

Thrive Renewables Investment Principles

Our shareholders and bondholders trust us to invest their money into projects which generate demonstrable greenhouse gas emissions reductions and further the UK's transition to a zero carbon energy system.

Approach

We only invest in clean energy projects, which we believe will provide significant carbon emissions reductions, contributing to the UK's net zero targets and ultimately avoiding dangerous climate change. Each project is judged by Thrive on environmental and social, as well as financial criteria, before we invest. We closely monitor and report on the emissions reductions our projects achieve each year.

Investments

- 1) We only invest in projects which aim to generate energy using renewable resources or contribute to the wider deployment of renewables in the UK and Ireland. This includes, but is not limited to, wind, solar and hydro-electricity projects, geothermal heat and electricity, and associated technologies such as battery storage and demand side management. We characterise these as sustainable energy projects.
- 2) We strive to get as much appropriately sited new clean energy capacity constructed as possible. Our pioneering approach leads to innovative financing options and business models which make clean energy projects work financially, socially and environmentally.
- 3) Before we invest, all projects are assessed on the emissions reductions they will deliver as well as potential financial performance and social impact. We also consider their impact on wider stakeholders, local communities and the environment, including ecology, land use and biodiversity.
- 4) Each year we calculate and report on the volume of CO₂ emissions our projects avoid, as well as other social and environmental factors.
- 5) Our guiding principle is that funding, building and operating new sustainable energy projects, which will decrease CO₂ emissions and therefore help tackle climate change, is a good thing. We prefer to work with organisations who share our values, but will consider all individuals, businesses or communities seeking funding for clean energy projects. We screen counterparties to assess their involvement in activity, which is potentially harmful socially or environmentally, and any negative impact is considered as part of the investment decision. The full process is described below.

Customers

Most of our electricity generation projects export to the national grid with the electricity being sold to UK electricity suppliers. Delivering renewables directly to the grid lowers the total CO2 content of the power the UK consumes.

We also work with partners such as manufacturers and retailers to enable them to install clean energy projects on-site and use the electricity they produce. Because every investment we make results in measurable carbon savings, we are keen to work with a broad range of organisations.

However, the environmental and social impact of their activities are considered very carefully. Each potential partner organisation is screened in a due diligence process which forms a significant part of any investment decision. The executive and board review all new investments and the nature of the underlying customer is a key criteria in that decision. As part of the process, each potential customer is given one of three statuses and decisions are made accordingly.

- 1) Mission-focused:** We particularly favour working with organisations which can demonstrate social and environmental benefits resulting from their day-to-day operations such as social enterprises, public sector organisations and ethical businesses like B-Corps, for example.
- 2) Transitioning:** In order to meet the UK's net zero goals, all businesses and organisations need to change. We want to be to be catalysts for change, making renewable generation assets work for all organisations who we believe are genuinely seeking to achieve Net Zero. Each potential partner in this category is assessed on individual merits – weighing the positive environmental impact of installing renewables on site versus any wider negative impacts of the organisation's activities. A decision to provide funding is only made if the former outweighs the latter during the due diligence process.
- 3) Incompatible:** We will not work with organisations carrying out activities which we consider are detrimental environmentally or socially. These would include, but not be limited to, weapons manufacture, tobacco supply, pornography, gambling and/or a record of poor governance.

Environment

- 1) We analyse the ecological impact of the projects we invest in and follow requirements set out in planning consents. Conditions are set following expert environmental surveys on species of birds in / migrating through the area, bat movements, particular types of flora which may be disturbed and maintaining suitable habitats for animals on the ground or in surrounding water courses. Where we can, we go above and beyond the requirements to encourage biodiversity at our sites.

2) We carefully consider land use at all sites we invest in and have a preference to develop in urban, industrial and 'brown field' areas. However, our guiding principle is that tackling climate change is an urgent problem, so we will consider investing in any renewable energy project which meets our investment criteria and has successfully completed the planning process which takes environmental, land use and landscape impacts into consideration. We seek to innovate where possible in combining sustainable energy generation with continued agricultural use and/or enhancing biodiversity.

3) Our procurement policy requires us to actively choose suppliers who can demonstrate that they have high environmental standards in place. We expect our contractors to demonstrate that they operate to high environmental standards, ideally by obtaining relevant certification such as ISO140001 or similar.