation mix, are already accounted for in the wholesale energy price curves of our advisors and therefore considered in our asset valuations.

Physical impacts of climate change are less defined in these models for different climate scenarios. In this project, Baringa were engaged to carry out a scenario analysis research project on the financial impacts of physical climate change impacts, with a particular focus on wind generators, considering the potential impacts of (i) physical climate change on power price and (ii) on generation.

(i) Physical climate impact on power price:

The study concluded that the impact of physical changes in climate on long-term EU power price forecasts is relatively small compared to other drivers of power price.

Physical changes in climate may impact power price by affecting energy production and consumption. For example, an increase in precipitation and temperature in the UK may affect the energy demand for heating and the efficiency of certain energy generation technologies. Whilst these impacts are possible, the overall direction of impact remains uncertain with both upward and downward potential impacts on power prices. Power prices can also be impacted by other factors such as commodity prices for natural gas and CO₂ emissions allowances.



To understand the relative significance of climate change as a driver of power price, Baringa compared the impact of year-to-year variations in weather with the impact of projected changes in commodity prices to power market revenues.

Baringa created economic models for Poland, France, Great Britain and Ireland to investigate this further. The results show that in 2035, commodity prices impact annual revenue +/- 32% compared to year-to-year variations in weather having a +/- 5% impact on annual revenue.

By 2050, the impact of commodity prices is reduced to +/- 9%, whereas the growing share of weather-dependent generation has increased the impact of weather to +/- 12%. This means that in the long-term, power price is not driven directly by the gas price but by the cost of the renewable generation that replaces it.

Considering the lifetime of ORIT's assets, the most material drivers on power price remain the commodity prices that are already considered in existing power price curves and our valuation models. Further consideration of this risk should be evaluated when assessing extending the life of assets or investment decisions in future years where asset lives push beyond 2050 where physical climate risks could have a more material impact on forecast power prices.

(ii) Physical climate impact on generation:

Given the immaterial overall impact of climate on forecast power prices, the main factor to consider that could have a material financial impact within ORIT's own investments is asset generation P50 assumptions that are used in valuations. Baringa used climate models to quantify the expected changes in average annual yield for GB and EU wind.¹²

Method:

- 11 combinations of climate models (using a mixture of both regional climate and global circulation models) 
- 3 combinations of climate models    
- Time horizon: 1990 to 2050
- Scenario comparison: RCP2.6 vs RCP8.5
- @100m altitude, 3hr temporal granularity

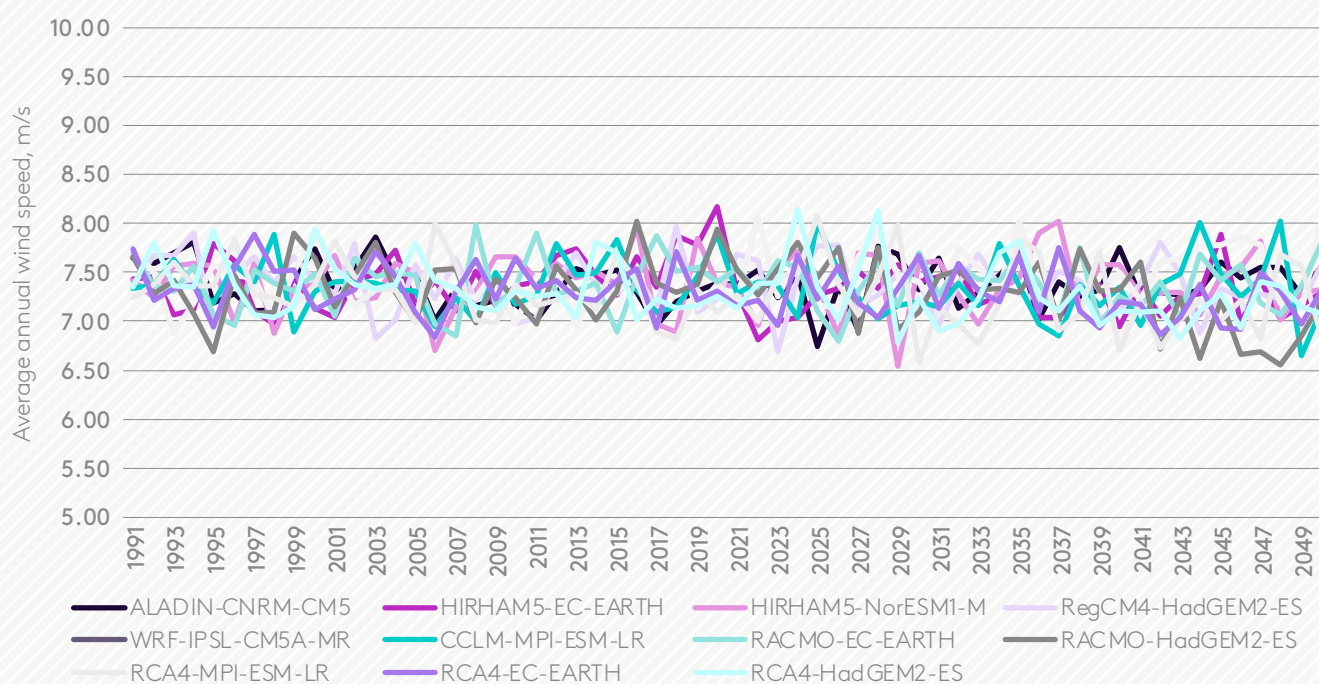
¹² RCP refers to the Representative Concentration Pathway - a greenhouse gas concentration (not emissions) trajectory adopted by the IPCC



Results

Finding 1:

- In Great Britain there is no trend in wind speed, either upwards or downwards, indicating rapidity of climate change is not a driving trend.
- Power yield – assuming a cubed relationship between wind speed and yield – confirms the stable outlook projected in the IPCC Special Report of +/-7%
- Similar results found in other EU countries.

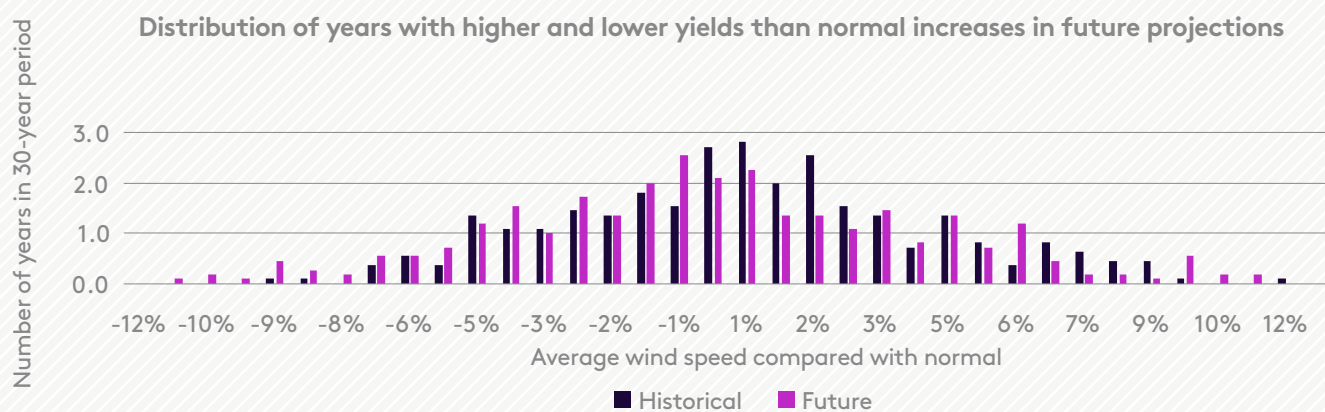




Results

Finding 2:

- The number of years with significantly higher and lower yields than normal increases in the future projections, meaning that the variability of annual output for wind generation is expected to increase
- With a stable average output, there is no direct financial impact of this observation. Similar results found in other EU countries.



High Level Conclusion: There is a risk that variability may impact in-year generation and ability to capture price forecasts. This may result in overperformance and underperformance over short-term time horizons. However, average annual wind generator yield is not negatively impacted by climate change in a way that is material to the valuation of wind generation assets in the countries where the fund operates. Therefore, current valuation methods based on historical P50s are still a good predictor of long-term production and continue to be valid.

The disclosure of financial risks and opportunities relating to climate change form part of ORIT's TCFD disclosures on page 107 of the **Annual Report**.



Abbots Ripton



UN SDG specific contributions

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



9. Industry, Innovation and Infrastructure

9.2 & 9.4 – Promote sustainable industrialization and upgrade/ retrofit infrastructure to make them sustainable:

Investment into development, operational and construction assets have helped support jobs. Site upgrades and works have significantly reduced production losses, actively supporting the production of more green power and helping ORIT's assets perform more efficiently.

13 CLIMATE ACTION



13. Climate Action

13.1 – Strengthen resilience and adaptive capacity to climate related hazards and natural disasters:

Technical due diligence carried out on all new investments. Biodiversity and habitat management plans proposed for most sites as planning requirement. Physical climate change risks considered and mitigated (e.g. flood risk mitigation strategy) and transition risks forecasted (e.g. low power price scenarios).

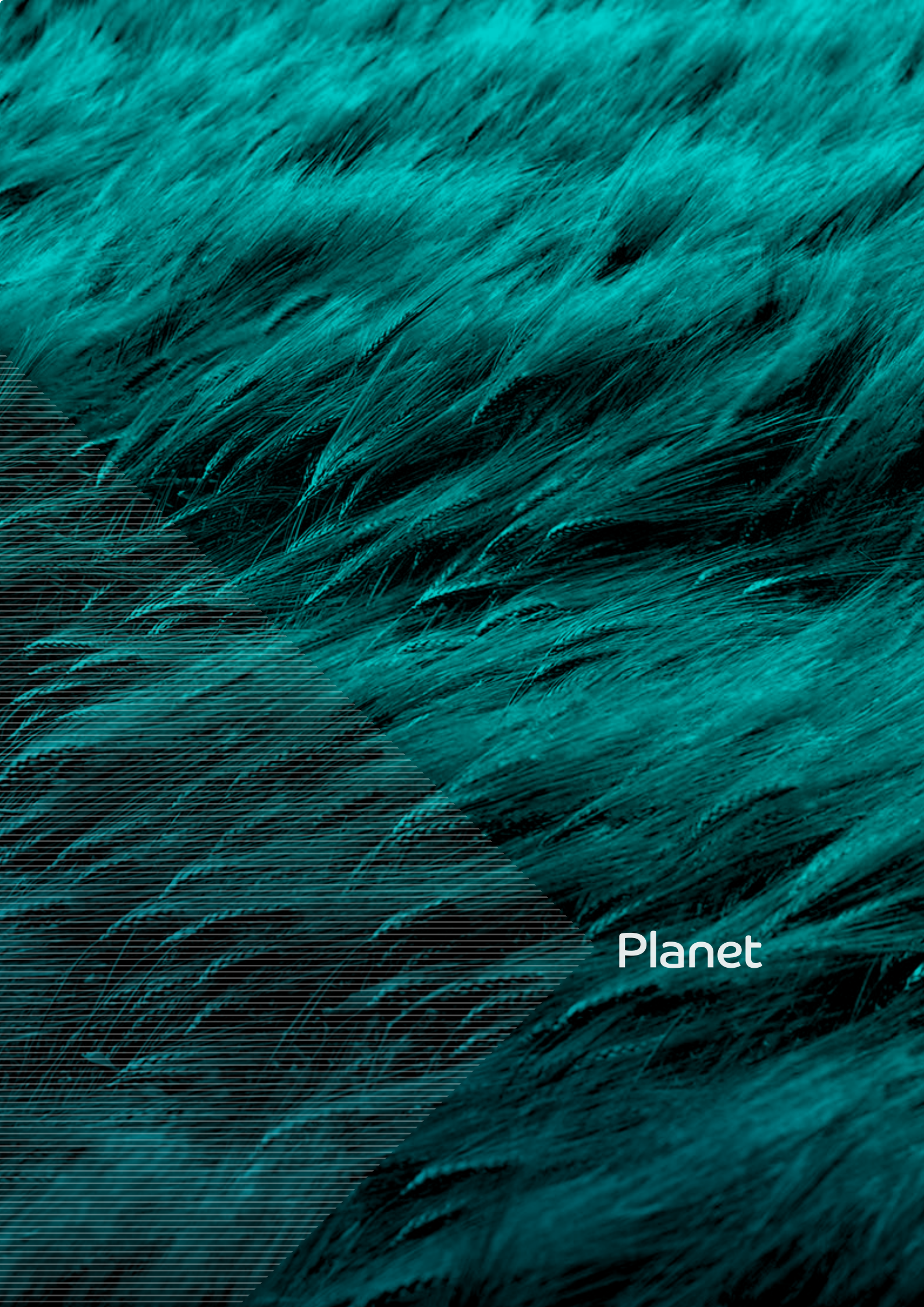
17 PARTNERSHIPS FOR THE GOALS



17. Partnership for the Goals

17.17 – Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships:

Shared knowledge with key counterparties to ensure continued compliance with the ESG policy and drive improvements to ESG land management practices.

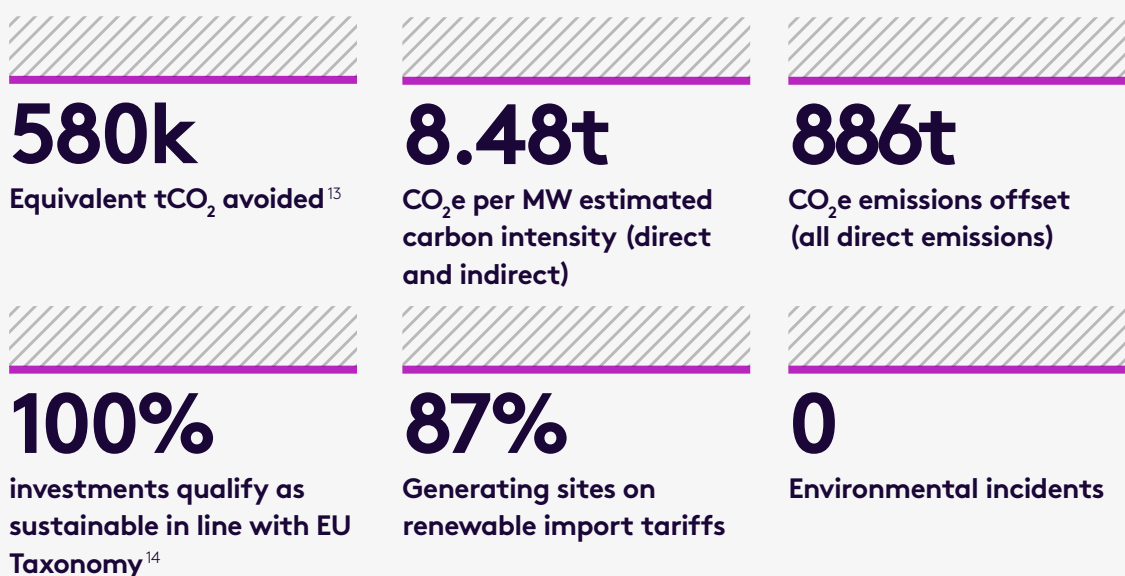


Planet



Planet

Impact Objective: Consider environmental factors to mitigate risks associated with the construction and operation of assets, enhancing environmental potential where possible.



Maximise our positive environmental impact



ORIT recognises the critical role that renewable energy plays in meeting net zero emissions targets, with an inherently positive impact on the environment.

Investing in Renewable Energy Assets enables investors to engage with and generate returns from this transition to a cleaner future and directly support climate change ambitions.

On admission to the London Stock Exchange ("LSE"), ORIT was awarded the LSE's Green Economy Mark, recognising the Company as a significant contributor to the transition to a zero-carbon economy. The Green Economy Mark identifies London-listed companies and funds that generate between 50% and 100% of total annual revenues from products and services that contribute to the global green economy.

¹³ Metrics based on an estimated annual production of the whole portfolio once fully constructed. Carbon avoided is calculated using the International Financial Institution's approach for harmonised GHG accounting.

¹⁴ 100% of investments are significantly contributing to climate change mitigation.



Whilst the Company's positive contribution has been recognised, ORIT commits to being transparent, measuring and reporting both positive and negative impacts on the planet. By reflecting on potential negative impacts rather than ignoring them, the Company can create meaningful targets for improvement and maximise the positive impact of investments. As part of this approach, ORIT will review and adopt relevant industry standards alongside initiatives to reduce its own carbon footprint.

Carbon measurement and reporting

Electricity generated by wind and solar resources prevents harmful emissions from other sources such as coal powered electricity. However, there are still emissions incurred in the manufacturing and transportation of the solar panels and wind turbines through the supply chain.

In 2022 the Investment Manager on behalf of the Company engaged with Altruistiq to help calculate and validate the Greenhouse Gas ("GHG") emissions footprint for ORIT.

The Company has quantified and reported organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol 'Corporate Accounting and Reporting Standard' and 'Corporate Value Chain (Scope 3) Standard'. This approach consolidates the organisational boundary according to the operational control approach. The GHG sources that constituted the Company's operational boundary for the reporting year are:

- **Scope 1:** No relevant emissions sources apart from fugitive emissions
- **Scope 2:** Purchased electricity – market-based
- **Scope 3:** Purchased Goods and Services, Investments, Business Travel, Waste and Fuel-and-Energy-Related Activities "FERA"





Given the nature of the Company, ORIT's Scope 1 emissions are negligible. Scope 2 emissions account for 11.27% of ORIT's total emissions footprint. The majority of the Scope 2 emissions come from one single asset (Kuslin wind farm) that was consuming large amounts of electricity as a result of ongoing construction that was finished in August¹⁵. Kuslin's contribution to Scope 2 emissions is compounded by the carbon intensive nature of the Polish grid. Now operational, Kuslin will consume less electricity and will help reduce the carbon intensity of the grid through the provision of green electrons. ORIT has offset its direct Scope 1 and Scope 2 emissions. See [Page 28](#) for more details.

Scope	Emissions (t CO ₂ e)	% of Total
1 – Direct Emissions (fugitive emissions)	0.59	0.01%
2 – Indirect Emissions (Purchased electricity – market-based) ¹⁶	885.24	11.27%

The Scope 3 Categories that were identified and calculated account for 88.72% of the total emissions footprint:

Scope 3 Category	Emissions (t CO ₂ e)	% of Total
Fuel & Energy Related Activities	3,730.9	47.5
Purchased Goods and Services	1,823.6	23.2
Business Travel	761.4	9.7
Investments	648.0	8.3
Waste	4.0	0.1

Absolute emissions for ORIT will continue to increase as it invests into more assets. The increase in "Fuel and Energy Related Activities" category is a result of the stationary combustion required during the period to power construction-related equipment at ORIT's construction assets.

ORIT's overall carbon intensity was calculated to be **8.48 tCO₂e per MW**. ORIT's weighted average carbon intensity ("WACI") for the period was calculated to be **11.52 tCO₂e/£m revenue**¹⁷.

¹⁵ Kuslin's electricity consumption contributes to 91% of the Scope 2 emissions (10.2% of ORIT's overall footprint).

¹⁶ A market-based approach was used to calculate purchased electricity emissions and this is the figure reported as Scope 2. Location-based purchased electricity emissions were calculated to be 1,026.9t CO₂e. Total energy consumption for Scope 2 was calculated to be 4,293MWh.

¹⁷ A market-based approach as used to calculate the WACI. The WACI using a location-based approach is equal to 15.65 tCO₂e/£m revenue.



The following table separates ORIT's carbon emissions into UK and non-UK based emissions in line with the Streamlined Energy and Carbon Reporting framework "SECR".

		2022		2021		2020	
		UK Emissions	Non-UK Emissions	UK Emissions	Non-UK Emissions	UK Emissions	Non-UK Emissions
Scope 1	(tCO ₂ e)	0.0	0.6	0.0	0.0	0.0	0.0
Scope 2	Market based (tCO ₂ e)	0	885.2	0.0	5.0	0.0	18.5
	Location based (tCO ₂ e)	190.4	836.5	192.2	62.4	220.0	68.1
	Energy consumption (MWh)	1,568.4	2,724.9	905.2	1,150.5	943.6	1,287.9
Scope 3	(tCO ₂ e)	5,706.4	1,261.4	710.9	1,500.7	1,209.2	1,561.3

ORIT recognises the challenges in measuring its GHG emissions for all sites and activities.

- Quality and availability of data collected for conversion calculations can significantly impact accuracy of final emissions output. For example, during the period the availability of data relating to Scope 3 category "Purchased goods and services" was low.
- The specificity of the emission factors used to convert data into related emissions can also impact validity of final emissions output.

The Investment Manager has disclosed the different categories of data points used to calculate the Company's carbon footprint to transparently convey both the quality and accuracy of the carbon footprint reported.

The investment manager defines the different data points used as:

- 1) "Real data"
 - a. "Actual activity data". This is real activity data received directly from counterparties on activities undertaken during the period, for example, litres of fuel used for transport.
 - b. "Actual spend data". Real spend data received, for example, money spent on fuel use for transport.
- 2) "Estimated activity data". Estimated activity data received directly from counterparties on activities undertaken during the period, for example estimated litres of fuel used for transport.



3) “Proxy data”. This is data calculated by applying intensity metrics calculated from other similar solar or wind sites.

a. “Proxy activity data”. For example, litres of fuel used for transport calculated by use of an intensity metric for fuel use from another site.

b. “Proxy spend data”. For example, money spent on fuel use for transport calculated by use of an intensity metric for money spent from another site.

The table below shows the split between the defined categories of data:

Real data (22.5% total)	Estimated activity data (52.5% total)	Proxy data (25% total)
Actual activity data = 18.9%	52.5%	Proxy activity data = 8%
Actual spend data = 3.6%		Proxy spend data = 17%

Quality of data provided

22.5% of total data used to calculate the carbon footprint of ORIT was “real data”. The Investment Manager has high confidence in the quality of the estimated activity data given the extensive engagement undertaken with ORIT’s suppliers to understand how the estimates were finalised. Consequently, together with real data, the investment manager has a high confidence in 75% of the data points provided.

The remaining 25% of the data points were provided as proxy data calculated from intensity metrics from other similar sites. Whilst a recognised approach, assets of a similar size and the same phase can still have large differences in the scale of its operations. Consequently, the Investment Manager has low confidence in the quality of the proxy data used to calculate these emissions.

There is higher confidence in the quality of data for Scope 1 and Scope 2 emission figures compared to the Company’s indirect Scope 3 emissions that arise primarily from the Company’s supply chain. One of the considerable challenges facing every industry and business is the visibility and quantification of supply chain emissions, which may require transparency across different regions and countries. Given the difficulties to capture all emissions, the Investment Manager is pursuing a more iterative approach to improve the accuracy of its Scope 3 reporting by collecting more granular and accurate data for emission hotspots. The Investment Manager will continue to develop and refine the methodology to capture these emissions working with external asset managers and O&M contractors and reduce the reliance on estimated activity data and proxy data. Improved data quality is likely to impact the share of categories in Scope 3. However, it is expected the split of proportions between Scope 1, 2 and 3 will remain largely similar.



Accuracy of carbon conversions

There are also differences in the levels of confidence held in the accuracy of carbon emission factors, specifically between the conversion factors used on activity-based data and spend-based data. Spend-to-emission conversion factors are considered to be least accurate and as the Investment Manager determined, the least conservative. (See below case study for more information).

During the period 20.6% of total data was spend based data. This included both real spend data and proxy spend data.



Case study comparing activity-data and spend-data

The Investment Manager compared two different approaches for calculating Scope 3 emissions to determine which was the most accurate and most conservative.

- The first approach (the “activity first based approach”) considered all activity data first before resorting to spend data for activities where activity data was not available. Activity data used emission factors specific to the stated activity to calculate emissions and the residual spend data used spend-to-emission factors.
- The second approach (the “spend-based only approach”) only considered the spend data provided from the asset’s financial year end accounts and used spend-to-emission conversion factors.

It was found that there was significant variation between the two approaches across all sites, with a trend of the spend-based approach under-reporting emissions compared to the activity-based approach. The Investment Manager determined that Scope 3 emissions should be reported in line with the activity first-based approach rather than the spend-based approach. This conclusion was made because of the lack of specific spend-to-emission conversion factors that likely impacted accuracy of the conversions and the lower total emissions calculated under a spend-based approach that suggested it was the least conservative approach.

The Investment Manager will continue to engage with external asset managers and O&M contractors and reduce the reliance on spend data.



Carbon reduction

As the ORIT portfolio grows, it is the Company's aim to reduce its emissions through stakeholder engagement and proactive management of its assets, especially for sites under construction.

The carbon intensity metric reported for ORIT has increased since last period but remains in line with the reported intensity of 2020.

2022	2021	2020
8.48 tCO ₂ /MW	5.23 tCO ₂ /MW	9.6 tCO ₂ /MW

These changes are dependent on factors such as the operational and construction split of assets, whereby construction assets typically display higher carbon footprints than operational assets. The increase in carbon intensity from last year can be attributed to the higher proportion of construction assets held by ORIT throughout the year compared to last year. It is also important to note that even within construction projects of a similar size, there may be still large variations in related carbon emissions. Factors such as foundation type, location and supplier can have very significant implications on an asset's footprint.

Carbon offsetting

Whilst carbon reduction remains the priority in ORIT's carbon strategy, ORIT does still commit to offsetting any residual direct emissions relating to its Scope 1 and 2 emissions.

The Company's chosen route for offsetting is through the purchase of verified carbon units. ORIT's direct emissions were much higher in 2022 compared to previous years given the high electricity consumption at Kuslin wind farm and the high carbon intensity of the Polish grid.

This year, ORIT has purchased a total of 886 carbon units. This is equivalent to offsetting ORIT's Scope 1 and Scope 2 emissions of 885.24 tonnes of CO₂.



Securing ORIT's future carbon offsets

ORIT has purchased 400 tonnes worth of carbon in "Pending Issuance Units". These units have been secured both to future-proof ORIT's carbon units in light of increasing prices and low availability of "Woodland Carbon Units" and also to support new woodland creation in the UK.

A Woodland Carbon Unit ("WCU") is a tonne of CO₂e which has been sequestered in a Woodland Carbon Code-verified woodland. It has been independently verified, is guaranteed to be there, and can be used by companies to report against emissions or to use in claims of carbon neutrality or Net Zero emissions.

A Pending Issuance Unit ("PIU") is effectively a 'promise to deliver' a Woodland Carbon Unit in future, based on predicted sequestration. It is not 'guaranteed' and cannot be used to report against UK-based emissions until verified. However, it allows companies to plan to compensate for future emissions or make credible statements in support of woodland creation.

Supporting the planting of new UK woodland helps plant new trees today, but these woodlands do not deliver "offset" credits immediately. Only once the woodland biomass has grown sufficiently will its carbon credits be verified and converted from ex-ante PIUs to ex-post WCUs. Only then can only then be used as official offsets.

In recognition of the carbon impact of ORIT's operations, ORIT has decided to invest in a UK woodland carbon project that will capture 400 tonnes worth of CO₂ over the next 32 years. The units are derived from a "Forest Carbon" project in Achelidh, Tain, Highlands. The new native broadleaf woodland is expected to deliver all 400 tonnes of carbon by 2055 and 75% of its carbon units by 2050. It is expected that Scope 2 emissions will significantly reduce next period, as the Investment Manager ensures renewable energy tariffs for ORIT's assets. Given ORIT's projected low annual direct carbon emissions, the Board expect these 400 units to help ORIT's Scope 1 and Scope 2 emissions to meet a 2050 net zero target. The Board will reassess if the purchase of additional PIUs will be necessary on a year-to-year basis.

The growing trees will also provide wider co-benefits beyond climate mitigation, including water quality improvements, habitat creation, employment, and cleaner air. Through ORIT's support for UK woodland creation, the Company is helping the country to meet its long-term international climate targets in a way that also benefits wider society.



EU Taxonomy for Sustainable Finance

The EU Taxonomy is a classification system for sustainable activities designed to help investors identify “green” environmentally friendly activities. This is aimed to demonstrate investments that are sustainable; ones that make a substantial contribution to climate change mitigation or adaptation, while avoiding significant harm to other environmental objectives and complying with minimum safeguarding standards.

An initial analysis of ORIT’s investments against the EU taxonomy classification suggests that 100% of assets directly contribute to or enable climate change mitigation.

- All of ORIT’s operational and construction portfolio directly contribute to climate change mitigation according to the EU Taxonomy’s criteria; “Construction or operation of electricity generation facilities that produce electricity from wind power or from using solar photovoltaic (PV) technology.”
- ORIT’s investments into development platforms and development projects (investments into Simply Blue, NorGen and Wind2 pipelines) are considered enabling activities under the regulation. They contribute to the “Installation, maintenance and repair of renewable energy technologies” through their provision of architectural services, engineering services, drafting services, building inspection services and surveying and mapping services involved in the development of their renewable energy projects.

The Investment Manager has undertaken due diligence to confirm that all of ORIT’s investments are in line with the “Do No Significant Harm” (“DNSH”) technical screening criteria for Climate Change Adaptation, Circular Economy, and Biodiversity. This due diligence is part of the minimum requirements criteria set out in the ESG scoring matrix. Environmental objectives for Water and Pollution Prevention were categorised as not applicable under the EU Taxonomy criteria for ORIT’s investments.



Climate Change Adaptation

Under the criteria for DNSH to climate adaptation, investee companies are required to identify their material climate risks by performing a climate risk and vulnerability assessment. Companies are also encouraged to create adaptation plans which identify solutions, prioritising those that mitigate the most material risks. ORIT’s approach to climate risks is laid out in its TCFD disclosure on pages 107 to 131 of the **Annual Report**.

None of the adaptation solutions implemented or proposed would be expected to adversely affect the adaptation efforts or the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities. The adaptation solutions are also not expected to conflict with local, sectoral, regional or national adaptation strategies and plans. Overall, the renewable energy generated via ORIT’s investments is expected to positively contribute to these adaptation strategies and plans through increased clean energy use and decreased reliance on emissions-based electricity generation.



Biodiversity

Under the criteria for DNSH to biodiversity, investee companies are required to demonstrate protection and restoration of biodiversity and ecosystems. This involves confirmation that; an environmental impact assessment or screening has been completed, that required mitigation and compensation measures suggested have been implemented and, for areas located in or near biodiversity sensitive areas, that an appropriate assessment and mitigation plan has been conducted with necessary mitigations implemented.

Where applicable, all of ORIT's investments adhere to this criteria. ORIT considers potential adverse impact on biodiversity as a key ESG risk during the investment cycle, and projects are required to evidence environmental screening, an impact assessment and a habitat management plan to pass minimum ESG criteria. The Investment Manager works closely with ORIT's asset managers to improve the biodiversity capital of its sites, for example through the development of best guidance criteria for land management and also the delivery of additional biodiversity initiatives that go above the proposed mitigation measures (e.g. wildflower meadows and pond formation).

Circular Economy

The lifetime of ORIT's investments is expected to be long (average lifetime of assets in the portfolio is 29 years). It is typical for renewable energy projects to have a decommissioning plan in place that encompasses the disposal and recycling of the waste materials. Many of ORIT's assets' materials can already be re-used and recycled using current technologies.

For example, the materials that represent the biggest part by weight of a wind turbine are concrete, steel, and other metals. Concrete can be crushed into aggregate and re-used in-construction projects. The steel and other metals in wind turbines are recyclable and can be re-used domestically within Europe. Whilst ORIT's investments already align with the generic criteria for DNSH to the transition to circular economy, we do expect the recyclability of these parts to increase over the coming years as more research is conducted on the sustainable disposal of renewable energy technologies.



The Investment Manager can also confirm that all investments are in line with the minimum safeguards criteria.

The energy sector (like every other sector) could be subject to human rights abuse that needs to be mitigated and the Investment Manager ensures appropriate due diligence is performed, and that human rights, equality, anti-bribery and corruption, taxation, and fair competition policies and/or processes are in place for portfolio companies and service providers alongside the Investment Manager's own policies and processes. This ensures that investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on fundamental Principles and Rights at Work and the International Bill of Human Rights. This is primarily achieved by only working with suppliers who align to a supplier code of conduct.

All of ORIT's investee companies align to a supplier code of conduct and we can confirm for each investee company that:

- there is no clear indication that the investee company does not adequately implement human rights due diligence resulting in human rights abuses (the Company nor its top management has not been convicted on a breach of human rights due diligence laws, the Company has not been approached by an OECD NCP or been involved in an allegation on the Business and Human Rights Resource Centre digital platform).
- the Company has not been finally convicted for tax evasion or for breaking competition laws.
- the senior management of investee companies have not been finally convicted of bribery.

Alignment Overview:

Revenues £111.5m	100% Aligned	0% Not Aligned	0% Not Eligible
CapEx £209.7m	100% Aligned	0% Not Aligned	0% Not Eligible
OpEx £35.0m	100% Aligned	0% Not Aligned	0% Not Eligible



Planet initiatives

Maximising the Company's positive contribution to the environment is core to the Impact Strategy. Planet initiatives contribute to solutions to combat climate change. Projects undertaken in the period are outlined in the table below.

Project	Outcome
Land Management: Enhanced engagement with Landowners as well as Asset Managers and Operations & Maintenance (O&M) contractors to ensure continued improvements to ESG land management practices.	A key focus area that the Investment Manager tasked the Asset Manager of the UK solar sites with was the enhancement of their engagement with the Landowners of ORIT's sites. Improved Stakeholder management with the Landowners has many benefits including; the avoidance of lease issues, access to local knowledge of the site for management, the promotion of local economy and jobs through their involvement in site management and also increased landowner engagement on the biodiversity enhancement projects that ORIT proposes. Please see case study for more information.  Stakeholder Engagement
Rewilding: Continued partnership with SUGi, an organisation that "brings people closer to nature" by planting richly biodiverse pocket forests. More information on ORIT's partnership can be found here: https://www.sugiproject.com/partnerships/octopus-renewables	Following on from 2 successful projects in 2021, ORIT has funded another pocket forest in France (Agora Forest), and a further two in Cornwall bringing ORIT's pocket forests to a total of 5. Please see case study for more information.  Sustainable Momentum  Stakeholder Management  Innovation
Conservation and local youth partnership: Ecologist company in charge of ORIT's solar farm's reptilian shelters partnered with a local youth organisation to teach them about biodiversity.	In September, an educational and biodiversity programme started at ORIT's French Solar site, Cuges-les-Pins in partnership with AGIR écologique (the organisation currently responsible for the maintenance of the 5 reptile shelters on site) and ADDAP13 (an association focused on economic integration of excluded young people into society). Cuges-des-pins has 5 reptilian shelters. The local youth association ADDAP13 volunteered some of its members to learn about and participate in the maintenance of the reptile shelters. A group (6 teenagers and 2 supervisors) accompanied a member of AGIR écologique to refurbish the reptile shelters and the plant 30 shrubs on site. ORIT plans to continue to volunteer its sites for these types of educative experiences on biodiversity conservation management.  Innovation



AGIR écologique and members from ADDAP13 on site at Cuges-les-Pins, learning about reptilian shelter maintenance.



Case Study:

Propagating pocket forests with SUGi

The Investment Manager continues to develop its partnership with SUGi to plant pocket forests across Europe and the UK. SUGi helps deliver ecological restoration projects around the world. SUGi “Forest Makers” follow a Japanese technique called the Miyawaki Method to create ultra-dense, biodiverse forests of native species. SUGi has a strong community focus, involving organisations, schools and communities in the planting and maintenance of the projects. Their biophilic approach brings nature closer to people, helping to educate communities of the importance of biodiversity and inspiring the next generation to take a more active stance in its restoration.

ORIT has now planted a total of 5 pocket forests made up of 63 different species of trees across the UK and in France. With over 7,725 new trees planted, ORIT is making significant contributions in restoring biodiversity in these biodiversity-barren areas. Through this initiative ORIT is channelling capital into nature related projects and ensuring that opportunities are taken to use space more intelligently to maximise ecological benefit.

This case study re-visits some of the forests planted last year (Castle Green Forest II, UK and Rion Des Landes College, France) and introduces the new “Agora” pocket forest planted in Bezange-La-Petite in France and the two pocket forests planted in Cornwall, UK.



Castle Green Forest II Project:

An urban forest to mitigate pollution and bring biodiversity

1,400	400	24	160cm
Trees	Square meters	Native species	Average of tallest 3 trees

Left:
Original
unplanted site

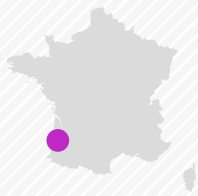
Right:
12 months
later



Field Notes

“This forest is doing well at 1 years old, having adapted well to the exposed conditions in the park, and is bringing a visible change to this former biodiversity desert. The sounds of bugs and birds can be heard as you stand by the forest, a welcome counterbalance to the busy traffic of the Ripple road nearby.”





Rion Des Landes College Project:

Cultivating greenery and tranquillity for children in a treeless environment.

600

Trees

200

Square meters

29

Native species

125cm

Average of tallest 3 trees

Left:
Original
unplanted site

Right:
12 months
later



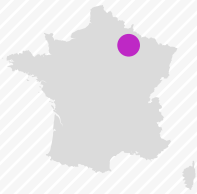




Field Notes

This forest is thriving at 1 year old - both in terms of its growth and its impact on the Rion des Landes College community. The pocket forest has an exceptional survival rate of 98%, particularly considering the summer heatwave and drought of this year. The tallest species is currently the chestnut tree (*Castanea sativa*). Flat mushrooms are growing around one of the hazeltrees (*Corylus avellana*), a sign of important initial fungal colonisation in the soil. 180 children at the school have been involved in the maintenance of the forest.





Agora Forest, Bezange-La-Petite: Reviving a pocket in a vast sea of agriculture.

The Agora Forest was planted over 3 days on the edge of Bezange-La-Petite, reviving a pocket of land that had become a biodiversity desert surrounded by intensively-managed agricultural land.

4,500 trees were planted over 1,500 sqm, involving 180 local volunteers of which 115 were children. It was a true 'community' planting; volunteers of all ages attended. Many local families got involved, as did the local school who sent four classes out to plant. There was a BBQ and hot drinks organised by a local team, which contributed to the community feel and made it a particularly joyful event.

30 native species were planted including the small-leaved lime (*Tilia cordata*), field maple (*Acer campestre*) and silver birch (*Betula pendula*). Agora Forest will be a vibrant community hub; including pathways and seating areas so that locals, young and old, can socialise, learn and enjoy the restorative benefits of nature. Agora Forest aims to set an example for other communities in the region, both urban and rural, highlighting the immense environmental, health, social and wellbeing benefits of such a project.

Pictures from
the planting
days at the
Agora Forest





**Trevisker Forest and St Kew’s Forest, Cornwall:
Restoring endangered temperate rainforests.**

Trevisker Forest and St Kew’s Forest will provide outdoor classrooms for the children of Trevisker and St Kew’s Primary, small schools in rural Cornwall. The projects create critical pockets of temperate rainforest, a now fragmented and rare ecosystem that once predominated along the west coast of the UK. It thrived thanks to the Gulf Stream, which provides mild, damp conditions that are ideal for rainforest biodiversity to flourish. These forests will forge a connection between hundreds of school children and nature, supporting their wellbeing along with that of the planet.

1,225 trees were planted over 350 sqm, involving 180 local children from the schools. It was a great hands-on opportunity for the school children to learn more about plant growth and the benefits they provide to human communities.

Left:
Trevisker
Primary
Planting Day

Right:
St Kew’s Primary
Planting day



Impact tracking



Who?
1 Planet
London, UK
Cornwall, UK
Rion Des Landes,
France
Bezange-La-
Petite, France



How much?
5 forests
495 children
7,725 trees
2,450 square
meters



What?
63 native species
planted using the
Miyawaki method
Pollution
mitigation
Biodiversity
enhancement
Education



Impact Theme
Sustainable
momentum
Innovation
Stakeholder
Engagement



Case Study:

Stakeholder Management Landowner case study

The Investment Manager treats maintaining good Landowner relationships on sites under their management as a top priority. As ORIT's Asset Managers to its UK solar portfolio, Quintas Energy's Land & Property team have been tasked with enhancing Landowner engagement on sites in 2022. The objective of this engagement was to improve communication between site stakeholders, to benefit from Landowner's local knowledge for site management and to engage them on upcoming biodiversity enhancement schemes.

We are pleased to report that Quintas have successfully established working relationships with the landowners on ORIT sites, including Penhale, Chisbon, Wiggin Hill, Ottringham and Ermine Street. Several site meetings with the landowners have been conducted through the course of the year with positive results. A good example of successfully enhancing the relationship with the Landowner is Chisbon. Quintas have had two formal meetings with the Landowner followed by phone calls and email exchanges. The Landowner has permitted bees to be located on site, assisting with appropriately locating the hives and now in 2023, wishes to become involved in further biodiversity enhancement projects. As the landowner is also the grounds maintenance contractor on the site, he will be key in ensuring the management and future success of site initiatives. The benefits of having a working partnership with Landowners are plentiful enabling "multi-use" of sites and this has been fostered through dedicated resource as part of the ORIT's fund daily asset management service.



Beehives installed at Chisbon Solar Farm.



Who?

ORIT Landowners



How much?

5 solar sites



What?

Enhanced Landowner relationship and improved site management



Impact Theme

Stakeholder Engagement



UN SDG specific contributions

www.un.org/sustainabledevelopment/

7 AFFORDABLE AND CLEAN ENERGY



7. Affordable and clean energy

7.2 & 7a - Increase renewable energy in the mix and stimulate investments into the renewable sector:

Provided renewable energy to the grid and provided renewable investment opportunities. Construction underway to add renewable energy capacity.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



12. Responsible Consumption & Production

SDG 2.4 & 12.4 Promote proportion of areas under sustainable agricultural practices and promote sustainable management and efficient use of natural resources:

Partnerships with local beekeepers and local shepherds to take advantage of the empty spaces of solar farms for their agricultural use.

15 LIFE ON LAND



15. Life on Land

15.1 & 15.5 Conserve ecosystems and threatened species and take action to reduce the loss of biodiversity and degradation of habitats:

Threatened and non-threatened species monitored through ecological surveys and biodiversity plans. Additional biodiversity initiatives implemented beyond planning requirement. Biodiverse pocket forests planted in partnership with SUGi to restore native biodiversity in urban areas and biodiversity-barren areas.

www.un.org/sustainabledevelopment/



People



People

Impact Objective: Evaluate social considerations to mitigate risks and promote a 'Just Transition' to clean energy.



396

Students benefitting from social initiatives



7,536

direct beneficiaries from the projects funded through the BizGive platform.



1

RIDDORS (or equivalent)

Managing our impact on society

Investing in renewable energy has natural positive impacts on people and for the wider society by benefitting the economy. By channelling capital towards “homegrown renewables” ORIT is also contributing to energy security, preventing future energy crises resulting from reliance on unsustainable global fossil fuel markets.

It is also vital the Company mitigates any possible negative impacts and risks to people as the Company invests, constructs, and operates our portfolio of renewable assets. ORIT has clear policies and governance structures to achieve this. Some social factors that ORIT and our Investment Manager consider to be the most important during due diligence and ongoing monitoring of assets include:

- Health and safety
- Social licence
- Local employment
- Diversity and inclusion





Health and Safety Approach

ORIT recognises its health and safety responsibilities and keeping people safe remains its highest priority. ORIT has put arrangements in place with its Investment Manager to ensure that health and safety risks are managed effectively.

Our Investment Manager employs specialist HSE consultants and additionally has employed a Head of Health and Safety to ensure that health and safety procedures are embedded into our model of investing and managing assets.

This integration is achieved through:

- Technical Compliance Standards
- Diligence and benchmarking of contractors
- Audits and ongoing oversight
- Continuous Improvement

Our Investment Manager actively tracks and monitors various accident and incident classifications from events where there is a statutory requirement to report to the UK Health & Safety Executive (RIDDORs) or other local government bodies. This includes incidents classified as accidents, near misses, dangerous occurrences, and general safety observations.

RIDDORs	Lost time injuries (>7 days)	Near misses	Personal injuries	Minor equipment damage incidents
1	0	12	2	11

In the period of this annual report, there were zero lost time injuries (> 7 days), two personal injuries and one RIDDOR across the portfolio. The first personal injury related to an operative working on the Cumberhead wind construction site in Scotland using a remote-control crane who tripped on a load awaiting lifting and cut his knee. The injury was minor and was first aid treated on site and he returned to work.

The second personal injury related to an operative working on the Lincs offshore wind project (in which ORIT holds a minority stake). The injured party was working on a turbine, caught his foot and fell, cutting his knee. The injury was minor, and the affected person was able to return to work. The RIDDOR related to the statutory reporting of a 'dangerous occurrence'; an electrical fire caused by a short-circuit in an inverter leading to the generating station Abbots Ripton Solar Farm to come offline for >24h. Nobody was hurt and there has been no follow-up from the HSE.

Furthermore, there were 12 near misses, 11 incidents causing minor equipment damage only and 0 environmental incidents. All incidents have been satisfactorily closed out and where appropriate lessons learned. Each incident generated an incident report which was audited and closed by the appropriate director.



Promoting a “Just Transition”

Just Transition refers to the movement that encourages wider and fairer distribution of benefits as the world switches to clean energy.

ORIT actively engages with local communities, workers and customers and favours investments where there are opportunities to give fair access to affordable green energy, to share benefits with the community and to create local jobs. ORIT aims to give local communities a voice on projects in support of creating a Just Transition.

Workers - Job Creation

ORIT's partners and subcontractors commit to standards promoting equal opportunities, ensuring workplace best practice standards are upheld and encouraging diversity and inclusion. By doing so, ORIT aims to increase social economic distribution and equity throughout the job opportunities it creates. The Investment Manager engages key counterparties to understand what schemes they already have in place, and encourages the use of local labour (roughly within 30km radii of sites) on construction sites.

Community – Engagement and giving a voice

ORIT has committed to demonstrating a tangible benefit to the local communities of each of its portfolios. The Investment Manager is exploring other ways to give communities nearby a say in the transition. This may be through sharing profits via community benefit schemes, creating educational opportunities for local schools via workshops and site visits or providing funding for local charities that are fulfilling a need in the local area. As the portfolio continues to grow, ORIT's impact partnerships will help ORIT reach and create lasting impact for a broader range of beneficiaries. Applicability of community initiatives will be determined on a portfolio-by-portfolio basis. By engaging communities and local stakeholders early on, ORIT is also ensuring that social licence is generated for our investments, in particular where the Company looks to extend the years an asset can operate for.

Customers – Affordable green energy

ORIT provides clear benefits to wider society through the provision of cheaper, cleaner energy to the grid. This will help reduce energy bills and also improve energy security in the countries where ORIT's assets are located. In the past year, ORIT's assets have helped power an equivalent of 270,500 homes.

This year, ORIT has also focused on providing additional support via fuel poverty charities and organisations, to help individuals suffering under fuel poverty. [See case study for more information.](#)

ORIT also supports projects that improve socio-economic distribution and equity more widely through the organisations it partners with through BizGive. For example, ORIT is working with Generation to deliver Green Retrofit Workshops. Generation is a charity that runs employment programmes to prepare, place, and support people into life-changing careers that would otherwise be inaccessible to them.



Diversity and Inclusion

Equality and wellbeing are fundamental to ORIT's impact ambitions. This is reflected in our Company policies and in the way that the Company operates externally, through understanding third-party providers approach to diversity and inclusion and suggesting ways to improve this where possible.

The Company's Board is made up of a complementary mixture of backgrounds with a gender composition of an equal 50/50 split between men and women, in line with the view that gender diversity delivers better company performance than if the Board was dominated by one gender. The Board is seeking to appoint a fifth Director to the Board to bring a senior operational perspective and to improve its ethnic representation. The Board is committed to ensuring that its composition reflects ethnic diversity, and it is looking to make meaningful progress on this front through this appointment. It welcomes applications from everyone regardless of age, gender, ethnicity, sexual orientation, belief or disability. All appointments will be made on merit, following a fair and transparent process.

The Investment Manager shares ORIT's values and places diversity and inclusion at the heart of them, and this is demonstrated through the initiatives implemented. The Investment Manager provides directors to the underlying subsidiary companies and ensures diversity is considered when appointing them.

Further detail can be found in the **Impact Strategy**.





People initiatives

Alongside keeping people safe, ORIT considers its potential impact on people. People initiatives contribute to solutions to engage communities and promote a “Just Transition” to clean energy.

Projects

ORIT exhibits a variety of social considerations across its assets and beyond, utilising the experience and approach developed by our Investment Manager to maximise benefits.

Project	Outcome
Social Supply Chain Analysis: Developing robust methodology to mitigate supply chain modern slavery risk.	The Investment Manager has developed a strong Modern Slavery Policy and Panel procurement policy to help mitigate the risks of modern slavery in the global solar supply chain. See case study for more information  Equality & Wellbeing
Local Community Education Initiatives: ORIT continues its partnership with Earth Energy Education and the Good Bee Company to deliver school visits, workshops and webinars.	Preparatory work is underway for more site visits and workshops for communities. These projects are expected to be carried out in the Spring and Summer months of 2023.  Stakeholder Management  Equality & Wellbeing
Fuel Poverty: Fighting fuel poverty through investment into renewables and partnership with fuel poverty charities.	ORIT has supported charities and organisations that provide vulnerable people with fuel poverty support. See case study for more information.  Sustainable Momentum  Innovation  Stakeholder Management  Stakeholder Engagement
Just Transition through BizGive organisations: further collaboration, engagement and impact, aligned to the UN's SDG framework and ORIT's impact objectives.	ORIT has granted a total of £70k to charities and community interest groups that have applied for funding on ORIT's BizGive Programme. Projects supported drive STEM learning, climate action, biodiversity conservation, and community renewables.  Innovation  Equality & Wellbeing



Case Study:

Tackling fuel poverty in times of crisis

Rising gas prices, low incomes and energy-inefficient homes are leading more and more people across Europe into the grip of fuel poverty. As society navigates through these challenging times, ORIT is well positioned to contribute to solutions. By channelling capital towards sustainable outcomes that mitigate climate change ORIT is also contributing to European energy security, and to preventing future energy crises resulting from reliance on unsustainable global fossil fuel markets. As laid out in ORIT's Impact Strategy, ORIT also incorporates social benefits in all its investments. Given the challenging back drop of the energy crisis, the ORIT Board decided to commit a significant proportion of its additional impact fund to support charities focused on tackling fuel poverty during the period.



Green Doctors, Groundwork:

ORIT has made a donation of £12.5k to Green Doctors to help upskill some of their project officers to "Green Doctors" across England and Wales, particularly in North East, North West, West Midlands, South Wales and London. Green Doctors offer free and impartial energy advice across the UK to help residents reduce their energy bills, improve their wellbeing, and save energy for example through draught proofing.

The increase in cost of living and energy price cap are deeply affecting vulnerable households, and Groundwork continues to move quickly to meet this demand. ORIT's funding has also been allocated to facilitate more senior upskilling for experienced Green Doctors so that they can deliver full retrofitting assessment and coordination. ORIT is helping to create lasting positive impact in these regions, with this funding supporting the upskilling of around 12 Green Doctors- each delivering an upwards of 500 visits a year. On average the households they visit save £350 a year. With the average annual shortfall that places a household into fuel poverty being £333, the Green Doctor service is effectively lifting thousands of households out of fuel poverty every year.



Energie Solidaire:

ORIT has made a €12.5k donation to Energie Solidaire's Endowment Fund. Energie Solidaire supports local associations across France who in turn try to lift the most vulnerable households out of fuel poverty. The organisation's commitment committee selects the charity groups that are likely to make the most impact and works with them over a couple of years. Typical charities selected to take part include those that carry out minor renovation projects on energy inefficient homes and provide energy advice. ORIT's donation will be distributed to the charities by Energie Solidaire in the coming year.



Zink Energy Advice and Support:

ORIT has made a £2,900 donation to Zink. Zink is a community organisation that provides services to people and families in the rural Highpeak and Derbyshire Dales areas of the UK. Their holistic approach to supporting people towards better futures focuses on long-term resolutions rather than short-term quick fixes. Their services are tailored to the specific needs of the individual and can range from the provision of emergency food parcels to access to energy advice workers, work coaches and wellbeing activities. ORIT's contribution has gone towards the delivery of 160 energy advice appointments, providing 160 individuals with the tools they need to step out of energy poverty. A portion of these individuals may seek further help from Zink's work coaches, food banks and wellbeing services but it is expected that 140 issues will be resolved in the long-term, removing the demand of Zink's emergency food parcels.



Home Energy for New Scots, The Welcoming:

ORIT has made a £9,524 donation to The Welcoming's "Home Energy for New Scots Project". This project aims to tackle and prevent fuel poverty and associated risks by providing energy advice and support to "New Scots" (refugees, asylum seekers and migrants) in Edinburgh. The Welcoming currently has over 1500 registered members who regularly attend activities – with an average of 160 new registrations every month. Their service users come from all over the world with the top 7 nationalities being: Syrian, Ukrainian, Afghan, Chinese, Sudanese, Polish and Spanish. Upon arrival in Edinburgh, they face significant language, cultural and financial barriers to social and economic integration. ORIT's donation has been allocated to support over 6 months' worth of weekly energy advice surgeries and one-to-one appointments, helping project participants to control their energy consumption, access financial support and adopt behavioural changes that will improve the energy efficiency of their homes.



To all the staff and volunteers at Zink, I just want to let you know how grateful I am to you all for all your hard work and help you have given me since I started coming to Zink over six months ago. I just wished I'd started coming sooner. Some people don't realise how lucky we are to have Zink to fall back on in bad times."

A Zink Energy Advice and Service client

Impact tracker



Who?

People in fuel poverty, refugees, asylum seekers and migrants



How much?

£25k
€ 12.5k



What?

Energy advice
Renovation works
Fuel poverty packages
Wellbeing services
Long-term support



Impact Theme

Sustainable momentum
Innovation
Stakeholder Engagement



Case Study:

Human Rights in the Supply Chain

ORIT is committed to acting ethically and with integrity in all its business dealings and relationships. ORIT recognises its responsibility specifically with regard to its supply chain and the Investment Manager is dedicated to taking the necessary steps to engage with and influence its supply chain to prevent any potential risks relating to human rights.

The solar sector could present a significant risk due to its connections to forced labour violations at the polysilicon level of its supply chain. The lack of traceability and transparency at this level of the global supply chain and the surrounding geopolitical challenges has led the Investment Manager to develop a tailored risk management strategy to mitigate risks and build a more resilient supply chain for ORIT. The Investment Manager's goal is to eliminate this risk through increased transparency in the supply chain enabling evidence-based purchasing decisions and through actively engaging, lobbying, and driving change in the solar industry. As an investor and working with development and construction partners, ORIT believes that this approach will help influence what is considered acceptable in the industry and lead to meaningful improvements in global solar supply chain sustainability.

Investment manager actions for mitigating human right risks:

- The Investment Manager has put in place a strengthened due diligence framework made up of ESG-related policies, supplier code of conducts and due diligence questionnaires to help ensure all activities and business conducted in ORIT's supply chain seek to be in line with international labour standards¹⁸. More information can be found in the Investment Manager's "Modern Slavery Statement".
- The Investment Manager has worked with an external auditing partner (Clean Energy Associates) to develop a new procurement policy and an allow/deny list for equipment suppliers. The policy requires suppliers to provide written confirmations statements as well as evidence (for example through audits) that their business practices do not support forced labour. As co-authors of the Solar Energy Industries Association's ("SEIA") Traceability Protocol, Clean Energy Associates is well placed to carry out ORIT's auditing requirements.
- The Investment Manager is working to promote collective action from the industry by working on collaborative initiatives to increase traceability and responsible production of solar products. Given the systemic nature of the issue, efforts from industry bodies, regulators, expert advisors, NGOs as well as from ORIT's suppliers will be required to fully address the risks. The Investment Manager has been a long-term supporter of and sponsor of Solar Energy UK's and Solar Power Europe's Solar Stewardship Initiative, formally launched to the public in October 2022. This initiative works with stakeholder input from across the sector to establish new and improved standards for the solar supply chain.

For more information see:

https://a.storyblok.com/f/154679/x/f6a5ac9c32/oegen_modern_slavery_statement_092022.pdf

<https://www.cea3.com/traceability-audits-for-pv-energy-storage>

<https://solarstewardshipinitiative.org/>

¹⁸For example the labour standards laid out in the UN Global Compact, the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises.



UN SDG specific contributions

4 QUALITY EDUCATION



4. Quality Education

4.1 & 4.7 - Provide free, quality education leading to relevant and effective learning outcomes that can also promote sustainable development:

Partnership with the Good Bee Company and Earth Energy Education to provide free education programmes and site visits to local schools. Funding of multiple charities through BizGive supporting projects that drive STEM learning, climate action, biodiversity conservation, and community renewables.

8 DECENT WORK AND ECONOMIC GROWTH



8. Decent Work and Economic Growth

8.5 Provide full and productive employment and decent work for all:

Extensive Health and Safety measures ensures employees are not exposed to risk. Supply chain analysis and strengthened policies to ensure labour rights upheld across ORIT's suppliers.

www.un.org/sustainabledevelopment/

