



Sustainable Development Goals

Bluefield Solar Income Fund (BSIF)








Background

The Sustainable Development Goals (SDGs) were established following the United Nations meeting held in 2015 and serve as the successors to the Millennium Development Goals (MDGs), building on their achievements and addressing their shortcomings. The SDGs form part of the 2030 Agenda for Sustainable Development, encompassing 17 goals and 169 targets, covering topics such as poverty, inequality, climate action and nature¹. These goals apply to nations in guiding policy and development priorities, while also serving as a framework for companies to align their operations with more sustainable practices. The Principles for Responsible Investment (PRI) emphasises how the SDGs can form the foundation of responsible investment practice, from improving long-term financial performance, to strengthening risk frameworks².

Strategy & Focus

During the FY 24-25, BSIF undertook a Double Materiality Assessment (DMA), in recognition that the guidance around materiality and the broader sustainability landscape has evolved since the initial materiality assessment was conducted four years ago. Throughout this strategic refresh, the SDGs remained a core guiding framework. BSIF strives to positively contribute to eight UN SDGs. The areas where it makes the most notable contributions include:

	Affordable and Clean Energy - through reliable, domestic renewable energy generation
	Industry, Innovation and Infrastructure - through construction of quality and resilient renewable energy assets
	Responsible Consumption and Production - through circular economy research and integration of sustainability information to inform practices
	Climate Action - via carbon emissions avoidance from energy generation, net zero targets, resilience planning and community education programmes
	Life on Land - through site-level biodiversity action and environmental stewardship

BSIF's Contributions

Whilst BSIF endeavours to make a positive contribution towards the SDGs, achieving these goals, and the targets therein, will require wider support from governments, policy makers, communities, corporates and other market participants³. To highlight BSIF's contribution, KPIs (which form part of BSIF's overarching ESG framework) have been mapped against material SDGs and targets⁴.

BSIF's contributions, relating to its wholly owned assets⁵, during the FY 24-25 are shown overleaf.

BSIF's Contributions



Target(s):

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

KPI's and Contributions:

- Renewable energy generated (MWh) – 797,974 MWh
- Amount of installed renewable energy capacity (MW) – 793 MW
- Additional solar infrastructure under construction (MW) – 0 MW



Target(s):

8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

KPI's and Contributions:

- Assets with a Human Rights Policy (%) – 100%



Target(s):

9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

KPI's and Contributions:

- Amount of installed renewable energy capacity (MW) – 793 MW
- Additional solar infrastructure under construction (MW) – 0 MW
- Battery assets under construction (MW) - 25



Target(s):

11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

KPI's and Contributions:

- Assets that are located in or near to biodiversity-sensitive areas⁶ (%) – 27%
- Assets that negatively affect biodiversity-sensitive areas (%) – 0% (please refer to BSIF's PAI statement)
- Assets which are deemed to have operations that affect threatened species (%) - 0% (please refer to BSIF's PAI statement)

BSIF's Contributions (cont.)



Target(s):

12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.

12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

KPI's and Contributions:

- Tonnes of hazardous waste and radioactive waste generated by assets per million EUR invested, expressed as a weighted average – Please refer to the BSIF's PAI statement
- Assets with a Waste Management Policy (%) – 100%



Target(s):

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

KPI's and Contributions:

- CO₂e avoided (tCO₂e) – 141,200
- Educational workshops delivered (including site visits) (#) - 21, including 10 in-school workshops and 8 site visits (between Nov 24 – July 25)



Target(s):

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

KPI's and Contributions:

- New solar developments with at least 20% biodiversity net gain achieved (%)⁷ – 100%
- Existing sites with biodiversity net gain assessment – cumulative total (#)⁷ - 64
- Notable species identified on site (e.g., red and amber listed species) (#) - Red listed bird species: 12. Amber listed bird species: 16



Target(s):

17.14: Enhance policy coherence for sustainable development.

17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

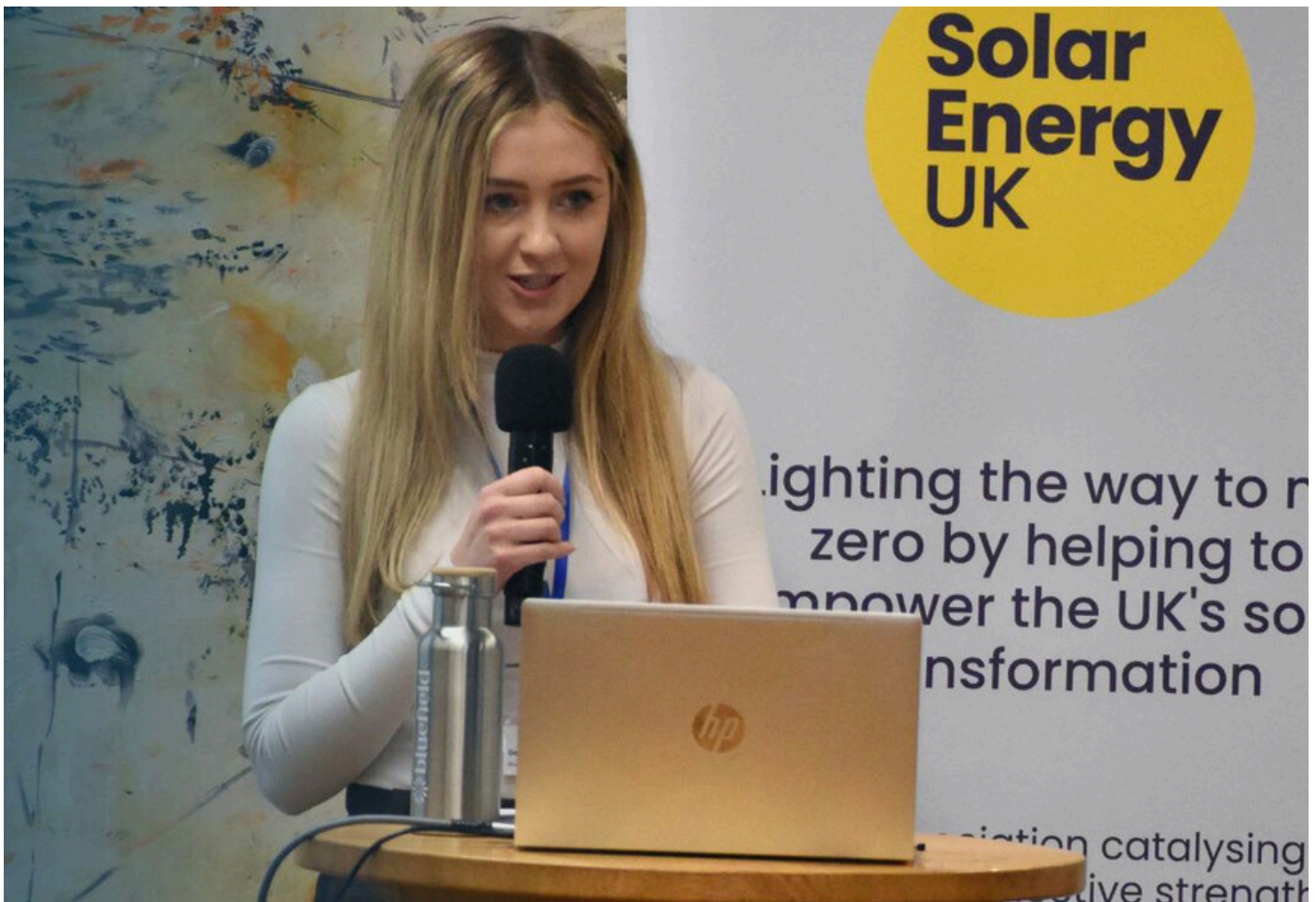
KPI's and Contributions:

- Revenue paid to community benefit schemes (£) - £258,000
- Revenue given to partnerships benefiting the local community (£) - £25,000
- Revenue targeting industry collaboration (£) - £25,000

Collaborative Action

With the Labour government placing Clean Power by 2030 at the heart of its national growth mission, the policy environment offers renewed clarity and momentum. BSIF's Investment Adviser actively engages with and supports the UK government to create a policy environment that is aligned with the Company's low-carbon investment strategy.

During the Year, the Investment Adviser engaged with key stakeholders across government, parliament, industry, and the media. Amid major political changes, including a General Election, PLMR helped align advocacy with the new administration's priorities, particularly around planning reform, grid connections, battery storage, and CfDs. Key activities included strategic briefings to ministers, participation in policy taskforces, targeted outreach to MPs and engagement with multiple consultations and parliamentary inquiries.



Above: Group Senior ESG Analyst Georgia Whitehouse speaking at Solar Energy UK's 'Utility Scale Forum'

In addition to engagement with government, the Investment Adviser, and the wider Bluefield Group, play an active role in industry groups to inform and contribute to best practice, stay abreast of market developments, and support the UK's energy transition.

For example, members of the ESG team, which sits within the Investment Adviser, contribute to the Solar Energy UK Natural Capital Steering Group and Responsible Sourcing Steering Group. Wider Bluefield representatives form part of the Solar Energy UK Skills & Workforce steering group.



Adverse Impacts

BSIF strives to make positive contributions towards the SDGs. However, it recognises the potential negative impacts its operations can have on social and environmental factors. Potential adverse impacts, and how BSIF is mitigating against these, are presented below:



Topic(s): Food Security

Potential Adverse Impact⁸: Solar PV systems, especially ground-mounted installations, are dependent on land availability. This can lead to tensions regarding land use, with concerns that solar farms could compete with agricultural land, thereby leading to reduced food availability.

Example Mitigating Actions: Based on a recent study, solar farms currently occupy only 0.06-0.07% of the UK's total land area⁹. Moreover, the UK's latest Climate Risk Independent Assessment (CCRA3) highlighted that climate change already poses a risk to UK food production, and this risk will grow substantially over the next 30 to 60 years. Renewable infrastructure, through its contribution to climate change mitigation, may in turn help reduce future losses to productive farmland¹⁰.

Additionally, solar installations offer farmers an opportunity for economic diversification without significantly impacting the UK's food security. During the financial year, grazing using farmers livestock was present on 26 of BSIF's solar assets.



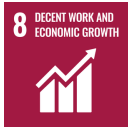
Topic(s): Water Usage

Potential Adverse Impact: Water usage risks associated with solar PV technology primarily relate to the manufacturing stages of the supply chain. Once operational, a small amount of water is required for cleaning solar panels (particularly in arid and dusty regions) to maintain their efficiency.

Example Mitigating Actions: BSIF's assets utilise a small quantity of water (mains or deionised water) annually, which is brought to sites for PV washdown purposes by contractors.



Adverse Impacts (cont.)



Topic(s): Human and Labour Rights

Potential Adverse Impact: Solar PV supply chains have been linked to potential human and labour rights risks. The most prominent concerns are those relating to the use of forced labour in the polysilicon value chain, including quartz mining.

Example Mitigating Actions: Human rights considerations are included within BSIF's investment and due diligence processes. During the financial year, BSIF commissioned an in-depth review to assess how human rights risks are considered and may present in EPC contractors, to inform BSIF's management approach. For solar PV and BESS equipment manufacturers, and EPCs, actions taken to help mitigate human rights risks include:

- Completion of ESG due diligence questionnaires
- Review of ESG policies
- Third-party ESG due diligence, to supplement findings from internal reviews
- Enhanced ESG contractual protections and requirements within EPC contracts
- Supply chain traceability information requested from solar PV and BESS equipment manufacturers as part of EPC engagements
- Social audits requested for solar PV panel manufacturing facilities as part of EPC engagements



Topic(s): Waste Management, Circularity, and Critical Minerals

Potential Adverse Impact: As the first generation of solar farms approach the end of their economic lifetimes, responsible decommissioning of sites and equipment is becoming a key sustainability topic. However, recycling of solar panels remains challenging, due in part to current panel breakdown and material recovery costing more than extracting the virgin materials¹¹.

Example Mitigating Actions: BSIF has partnered with Lancaster University to deliver a research programme focused on end-of-life decision-making for renewable assets. Two research projects have been delivered, known as ERALD I and ERALD II.

ERALD I - Materials Passport Pilot: the study tested the concept of a "Materials Passport", a digital tool designed to track the materials composition of solar infrastructure components. The findings showed how clear, centralised data, relating to the systems, equipment, components and materials that comprise a solar asset, could support future planning for reuse and recycling.

ERALD II - Roadmap for the Solar PV Industry: the study engaged over 30 industry stakeholders and more than 10 academic experts from Lancaster to map current practices, identify systemic barriers to circularity and develop an industry whitepaper and roadmap to guide future research, innovation and policy engagement. Ten recommendations to advance circularity in the solar PV sector were identified, with findings shared at the House of Lords in July, as well as several industry knowledge exchange events, reinforcing the Company's commitment to driving sustainability and innovation. Outputs have been made publicly available with a view to encouraging wider industry collaboration and accelerating progress across the sector.

Adverse Impacts (cont.)



Topic(s): Ecosystem Interactions and Land Use

Potential Adverse Impact: The UK has been assessed as one of the most nature-depleted countries in the world¹², and the Company recognises the significant risk that nature loss may present to businesses and the economy. The construction and operation of renewable infrastructure assets can impact the local environment, for example through land use change or disturbance to habitats and species.

Example Mitigating Actions: BSIF endeavours to minimise its negative impacts on nature, and the collection of asset-level environmental data supports the monitoring of any adverse environmental impacts over time. BSIF integrates nature considerations into decision-making and land management through its Nature Framework, which was informed by the TNFD. The Nature Framework aims to drive value by protecting ecosystems that improve asset resilience and value, mitigate regulatory risk, strengthen BSIF's licence to operate, and support stronger community relationships.

As briefly explored, the renewables sector has the potential to cause adverse impacts, and thus the sector must address these challenges. However, the International Institute for Sustainable Development (IISD) has assessed that renewables have a “far lower” social and environmental impact than other energy sources. Moreover, any identified negative impacts are often able to be further reduced, as evidenced by established practices and initiatives¹³.

BSIF produces an annual Principal Adverse Impact (PAI) report, available on its website.

Looking Forward

BSIF will continue to review its contributions to the SDGs on an ongoing basis. Please refer to BSIF's ESG report, published within its 2025 Annual Report on its website, for a detailed overview of its ESG performance for the latest financial year.



Citations & References

1 The Sustainable Development Agenda - United Nations Sustainable Development

2 The SDG Investment Case

3 GOAL 17: Partnerships for the Goals

4 BSIF's ESG commitments and KPIs will be refreshed in due course to align with the results of the DMA. Once updated, these will be re-mapped against the most appropriate SDGs.

5 'Wholly owned assets' refers to operational and construction assets excluding BSIF's investment stake in the strategic partnership with GLIL Infrastructure (Lyceum).

6 Defined as within 1 kilometre of a biodiversity-sensitive area.

7 Relating to planning applications submitted by the Company together with its development partners during the Year.

8 Potential adverse impacts were derived from the International Institute for Sustainable Development - Renewable Energy and Sustainability Report

9 Shedding light on land use change for solar farms

10 United Kingdom Food Security Report 2021: Theme 2: UK Food Supply Sources

11 Solar panels have come a long way. Recycling them has not - but that could change

12 State of Nature

13 Benefits of Renewables Outweigh Negative Impacts, REN21 Report Finds





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