

Registered number: 01479160

Right Management Limited

Annual Report and Financial Statements

For the year ended 31 December 2022

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Right Management Limited

Annual report and financial statements 2022

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Right Management Limited

Annual report and financial statements 2022

Officers and professional advisers

Directors

T J Gilbert
B M De Graaf

Company Secretary and Registered Office

T J Gilbert
50 Bank Street
Canary Wharf
London
E14 5NS

Banker

Barclays Bank plc
Level 28
1 Churchill Place
Canary Wharf
London
E14 5HP

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

Right Management Limited

Strategic report

The directors of Right Management Limited (the "Company"), in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Review of the business

Right Management (www.right.com) is the talent and career management expert within ManpowerGroup, the global leader in employment services. Our expertise spans Talent Assessment, Leadership Development, Organisation Effectiveness, Employee Engagement and Workforce Transition and Outplacement. We work with more than 80% of Fortune 500 companies to help them grow their talent, reduce costs and accelerate performance.

There have not been any significant changes in the Company's principal activity during the year under review. Covid-19 has presented both an opportunity for growth and a challenge to delivery in the forthcoming year. Further detail provided in principal risks and uncertainties, below.

During 2022, the Company's annual turnover increased by 7.2% from £22,132,000 to £23,728,000 (2021 – decrease 0.5 %). This was driven by an improvement in activity levels, in certain parts of the business, after UK Covid-19 restrictions were lifted in 2022.

As shown in the profit and loss account on page 11, the Company's profit after taxation was £3,424,000 (2021 - £3,556,000). This movement is a consequence of differing group tax credits between 2021 and 2022.

During 2022, the Company's cash position increased from £12,568,000 to £14,314,000. This change broadly reflects the year-on-year profit movement.

Key performance indicators

All data used in key performance indicators is derived from the Company's financial statements.

	2022	2021
Operating profit margin	17.2 %	13.8%

Operating profit margin = operating profit as a percentage of turnover.

The movement in operating profit margin is due to an increased turnover combined with a more efficient programme delivery, and an increase in more profitable service lines, when compared to prior year.

Principal risks and uncertainties

Competitive pressure in the UK is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by providing added value services to its customers, building and maintaining strong customer relationships and operating efficient supply and account handling procedures.

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund obligations arising from liabilities as they fall due. The most important components of financial risk are credit risk and liquidity risk.

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the principal financial risk that the directors consider relevant to this Company is credit risk. The risk is mitigated through a robust credit control function, which includes credit worthiness checks on new and existing clients, along with on-going reviews of the Company's receivables position.

In order to maintain liquidity, to ensure sufficient funds are available for ongoing operations and future developments, the Company uses third party short-term debt finance available to all ManpowerGroup Inc. group companies. The interest rate risks are set at market rates by the third party and managed by central treasury functions within ManpowerGroup Inc.

Right Management Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

The inflationary pressures and economic uncertainty from the war in Ukraine are having an ongoing impact to the trading environment. The inflationary pressures are being carefully monitored by the Directors, with appropriate measures being taken to adapt operations to this risk. While the underlying economic uncertainty is typically seen as a risk to many businesses, the Company sees this as an opportunity for growth due to the potential for corporate restructuring across the economy and possible demand for the Company's services.

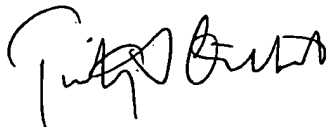
The Company responded well to the Covid-19 impact in 2022, with revenue growth recognised for the year. The Directors will continue to monitor, review and take the appropriate steps, as well as recognise and address the other current and emerging risks and uncertainties faced as a business. ManpowerGroup companies are well placed to respond positively to the changing market conditions from these factors.

Future developments

Whilst the market conditions remain volatile and uncertain, with improvements in the speed and quality of operational delivery, financial efficiencies and liquidity, the directors believe that the Company is well placed to benefit from any changes in the economy and potential increases in the demand for employment services which will arise therefrom.

Notwithstanding the risks and uncertainties outlined above, the directors expect the general level of activity to remain consistent with 2022 in the forthcoming year.

Approved by the Board of Directors and signed on behalf of the Board.



T J Gilbert
Director
3rd August 2023

50 Bank Street
Canary Wharf
London
E14 5NS

Right Management Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2022.

Directors

The directors, who served throughout the year and to the date of this report except as noted, were as follows:

- B M De Graaf - Appointed 31 March 2022
- T J Gilbert - Appointed 28 February 2022
- I C Symes - Resigned 31 March 2022
- D Duffy - Resigned 28 February 2022

Dividends

The directors paid dividend payments during the year of £nil (2021 - £nil). The directors have not proposed any dividend during the year or post year end (2021 - £nil).

Future developments

Details of future developments can be found in the strategic report on page 3.

Going concern

The inflationary pressures and economic uncertainty from the war in Ukraine continue to have an ongoing affect to the trading environment in terms of existing and prospective clients and rising costs. However, the Company has adapted its operations to try and minimise the financial impact. Consequently, the Company's cash-flow position remains healthy post year end and the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the Company has a significant cash balance and has received a commitment of financial support, at least 12 months from the date of the signed accounts, from its ultimate parent company ManpowerGroup Inc., which is in a strong financial position for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Information in respect of financial risk management and liquidity risks is set out in the strategic report on page 2 of the financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements (see note 1).

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the strategic report on page 2 "Principal risks and uncertainties".

Employees

Details of the number of employees and related costs can be found in note 8 to the financial statements.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Right Management Limited

Directors' report (continued)

Employee consultation

The directors recognise the importance of communicating effectively with all levels of employees on matters which affect their current occupations and future prospects. Communications with employees is achieved through regular individual meetings at local level and through information briefing sessions and discussions with wider groups of employees.

Special emphasis is placed on training of staff and a full range of internally organised training courses is provided for this purpose.

The Company offers a range of employee benefits to staff who qualify by reason of seniority and length of service including a pension scheme, death-in-service benefits and private medical insurance.

Information to the auditor

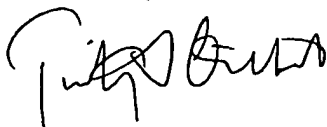
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



T J Gilbert
Director

3rd August 2023

50 Bank Street
Canary Wharf
London
E14 5NS

Right Management Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Right Management Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Right Management Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Right Management Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of Right Management Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006, Tax and Pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included UK Bribery Act, Employment Law, Data Protection Act (GDPR), Money Laundering, and Proceeds of Crime Act 2006.

We discussed among the audit engagement team including relevant internal specialists such as pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address it are described below:

- Risk of revenue being recorded in an incorrect period resulting in a cut-off error and associated error in valuation of deferred and accrued income. We tested pre- and post-year-end revenue on a sample basis to check the revenue recognition is consistent with contractual terms and that revenue is recorded in the correct period, i.e., when services are provided. We tested deferred and accrued income by recalculating total year-end balances to verify the accuracy of the value recorded by management and we also tested the relevant information produced by the entity to support management's calculation.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of Right Management Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Dulat Taituleyev CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 3 August 2023

Right Management Limited

Profit and loss account For the year ended 31 December 2022

	Note	2022 £000	2021 £000
Turnover		23,728	22,132
Cost of sales	3	<u>(8,367)</u>	<u>(7,857)</u>
Gross profit		15,361	14,275
Administrative expenses	4,8	<u>(11,284)</u>	<u>(11,210)</u>
Operating profit		4,077	3,065
Finance income (net)	5	<u>164</u>	<u>23</u>
Profit before taxation	6	4,241	3,088
Tax (charge) / credit	10	<u>(817)</u>	<u>468</u>
Profit for the financial year attributable to equity shareholders of the Company		<u><u>3,424</u></u>	<u><u>3,556</u></u>

All results relate to continuing activities.

Right Management Limited

Statement of comprehensive income For the year ended 31 December 2022

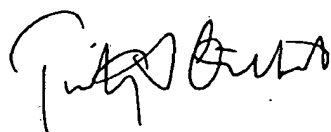
	2022 £000	2021 £000
Profit for the financial year	3,424	3,556
Re-measurement of net defined benefit asset	(191)	208
Effect of limit on recognisable pension scheme asset	184	(216)
Tax relating to components of other comprehensive loss	-	-
Other comprehensive loss	(7)	(8)
Total comprehensive income attributable to equity shareholders of the Company	3,417	3,548

Right Management Limited

Balance sheet As at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	11	276	203
Investments	11	36,900	36,900
		<u>37,176</u>	<u>37,103</u>
Current assets			
Stocks	12	22	21
Debtors			
- due within one year	13	4,746	4,136
- due after one year	13	116	169
Cash at bank and in hand		14,314	12,568
		<u>19,198</u>	<u>16,894</u>
Creditors: amounts falling due within one year	14	(4,935)	(5,906)
		<u>14,263</u>	<u>10,988</u>
Net current assets			
		<u>14,263</u>	<u>10,988</u>
Total assets less current liabilities		<u>51,439</u>	<u>48,091</u>
Provisions for liabilities	15	(31)	(100)
		<u>51,408</u>	<u>47,991</u>
Net assets		<u>51,408</u>	<u>47,991</u>
Capital and reserves			
Called up share capital	16	-	-
Other reserves	16	(8)	(8)
Capital contribution	16	7,129	7,129
Profit and loss account	16	44,287	40,870
		<u>51,408</u>	<u>47,991</u>
Shareholder's funds		<u>51,408</u>	<u>47,991</u>

The financial statements of Right Management Limited, a Company registered in England and Wales with registered number 01479160, were approved by the Board of Directors and authorised for issue on 3rd August 2023. They were signed on its behalf of by:



T J Gilbert
Director

Right Management Limited

Statement of changes in equity For the year ended 31 December 2022

	Called up share capital £000	Other reserves £000	Capital contribution £000	Profit and loss account £000	Total £000
At 1 January 2021	-	(8)	7,129	37,322	44,443
Profit for the financial year	-	-	-	3,556	3,556
Other comprehensive loss	-	-	-	(8)	(8)
Total comprehensive income	-	-	-	3,548	3,548
At 31 December 2021	-	(8)	7,129	40,870	47,991
Profit for the financial year	-	-	-	3,424	3,424
Other comprehensive loss	-	-	-	(7)	(7)
Total comprehensive income	-	-	-	3,417	3,417
At 31 December 2022	-	(8)	7,129	44,287	51,408

Right Management Limited

Notes to the financial statements For the year ended 31 December 2022

1. Accounting policies

The principal accounting policies are summarised below. These have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Right Management Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on page 1. The nature of Right Management Limited's operation and its principal activities are set out in the strategic report on page 2.

The financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Right Management Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Right Management Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Right Management Limited is consolidated in the financial statements of its ultimate parent, ManpowerGroup Inc., which may be obtained at 100 Manpower Place, Milwaukee, Wisconsin 53212, USA. Exemptions have been taken in these separate company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and intra group transactions.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 2 and 3. The financial position of the Company is described in the strategic report.

The inflationary pressures and economic uncertainty from the war in Ukraine continue to have an ongoing affect to the trading environment, however the Company has adapted its operations to try and minimise the financial impact. Consequently, the Company's cash-flow position remains healthy post year end.

Furthermore, the Directors have considered the ability of ManpowerGroup Inc. to support the Company, with a financial commitment of at least 12 months after the signing date from the ultimate parent.

ManpowerGroup Inc. has a strong balance sheet and has a revolving credit agreement which allows borrowing of US\$600.0 million. Under this credit facility, there were no borrowings as of 31 December 2022, and \$75.0 million borrowings as of December 31, 2021.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of accumulated depreciation and any impairment loss.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	- shorter of 5 years and length of lease
Fixtures, fittings and equipment	- 5 years
Computers	- 3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

1. Accounting policies (continued)

Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Taxation

Current tax, comprising UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred taxation is measured on a non-discounted basis using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Turnover

Turnover is derived entirely in the United Kingdom and is stated net of VAT and trade discounts. Revenue is recognised in the month that services are performed. This is achieved by either booking a sales invoice or by way of a work in progress accrual. If a sales invoice represents work to be delivered over future months, part of the invoice will be deferred to accurately reflect the timing of the delivery.

Interest income

Interest income is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying value on initial recognition.

Leases

Rentals paid under operating leases are charged on a straight line basis over the lease term, even if payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term. Further information on charges in the year and future commitments is given in notes 6 and 17 respectively. The terms of all operating leases are continually reviewed and a provision is made for the discounted value of future onerous lease payments where appropriate.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

1. Accounting policies (continued)

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined using the invoice value and all other directly attributable costs to bringing the inventory to the point of use determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All differences are taken to the profit and loss account.

Employee benefits

The Company participates in both a defined benefit scheme and defined contribution scheme with assets held in separate trustee administered funds.

The Company participates in the Coutts Consulting Group Civil Service Replacement Benefit Scheme (the 'CS Scheme') (see note 18). This is a defined benefit scheme, the assets and liabilities of which are held independently from the Company.

It is the policy of the Company to fund pension liabilities on the advice of external actuaries, by payments to an independent trust. Independent actuarial valuations on a going concern basis are carried out on the Group defined benefit scheme every three years.

The Company operates a defined contribution pension scheme for certain permanent employees. The amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either prepayments or accruals in the balance sheet.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The directors do not believe that there are any key judgements involved in preparation of these financial statements.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed below.

Revenue recognition

The critical estimation takes place in relation to the cut-off of revenue. Revenue is recognised in the month that services are performed. This is achieved by either booking a sales invoice or by way of a work in progress accrual. If a sales invoice represents work to be delivered over future months, part of the invoice will be deferred to accurately reflect the timing of the delivery.

Defined benefit pension scheme accounting

The critical judgement takes place in relation to the assumptions used in the valuation of the scheme assets and liabilities and specifically the judgment that the surplus in the scheme of £479,000 (2021: £651,000) may not be recoverable by the Company. As set out in the Pension Scheme Rules, a surplus can only be paid to the Company with written agreement of the Trustees and this was not obtained at year end. More details on the assumptions used are given in note 18.

3. Cost of sales

	2022	2021
	£000	£000
Consultant and supervision fees	7,352	7,321
Delivery costs	829	445
Other costs	186	91
	<u>8,367</u>	<u>7,857</u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

4. Administrative expenses

	2022 £000	2021 £000
Staff costs	7,670	7,605
Royalty expenses and other management charges	1,519	1,872
Service charges	444	558
Utilities and other office expenses	544	520
Insurance expense	260	206
Lease expense	194	261
Depreciation on tangible assets	87	142
Consulting fees	217	185
Maintenance expenses	97	(164)
Advertising expenses	156	145
Travel and accommodation expenses	123	59
Other expenses and releases	(27)	(179)
	<u>11,284</u>	<u>11,210</u>

Included in maintenance expenses is a one-off release of a dilapidation accrual of £nil (2021: £300,000).

Included in other expenses is an amount of £212,000 relating to a reversal of an accrual no longer required in the current year (2021: £212,000).

5. Finance income (net)

	2022 £000	2021 £000
Interest payable and similar charges	5	39
Interest receivable and similar income	(169)	(62)
	<u>(164)</u>	<u>(23)</u>
Interest payable and similar charges		
Net exchange loss	-	30
Bank charges	5	9
	<u>5</u>	<u>39</u>
Interest receivable and similar income		
Bank interest income	(138)	(62)
Net exchange gain	(31)	-
	<u>(169)</u>	<u>(62)</u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

6. Profit before taxation

	2022 £000	2021 £000
Profit before taxation is stated after charging:		
Depreciation of tangible fixed assets	87	142
Operating lease rentals - land and buildings	194	261
	<u> </u>	<u> </u>

7. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £71,500 (2021 - £67,000). Fees payable to Deloitte LLP and their associates for the audit of the associated pension scheme were £15,860 (2021 - £15,600).

8. Staff numbers and costs

	2022 £000	2021 £000
Staff costs of the Company, including directors, were:		
Salaries	6,141	6,107
Social security costs	791	706
Other pension costs	738	792
	<u>7,670</u>	<u>7,605</u>

	2022 Number	2021 Number
The monthly average number of persons employed by the Company during the year, including directors, was:		
Sales	14	14
Delivery	33	35
Administration	103	105
	<u>150</u>	<u>154</u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

9. Directors' remuneration and transactions

	2022 £000	2021 £000
Directors' remuneration		
Emoluments	153	183
Company contributions to money purchase pension schemes	7	13
	<u>160</u>	<u>196</u>

	2022 Number	2021 Number
The number of directors who:		
Are members of a money purchase pension scheme	<u>1</u>	<u>1</u>

	2022 £000	2021 £000
Highest-paid director		
Emoluments	153	183
Company contributions to money purchase pension schemes	7	13
	<u>160</u>	<u>196</u>

10. Tax charge / (credit)

The tax charge / (credit) comprises:

	2022 £000	2021 £000
Current tax on profit		
UK corporation tax	764	-
Adjustment in respect of previous periods	-	(512)
Total current tax charge / (credit)	<u>764</u>	<u>(512)</u>
Deferred tax		
Origination and reversal of timing differences	40	84
Effect of changes in tax rates	13	(40)
Total deferred tax charge	<u>53</u>	<u>44</u>
Total tax charge / (credit)	<u>817</u>	<u>(468)</u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

10. Tax on profit (continued)

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £000	2021 £000
Profit before taxation	4,241	3,088
Tax on profit at standard UK tax rate of 19.00% (2021 – 19.00%)	806	587
Effects of:		
Expenses not deductible for tax purposes (net)	2	6
Effects of group relief / other reliefs	-	(509)
Adjustment in respect of previous periods	-	(512)
Tax rate changes	13	(40)
Share Options	(4)	-
Total tax on profit	817	(468)

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as substantively enacted by Finance Act 2016 on 6 September 2016). However, legislation introduced in the Finance Act 2020 and substantively enacted on 17 March 2020 repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%. Deferred taxes on the balance sheet have been measured at 25.00% (2021 – 19.00%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK corporation tax rate for the year ended 31 December 2022 is 19% which has been effective since 1 April 2017. Legislation increasing the corporation tax rate to 25% with effect from 1 April 2023 was substantively enacted on 24 May 2021. Deferred taxes at 31 December 2022 have been measured using this enacted tax rate and reflected in these financial statements.

Deferred taxation is measured at tax rates that are expected to apply in the periods in which temporary timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively been enacted at the balance sheet date.

There is no expiry date on timing differences or tax credits.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

11. Fixed assets

Tangible fixed assets:

	Leasehold improvements £000	Fixtures, fittings and equipment £000	Total £000
Cost			
At 1 January 2022	1,745	2,747	4,492
Additions	134	26	160
At 31 December 2022	<u>1,879</u>	<u>2,773</u>	<u>4,652</u>
Depreciation			
At 1 January 2022	1,745	2,544	4,289
Charge for the year	19	68	87
At 31 December 2022	<u>1,764</u>	<u>2,612</u>	<u>4,376</u>
Net book value			
At 31 December 2022	<u>115</u>	<u>161</u>	<u>276</u>
At 31 December 2021	<u>-</u>	<u>203</u>	<u>203</u>
Investments:			
		2022 £000	2021 £000
Amounts due from parent undertakings		<u>36,900</u>	<u>36,900</u>

Amounts due from parent undertakings include loans of £36,900,000 (2021 - £36,900,000) that are unsecured, interest-free, and repayable on demand.

12. Stocks

	2022 £000	2021 £000
Finished goods	<u>22</u>	<u>21</u>

There is no material difference between the balance sheet value of stocks and their replacement cost. The Company has recognised a stock expense of £1,000 (2021 - £1,000).

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

13. Debtors

	2022 £000	2021 £000
Amounts falling due within one year:		
Amounts due from other group undertakings	1,703	396
Trade debtors	1,545	1,758
Prepayments and accrued income	1,498	1,982
	<u>4,746</u>	<u>4,136</u>
Amounts falling due after more than one year:		
Deferred tax asset	116	169
	<u>4,862</u>	<u>4,305</u>
The movement on the deferred tax asset comprises:		
At 1 January	169	213
Charged to profit and loss account	(53)	(44)
	<u>116</u>	<u>169</u>
At 31 December	<u>116</u>	<u>169</u>
Deferred tax comprises:		
Fixed asset timing differences	95	131
Short term timing differences - trading	21	38
	<u>116</u>	<u>169</u>

Amounts due from other group undertakings comprise of current trading accounts of £1,703,000 (2021 - £396,000) that are unsecured, interest-free, and repayable on demand.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

14. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	381	903
Amounts due to other group undertakings	745	1,221
Taxation and social security	1,807	624
Accruals and deferred income	2,002	3,158
	<u>4,935</u>	<u>5,906</u>

Amounts due to other group undertakings comprise of current trading accounts of £745,000 (2021 - £1,221,000) that are unsecured, interest-free, and repayable on demand.

15. Provision for liabilities

	2022 £000	2021 £000
Provision for dilapidations		
At 1 January	100	335
Charged/(credit) to profit and loss account	31	(235)
Utilised in year	(100)	-
	<u>31</u>	<u>100</u>
At 31 December	31	100

This provision covers the expected cost of returning the leasehold property back to its original condition at the start of the lease. The lease expiry is March 2027, with a total expected cost of £205,000.

16. Called up share capital and reserves

	2022 £	2021 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

- The other reserves represent distributions made to ManpowerGroup Inc. pursuant to that company's stock option scheme.
- The capital contribution reserve relates to capital contributions made by the parent or other group companies.
- The profit and loss reserve represents cumulative profit or losses, net of dividends paid and other adjustments.

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

17. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2022	2021
	£000	£000
Operating leases which expire:		
- within one year	246	98
- between one and five years	861	-
	<u>1,107</u>	<u>98</u>

18. Employee benefits

Defined contribution scheme

The Company operates a defined contribution pension scheme under which the executive directors and all employees are eligible to participate, based on age and length of service. It is the policy of the Company to charge contributions to this scheme in the profit and loss account over the period of the employees' membership of the scheme. Contributions of £720,000 (2021 - £744,000) were charged in the year.

Defined benefit scheme

As of 12 October 1998, the Company started a defined benefit scheme under which certain employees are eligible, the Coutts Consulting Group Civil Service Replacement Benefit Scheme (the 'CS Scheme'). The CS Scheme is funded by the payment of contributions to separate trustee-administered funds. The CS Scheme pays out pensions at retirement based on service and final pay. The funding policy is agreed between the Trustees and the Company and is formally set out in a Statement of Funding Principles, Schedule of Contributions and Recovery Plan following each full actuarial valuation.

A full actuarial valuation of the CS Scheme was performed as at 11 October 2019, using the Projected Unit Method, and the defined benefit obligation has been adjusted to the reporting date at 31 December 2022 using an approximate roll-forward approach, allowing for benefits paid to members over the period. The contribution rate from October 2019 was 107.7% (2017 valuation – 63.9%) of pensionable pay. No other funding assumptions have changed since the 2017 actuarial valuation.

The major assumptions used by the actuary at the balance sheet date were (in nominal terms):

	2022	2021
	%	%
Rate of increase in pensionable salaries	2.00	2.00
Pension escalation in payment (maximum 5%)	5.00	5.00
Discount rate	4.70	1.80
Inflation assumption	<u>3.15</u>	<u>3.70</u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

18. Employee benefits (continued)

Mortality assumptions

The assumed life expectations on retirement at age 60 are:

	2022 years	2021 years
Retiring today:		
Males	26.1	26.1
Females	28.9	28.8
Retiring in 20 years:		
Males	27.6	27.5
Females	30.4	30.3

The analysis of the assets of the scheme and the net asset recognised at the balance sheet date were:

	2022 £000	2021 £000
Equities	568	683
Bonds	950	1,559
Property	-	-
Other (including cash)	12	13
Total market value of assets	1,530	2,255
Actuarial value of liability	(1,051)	(1,604)
Surplus in the scheme	479	651
Unrecognised surplus	(479)	(651)
Pension asset	-	-

Analysis of the amount charged to operating profit:

	2022 £000	2021 £000
Operating profit		
Current service cost	(15)	(15)
Scheme administration expenses	-	-
Total operating charge	(15)	(15)

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

18. Employee benefits (continued)

Analysis of the amount credited to interest receivable and similar income:

	2022 £000	2021 £000
Finance income		
Expected return on pension scheme assets	40	29
Interest on pension liabilities	(28)	(23)
Interest adjustment relating to asset ceiling	(12)	(6)
	<u> </u>	<u> </u>
Net return	-	-
	<u> </u>	<u> </u>

Analysis of the amount charged to other comprehensive income:

	2022 £000	2021 £000
Re-measurement of net defined benefit asset	(191)	208
Effect of limit on recognisable pension scheme asset	184	(216)
	<u> </u>	<u> </u>
Total recognised in other comprehensive loss	(7)	(8)
	<u> </u>	<u> </u>

Movements in the present value of defined benefit obligations were as follows:

	2022 £000	2021 £000
At 1 January	1,604	1,786
Current service cost	15	15
Interest expense	28	23
Actuarial gain	(546)	(170)
Benefits paid	(50)	(50)
	<u> </u>	<u> </u>
At 31 December	1,051	1,604
	<u> </u>	<u> </u>

Movements in the fair value of scheme assets were as follows:

	2022 £000	2021 £000
At 1 January	2,255	2,215
Interest income	40	29
Return on plan assets (excluding amounts included in net interest cost)	(737)	38
Contributions by employer	22	23
Administration fee paid from scheme assets	-	-
Benefits paid	(50)	(50)
	<u> </u>	<u> </u>
Market value of assets at the end of the year	1,530	2,255
	<u> </u>	<u> </u>

Right Management Limited

Notes to the financial statements (continued) For the year ended 31 December 2022

18. Employee benefits (continued)

Movements in the unrecognised surplus were as follows:

	2022 £000	2021 £000
At 1 January	651	429
Interest on the unrecognised surplus	12	6
Change in the unrecognised surplus excluding interest	(184)	216
Unrecognised surplus at the end of the year	<u>479</u>	<u>651</u>

Fair value of scheme assets in each category:

	Quoted market price in active market	
	2022 £000	2021 £000
Equities	568	683
Bonds	950	1,559
Cash	12	13
Total	<u>1,530</u>	<u>2,255</u>

The Scheme assets include no assets from the Company's own financial instruments. The Scheme assets include no property occupied by, or other assets used by, the Company.

19. Ultimate controlling party

The Company's ultimate parent company and controlling party is ManpowerGroup Inc., a company incorporated in the United States of America.

The Company's immediate parent company is RMC EMEA Limited, a company registered in England and Wales, whose principal place of business is at 50 Bank Street, Canary Wharf, London, E14 5NS. This is the same address as the smallest undertaking.

The largest undertaking and the only group in which the results of Right Management Limited are consolidated, is that headed by ManpowerGroup Inc., whose principal place of business is at 100 Manpower Place, Milwaukee, Wisconsin 53212, USA. The annual report of this group is available to the public and may be obtained from the above address.

**AVIVA INVESTORS PIP SOLAR PV LIMITED
PARTNERSHIP
ANNUAL REPORT AND FINANCIAL
STATEMENTS
31 DECEMBER 2022**

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

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AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

PARTNERS, ADVISERS AND OTHER INFORMATION

Partners:

Limited Partners

Aviva Investors Infrastructure Income No.1 Limited

General Partner

Aviva Investors PiP Solar PV (General Partner) Limited

St. Helens

1 Undershaft

London

EC3P 3DQ

Portfolio Manager

Aviva Investors Global Services Limited ('Aviva Investors')

St. Helens

1 Undershaft

London

EC3P 3DQ

Fund Manager

Aviva Investors UK Fund Services Limited

St. Helens

1 Undershaft

London

EC3P 3DQ

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside

London

SE1 2RT

Bankers

HSBC BANK PLC

INTERNATIONAL BRANCH

60 Fenchurch Street

London

EC3M 4BA

Registered office

St. Helens

1 Undershaft

London

EC3P 3DQ

Registered number

Registered in England and Wales: No. LP016469

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors of the General Partner (the "Directors") present their Strategic Report of Aviva Investors PiP Solar PV Limited Partnership (the "Partnership") for the year ended 31 December 2022.

THE PARTNERSHIP

The Partnership was established on 29 January 2015 and registered as a limited partnership in England and Wales under the Limited Partnerships Act 1907 on 30 January 2015. The total commitment of the Partners as at 31 December 2022 is £131,000,000 (2021: £131,000,000) of which £24,880,000 (2021: £24,880,000) had been drawn down.

PRINCIPAL ACTIVITIES OF THE PARTNERSHIP

The principal activity of the Partnership is to invest, indirectly, into infrastructure in the United Kingdom. This will continue to be the principal activity of the Partnership for the foreseeable future. The Partnership owns a 100% equity interest in Aviva Investors PiP Solar PV No.1 Limited (the "Holdco").

The principal activity of the Holdco is to act as holding company for Infrastructure Investments. These Infrastructure Investments generate income from solar panels installed on residential and commercial properties.

REVIEW OF THE PARTNERSHIP'S BUSINESS

Objective and strategy

The objective of the Partnership is to achieve investment returns in excess of four hundred (400) basis points per annum (net of costs and expenses) above the rate of return generated by long-dated indexed-linked gilts which have a comparable duration to the Infrastructure Investments over the life of the Partnership.

To achieve the objective, the Partnership will adopt the strategy of owning, acquiring or investing in (whether directly or indirectly) Eligible Infrastructure Assets (or rights to operate such Eligible Infrastructure Assets) and/or rights under contracts in relation to Eligible Infrastructure Assets (including contracts such as concession contracts, leases, loan agreements or other debt contracts, derivative contracts or other similar structures) such that when considered together the Partnership is exposed to Eligible Infrastructure Assets.

The Partnership may acquire or invest in Infrastructure Investments from the following sub-sectors in the UK market:

- a) Solar photovoltaic ("PV") (i.e. the production of electricity by solar panels), provided that the majority of the income expected to be derived from any Infrastructure Investment relates to solar PV systems that are eligible to receive revenues under a "Feed-in-Tariff" regime, these will typically be small scale solar PV systems and/or solar PV systems installed on rooftops;
- b) other solar PV systems that have fixed-price (with periodic inflation adjustments) contracts with, or guaranteed by, a department of the UK government; and
- c) infrastructure related to such solar PV assets.

Infrastructure Investments may include the acquisition of Eligible Infrastructure Assets that are operational or in the construction phase.

Infrastructure Investments will be denominated in (or have contractual obligations denominated in) Sterling.

The Partnership will not invest in the early stage of development of solar PV systems.

The Partnership will not enter into any hedging arrangement for speculative purposes.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

PARTNERSHIP PERFORMANCE

The financial position of the Partnership at 31 December 2022 is shown in the Statement of Financial Position on page 15 with the results shown in the Statement of Comprehensive Income on page 14.

The business review is required to contain financial and where applicable, non-financial key performance indicators ("KPIs"). The General Partner considers that, in line with the activities and objectives of the business, the financial KPIs set out below are those which communicate the performance of the Partnership as a whole.

These KPIs comprise of:

	31 December 2022	31 December 2021 (Restated*)
Net asset value (NAV)	£ 18,328,501	19,551,647

*For restatement details please refer to Note 16 of these financial statements.

CAPITAL MANAGEMENT & OBJECTIVES

During the year ended 31 December 2022 there was no new equity £Nil, in the form of capital contributions and advances injected into the Partnership (2021: £Nil).

PURCHASES AND DISPOSALS

There were no purchases or disposals during the year ended 31 December 2022.

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the General Partner and there are no events to be disclosed or adjusted for in these audited financial statements.

FUTURE DEVELOPMENTS

The Directors expect the general level of activity to be maintained in the foreseeable future.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks arising in the Partnership are market, credit, operational and liquidity risks which are discussed in more detail below.

The Aviva Group's approach to risk and capital management

The Aviva plc and subsidiaries ("Aviva Group") operates within its own governance structure and priority framework. It also has its own established governance framework, with clear terms of reference for the Board and the Aviva Executive Committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). Aviva has an Audit Committee, which includes shareholder representatives.

Management of financial and non-financial risks

The Partnership's exposure to different types of risk is limited by the nature of its business as follows:

Covid-19, Ukraine/Russia conflict and inflationary pressures

Whilst the Covid-19 pandemic continued to impact on certain parts of the global economy during 2022, restrictions are now lifted in all major economies. There was no material Covid-19 related impact on the Partnership during 2022 nor is any anticipated for 2023.

The ongoing conflict between Ukraine and Russia, which commenced in February 2022, together with the economic sanctions placed on Russia has had a material impact to many economies with elevated level of inflation leading to central banks swiftly increasing interest rates. Whilst this is expected to moderate in 2023, there is some uncertainty around this, due to the continued high levels of core inflation within western economies. The General Partner continues to closely monitor the associated geo-political risks in relation to inflation, rising interest rates, volatile markets and any potential adverse impact on the Partnership and its investment. However, as at the date of approval of these financial statements, based on its assessment of the current situation and information available, the General Partner does not envisage that this will have a material impact on the Partnership.

Market risk

The Partnership's exposure to market risk has a direct impact on the valuation of the underlying infrastructure investments. Market risk is managed by ongoing proactive asset management.

Small scale solar PV and Onshore Wind investments

All assets are operational with years of performance history and are geographically diversified across the UK. Assets benefit from low irradiation/wind volatility, large majority of revenues from fixed and indexed energy prices and operationally simple assets.

Interest rate risk

The Partnership does not have a significant exposure to interest rate risk.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Credit risk

The Partnership does not have a significant exposure to credit risk as receivables are mainly short-term trading items and related party receivables.

Loan commitments are made under the limited partnership agreement ("LPA") that is signed by all parties so that all the members of the Partnership are aware of their commitments. The General Partner communicated regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance to manage the risk of default.

Cash at bank is held with financial institutions with good credit ratings.

Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems; or from external events. Details of the Aviva Group approach to operational risk are set out in the financial statements of Aviva Investors UK Fund Services Limited, which manages and administers the Partnership's investments.

Liquidity risk

The Partnership does not have a significant exposure to liquidity risk. Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business. The General Partner monitors the maturity of the Partnership's obligations as and when they fall due.

The maturity analysis of the Partnership's financial assets and liabilities as at 31 December 2022 was as follows:

As at 31 December 2022

	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
Financial assets					
Loan receivable	-	-	-	18,758,868	18,758,868
General Partner's loan	17,436	-	-	-	17,436
Other debtors	225,895	-	-	-	225,895
Cash at bank and in hand	213	-	-	-	213
	<u>243,544</u>	<u>-</u>	<u>-</u>	<u>18,758,868</u>	<u>19,002,412</u>
Financial liabilities					
Amounts owed to related parties	715,806	-	-	-	715,806
Accrued General Partner Profit					
Share	17,436	-	-	-	17,436
Accruals	49,483	-	-	-	49,483
	<u>782,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>782,725</u>

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Liquidity risk (continued)

The maturity analysis of the Partnership's financial assets and liabilities as at 31 December 2021 was as follows:

As at 31 December 2021

	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
Financial assets					
Loan receivable (restated*)	-	-	-	19,329,420	19,329,420
General Partner's loan	15,534	-	-	-	15,534
Other debtors	697,372	-	-	-	697,372
Cash at bank and in hand	137	-	-	-	137
	<u>713,043</u>	<u>-</u>	<u>-</u>	<u>19,329,420</u>	<u>20,042,463</u>
Financial liabilities					
Amounts owed to related parties	515,947	-	-	-	515,947
Accrued General Partner Profit					
Share	15,534	-	-	-	15,534
Accruals	77,399	-	-	-	77,399
	<u>608,880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>608,880</u>

*For restatement details please refer to Note 16 of these financial statements.

EMPLOYEES

The Partnership has no employees (2021: None). The key management personnel have been identified as the Directors of Aviva Investors PiP Solar PV (General Partner) Limited. The Directors received no remuneration (2021: £Nil).

Directors were employed and remunerated by Aviva Employment Services Limited. No recharge was made by the Parent company for their services.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

ENVIRONMENTAL

Our approach to responsible investment in real assets

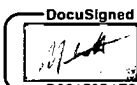
Our duty as long-term stewards of our clients' assets is the responsible allocation and management of capital. We do this to create stable income and capital growth for our clients, contributing to long-term value creation. To create and protect value, we must balance the needs of our clients with the needs of our stakeholders: customers, partners, communities and wider society. We do this by understanding material environmental, social and governance (ESG) factors and sustainability risks that can impact investment returns and assessing investments for their potential to adversely impact our stakeholders.

Governance and oversight of our responsible investment activity is led by our real assets stewardship forum, which is chaired by the chief investment officer and has membership from our senior leadership team as well as the chief responsible investment officer. The stewardship forum oversees the direction of our ESG and stewardship activities, as well as the delivery of our sustainability goals and external stakeholder matters. Our real assets investment oversight committee retains oversight of ESG integration in our investment activities and is supported by our origination forum, which guides ESG integration in our investment strategy.

We encourage a culture of team and individual accountability through integrating ESG in asset planning and review meetings. Our reporting on ESG metrics through these meetings allows us to hold our teams to account for delivering our responsible investment goals. The integration of ESG factors in investment decisions is part of the pay criteria of our main investment desk heads. In addition, through our global reward framework, all investment employees are expected to support our responsible investment activities and integrate ESG issues into their investment processes.

Find out more about our approach to responsible investment at <https://www.avivainvestors.com/en-gb/about/corporate-responsibility/>

For and on behalf of the Partnership:

DocuSigned by:

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M A Wells

Director of Aviva Investors PiP Solar PV (General Partner) Limited

Date: 27 July 2023 | 16:17:01 BST

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors of the General Partner present their annual report and the audited financial statements of the Partnership for the year ended 31 December 2022.

RESULTS AND DISTRIBUTIONS

The total comprehensive expense for the year was £1,223,146 (2021: (restated) income of £431,536). Distributions to the Partners were £1,971,154 (2021: £486,800).

DIRECTORS

The current Directors of Aviva Investors PiP Solar PV (General Partner) Limited and those in office throughout the year, except as noted, are as follows:

J M Stevens
E V Dixon
M A Wells

FUTURE DEVELOPMENTS

The future development of the Partnership is set out in the Strategic Report.

EVENTS AFTER THE REPORTING PERIOD

The General Partner can confirm that there are no events to report after the reporting period.

PARTNERS' ACCOUNTS

Partners' accounts consist of capital contributions and non-interest bearing advances. The Partnership has classified the Partners' accounts as a financial liability based on the contractual arrangements within the LPA which require repayment of the net assets/liabilities upon wind up of the Partnership.

The Partners' accounts include capital contributions and Partners' advance as follows:

As at 31 December 2022	Capital Contributions £	Capital Advance £
Limited Partners	1,310	24,464,192
Aviva Investors PiP Solar PV (General Partner) Limited	-	-
	<u>1,310</u>	<u>24,464,192</u>
As at 31 December 2021	Capital Contributions £	Capital Advance £
Limited Partners	1,310	24,464,192
Aviva Investors PiP Solar PV (General Partner) Limited	-	-
	<u>1,310</u>	<u>24,464,192</u>

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

AMOUNTS ATTRIBUTABLE TO THE GENERAL PARTNER

The General Partner is entitled to a priority profit share in accordance with LPA for its services as General Partner.

The General Partner's allocations are expensed through the Statement of Comprehensive Income.

The General Partner's priority profit share entitlement for the year was £17,436 (2021: £15,534).

GOING CONCERN

The Partnership has a net current liabilities position of £565,054 (2021: net current asset position of £87,540). Included within this is an amount of £466,877 to Aviva Investors PIP PV No.1 Limited and £238,930 to Aviva Investors Infrastructure Income No.1 Limited. Aviva Investors Infrastructure Income No.1 Limited has confirmed through a letter of support that it will not seek repayment of part or all of the amount loaned to this company for at least 12 months from the date of the approval of these financial statements, where to do so would place this company in an insolvent position. Aviva Investors Infrastructure Income No.1 Limited has also confirmed that it will provide additional support as required by the company in order to settle its liabilities as they fall due. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

FINANCIAL INSTRUMENTS

The business of the Partnership includes use of financial instruments. Details of the Partnership's risk management objectives and policies, and exposures to price risk, credit risk, liquidity risk and cash flow risk relating to financial instruments are set out on pages 4 to 6 and Note 15 of the financial statements.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP have been reappointed as the auditors of the Limited Partnership and have indicated their willingness to continue in office.

DISCLOSURE OF INFORMATION TO AUDITORS

Each entity who was a Director of the General Partner on the date that this report was approved confirms that:

- so far as each Director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the Partnership's auditors are unaware; and
- each Director has taken all the steps that ought to have been taken as a Member in order to make himself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to qualifying Partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the qualifying Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, as applied to qualifying Partnerships, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the qualifying Partnership and of the profit or loss of the qualifying Partnership for that period. In preparing the financial statements, the General Partner are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited partnership will continue in business.

The General Partner is also responsible for safeguarding the assets of the qualifying Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying Partnerships by the Regulations.


General Partner's confirmations

In the case of each member in office at the date the general partners' report is approved:

- so far as the member is aware, there is no relevant audit information of which the partnership's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the partnership's auditors are aware of that information.

For and on behalf of the Partnership:

DocuSigned by:



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M A Wells

Director of Aviva Investors PiP Solar PV (General Partner) Limited

Date: 27 July 2023 | 16:17:01 BST

AVIVA INVESTORS PiP SOLAR PV LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PiP SOLAR PV LIMITED PARTNERSHIP FOR THE YEAR ENDED 31 DECEMBER 2022

Report on the audit of the financial statements

Opinion

In our opinion, Aviva Investors PiP Solar PV Limited Partnership's financial statements:

- give a true and fair view of the state of the partnership's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law);
- and have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Partners for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the general partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the partnership's ability to continue as a going concern.

Our responsibilities and the responsibilities of the general partner with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The general partner is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

AVIVA INVESTORS PiP SOLAR PV LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PiP SOLAR PV LIMITED PARTNERSHIP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and General Partner's Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 as applied to qualifying partnerships requires us also to report certain opinions and matters as described below.

Strategic report and General Partner's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and General Partner's Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and General Partner's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the general partner for the financial statements

As explained more fully in the Statement of General Partner's responsibilities in respect of the financial statements, the general partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The general partner is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the general partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the general partner either intends to liquidate the partnership or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Based on our understanding of the partnership and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act, 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial data to present more favourable financial results. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non compliance with laws and regulation and fraud;
- Reviewing relevant board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, unusual large entries posted containing unusual amounts, entries posted containing unusual account descriptions, and entries posted with unusual amounts; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

27 July 2023

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	1 Jan 22 to 31 Dec 22 £	1 Jan 21 to 31 Dec 21 (Restated*) £
Interest receivable and similar income	5	902,735	924,579
Administrative expenses	6	(154,727)	(140,930)
Reversal of impairment of investments in subsidiaries	9	-	134,687
Operating profit		748,008	918,336
Finance costs - distributions to Partners	7	(1,971,154)	(486,800)
Total comprehensive (expense)/income for the year		(1,223,146)	431,536
Attributable to:			
Limited partners		(1,223,146)	431,536
Total comprehensive (expense)/income attributable to partners		(1,223,146)	431,536

Continuing operations

All amounts reported in the Statement of Comprehensive Income for the years ended 31 December 2022 and 31 December 2021 relate to continuing operations.

*For restatement details please refer to Note 16 of these financial statements.

The notes on pages 17 to 29 form an integral part of these financial statements.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

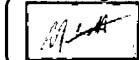
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	31 Dec 2022 £	31 Dec 2021 (Restated*) £
Fixed assets			
Investments in subsidiaries	9	134,687	134,687
Loans receivable	10	18,758,868	19,329,420
		<u>18,893,555</u>	<u>19,464,107</u>
Current assets			
Debtors: amounts falling due within one year	11	243,331	712,906
Cash at bank and in hand		213	137
		<u>243,544</u>	<u>713,043</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(808,598)	(625,503)
Net current (liabilities)/assets		<u>(565,054)</u>	<u>87,540</u>
Total assets less current liabilities		<u>18,328,501</u>	<u>19,551,647</u>
Represented by:			
Partners' interest		<u>18,328,501</u>	<u>19,551,647</u>
Net assets attributable to Partners	13	<u>18,328,501</u>	<u>19,551,647</u>

*For restatement details please refer to Note 16 of these financial statements.

These audited financial statements on pages 14 to 29 were approved and authorised for issue by the Board of Directors of Aviva Investors PiP Solar PV (General Partner) Limited, the General Partner on 27 July 2023 and were signed on its behalf by:

DocuSigned by:



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M A Wells

Director of Aviva Investors PiP Solar PV (General Partner) Limited

The notes on pages 17 to 29 form an integral part of these financial statements.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTNERS
AS AT 31 DECEMBER 2022

	Proceeds from Partners £	Profit and loss account (Restated*) £	Total (Restated*) £
Balance at 1 January 2021 as previously stated	24,465,502	(7,072,730)	17,392,772
Prior years' restatement*		1,727,339	1,727,339
Balance at 1 January 2021 as restated*	24,465,502	(5,345,391)	19,120,111
Total comprehensive income for the year (restated*)	-	431,536	431,536
Balance at 31 December 2021 as restated*	<u>24,465,502</u>	<u>(4,913,855)</u>	<u>19,551,647</u>
Total comprehensive expense for the year	-	(1,223,146)	(1,223,146)
Balance at 31 December 2022	<u>24,465,502</u>	<u>(6,137,001)</u>	<u>18,328,501</u>

*For restatement details please refer to Note 16 of these financial statements.

The notes on pages 17 to 29 form an integral part of these financial statements.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Aviva Investors PiP Solar PV Limited Partnership (the "Partnership") invests, indirectly, into infrastructure in the United Kingdom. This will continue to be the principal activity of the Partnership for the foreseeable future. The Partnership is registered as a limited partnership in England and Wales under the Limited Partnerships Act 1907 and its registered address is St. Helens, 1 Undershaft, London, EC3P 3DQ.

2. Statement of compliance

The financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102").

3. Accounting policies

The principal accounting policies are summarised below. They have been consistently applied throughout the year and preceding year.

3.1 Basis of preparation

These Partnership financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of investment properties at fair value.

The functional currency of the Partnership is considered to be Pound Sterling (£) because that is the currency of the primary economic environment in which the Partnership operates.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

3.2 Going concern

The Partnership has a net current liabilities position of £565,054 (2021: net current asset position of £87,540). Included within this is an amount of £466,877 to Aviva Investors PiP PV No.1 Limited and £238,930 to Aviva Investors Infrastructure Income No.1 Limited. Aviva Investors Infrastructure Income No.1 Limited has confirmed through a letter of support that it will not seek repayment of part or all of the amount loaned to this company for at least 12 months from the date of the approval of these financial statements, where to do so would place this company in an insolvent position. Aviva Investors Infrastructure Income No.1 Limited has also confirmed that it will provide additional support as required by the company in order to settle its liabilities as they fall due. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

3.3 Consolidation

The Partnership has taken advantage of exemptions under Section 400 of the Companies Act 2006 not to prepare group financial statements as it and its subsidiaries are included in the consolidated financial statements of Aviva Investors Infrastructure Income Limited Partnership.

3.4 Cash flow

The Partnership has taken advantage of the exemption from preparing a Statement of Cash Flows, on the basis that it is a qualifying entity under FRS 102 and the Partnership's cash flows are included in the Consolidated Statement of Cash Flows of Aviva Investors Infrastructure Income Limited Partnership. The Partnership intends to continue availing of the above exemption in future periods.

3.5 Financial instruments

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.5 Financial instruments (continued)

The Partnership has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Financial assets are recognised when the Partnership becomes a party to the contractual provisions of the instrument.

Basic financial assets, including debtors, cash at bank and in hand, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets that are classified as receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be received, net of impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated party third without imposing additional restrictions.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.5 Financial instruments (continued)

(ii) Financial liabilities

Financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the instrument.

Basic financial liabilities are initially measured at transaction price (including transaction costs), except for those financial liabilities classified at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Commitments to make payments which meet the conditions above are measured at cost (which may be Nil) less impairment.

Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest rate method:

a) Returns to the holder are (i) a fixed amount, or (ii) a fixed rate of return over the life of the instrument, or (iii) a variable return that, throughout the life of the instrument, is equal to a single reference quoted or observable interest rate, or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

b) There is no contractual provision that could by its terms result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

c) Contractual provision that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

Debt instruments that are classified as payable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 Investments in subsidiaries

Investments in subsidiary undertakings are held at cost less impairment. Acquisition costs are capitalised as incurred and are included in the assets' carrying amount.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.7 Partners' accounts

Partners' accounts consist of capital contributions and non-interest bearing Partners' advances. The Partnership has classified the Partners' accounts as a financial liability based on the contractual arrangements within the Limited Partnership Agreement ("LPA") which require repayment of the net assets / liabilities upon wind up of the Partnership.

3.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.9 Cash at bank and in hand

Cash at bank and in hand comprise of cash and cash on deposit with banks, both of which are immediately available.

3.10 Administrative expenses

Administrative expenses include administration, professional and management expenses which are recognised on an accruals basis.

3.11 Fund manager fees

Under the terms of the Fund Manager's Agreement dated 16 June 2015 between the Partnership and Aviva Investors UK Fund Services Limited (the "Fund Manager"), the Fund Manager is entitled to an annual fee based on the aggregate amount of the Partnership's Commitments, and after the initial period, a fee based on the Partnership's NAV.

3.12 Interest receivable and similar income

Interest receivable on cash at bank is recognised using the effective interest rate method. Other interest receivable and similar income is recognised in the Statement of Comprehensive Income using the effective interest rate method.

3.13 Taxation

The Partnership is not subject to taxation and no provision for taxation on Partnership profits has been made in the financial statements. Any tax on income or capital is the responsibility of each individual partner.

3.14 Related party transactions

The Partnership discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors of the General Partnership, separate disclosure is necessary to understand the effect of the transactions on the Partnership financial statements.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.15 Impairment of non-financial assets

At each balance sheet date, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a discount rate that represents the risk inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Partnership's Financial Statements requires the General Partner to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fractional year are outlined below.

a. Impairment of investment in subsidiaries and loan receivables

Non-financial assets and financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

5. Interest receivable and similar income

	1 Jan 22 to 31 Dec 22 £	1 Jan 21 to 31 Dec 21 £
Interest receivable and similar income	<u>902,735</u>	<u>924,579</u>

6. Administrative expenses

	1 Jan 22 to 31 Dec 22 £	1 Jan 21 to 31 Dec 21 £
Fund Manager fees	64,253	58,134
Professional fees	18,750	17,250
Administration fees	15,100	23,088
Auditors' fees*	28,939	18,774
General Partner Priority Profit Share	17,436	15,534
Other administrative expenses	10,249	8,150
	<u>154,727</u>	<u>140,930</u>

*During the year no non-audit fees were paid to statutory auditors (2021: £Nil).

The Partnership had no employees in the current or prior year. The Directors received no emoluments for services to the Partnership for the financial year (2021: £Nil).

Directors were employed and remunerated by Aviva Employment Services Limited. No recharge was made by the Parent company for their services.

7. Finance costs - distributions to Partners

	1 Jan 22 to 31 Dec 22 £	1 Jan 21 to 31 Dec 21 £
Finance costs - distributions declared and paid	1,971,154	486,800
Total amounts of distribution as per Statement of Comprehensive Income	<u>1,971,154</u>	<u>486,800</u>

In accordance with the LPA, distributions of net income have been allocated to the Partners in proportion to their ownership percentage for the year to which the distribution relates. At the year end the percentage holdings were:

Aviva Investors Infrastructure Income No.1 Limited	100%
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AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Taxation

The Partnership is not subject to taxation and no provision for taxation on Partnership profits has been made in the financial statements. Any tax on income or capital is the responsibility of each individual partner.

9. Investment in subsidiaries

	31 Dec 2022 £	31 Dec 2021 (Restated*) £
Aviva Investors Pip Solar PV No.1 Limited		
Cost at 1 January	134,687	-
Reversal of impairment of subsidiary undertakings during the year	-	134,687
Historic cost of investment at 31 December	<u>134,687</u>	<u>134,687</u>

The reversal of the impairment charge included in statement of comprehensive income for the year ended 31 December 2022 was £Nil (2021: (restated*) £134,687).

*For restatement details please refer to Note 16 of these financial statements.

The investment represented a 100% equity interest in Aviva Investors PiP Solar PV No.1 Limited (the "Holdco") which was acquired by the Partnership. The Holdco was incorporated on 8 April 2015 in the United Kingdom.

The Holdco invests and owns 100% of the equity interests of the below mentioned companies:

Company	Equity interest	Country of Incorporation	Business Activity
Electric Avenue Ltd ¹	100%	United Kingdom	Solar Panel
Renewable Clean Energy 3 Limited ¹	100%	United Kingdom	Solar Panel
Spire Energy Ltd ¹	100%	United Kingdom	Solar Panel
WestCountry Solar Solutions Limited ¹	100%	United Kingdom	Solar Panel
2015 Sunbeam Limited ¹	100%	United Kingdom	Solar Panel

⁽¹⁾ Address of the registered office: St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10. Loans receivable

	31 Dec 22	31 Dec 21 (Restated*)
	£	£
4% Senior loan (tranche A)	15,112,014	15,544,250
8% Mezzanine loan (tranche B)	3,646,854	3,785,170
	<u>18,758,868</u>	<u>19,329,420</u>

The reversal of impairment charge included in statement of comprehensive income for the year ended 31 December 2022 was £Nil (2021: (restated*) £Nil).

*For restatement details please refer to Note 16 of these financial statements.

Loan to Aviva Investors PiP Solar PV No.1 Limited

In 2015, the Company entered into a loan facility with Aviva Investors PiP Solar PV No.1 Limited. The loan facility is unsecured and due to be repaid in full on termination of the Partnership, and was utilised in two tranches: tranche A facility with a maximum amount of £375,000,000 and bearing interest of 4.0% per annum; tranche B facility with a maximum amount for £125,000,000 and bearing interest of 8.0% per annum.

During the year, £432,236 (2021: £Nil) was repaid on tranche A and £138,315 (2021: £Nil) was repaid on Tranche B.

11. Debtors: amounts falling due within one year

	31 Dec 22	31 Dec 21
	£	£
General Partner's loan	17,436	15,534
Loan interest owed by related parties	225,895	697,372
	<u>243,331</u>	<u>712,906</u>

The amounts owed by the General Partner are unsecured, interest free, have no fixed date of repayments and are payable on demand.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****12. Creditors: amounts falling due within one year**

	31 Dec 22	31 Dec 21
	£	£
Accrued General Partner Profit Share	17,436	15,534
VAT payable	25,873	16,623
Amounts owed to related parties	715,806	515,947
Accruals	49,483	77,399
	<u>808,598</u>	<u>625,503</u>

The amounts owed to related parties are unsecured, interest free, have no fixed date of repayments and are payable on demand.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Net assets attributable to Partners

Partnership	Partnership £	Total £
Proceeds from Partners		
At 1 January 2022	24,465,502	24,465,502
At 31 December 2022	<u>24,465,502</u>	<u>24,465,502</u>
Profit and loss account		
At 1 January 2022 as restated*	(4,913,855)	(4,913,855)
Total comprehensive income during the year	(1,223,146)	(1,223,146)
At 31 December 2022	<u>(6,137,001)</u>	<u>(6,137,001)</u>
Net assets attributable to Partners at 31 December 2022	<u>18,328,501</u>	<u>18,328,501</u>
Proceeds from Partners		
At 1 January 2021	24,465,502	24,465,502
At 31 December 2021	<u>24,465,502</u>	<u>24,465,502</u>
Profit and loss account		
At 1 January 2021 as restated*	(5,345,391)	(5,345,391)
Total comprehensive income during the year (restated*)	431,536	431,536
At 31 December 2021	<u>(4,913,855)</u>	<u>(4,913,855)</u>
Net assets attributable to Partners at 31 December 2021	<u>19,551,647</u>	<u>19,551,647</u>

*For restatement details please refer to Note 16 of these financial statements.

The General Partner has 0% of ownership as such no net assets attributable to the General Partner has been disclosed.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14. Related party transactions

	2022 (Expense paid) / income earned in year £	2022 Receivable / (payable) at year end £	2021 (Expense paid) / income earned in year £	2021 Receivable / (payable) at year end £
Aviva Investors PiP Solar PV (General Partner) Limited - loan	-	17,436	-	15,534
Aviva Investors PiP Solar PV (General Partner) Limited - General Partner Priority Profit Share	(17,436)	(17,436)	(15,534)	(15,534)
Aviva Investors PiP Solar PV No.1 Limited - loan	-	18,758,868	-	19,329,420
Aviva Investors PiP Solar PV No.1 Limited - interest	902,735	225,895	924,579	697,372
	<u>902,735</u>	<u>225,895</u>	<u>924,579</u>	<u>697,372</u>

Aviva Investors UK Fund Services Limited receives fees as it acts as the Fund Manager for the Partnership.

The General Partner is entitled to receive an amount equal to the General Partner's Share as a first charge on net income and capital gains.

The General Partner's share shall be an amount equal to the cost of all administrative and operating expenses reasonably and properly incurred (directly or indirectly) by the General Partner.

The Directors of the General Partner received no emoluments for services to the Partnership for the year (2021: £Nil).

15. Financial Instruments

The carrying values of the Partnership's financial assets and liabilities are summarised by category below:

	Note	31 Dec 22 £	31 Dec 21 (Restated*) £
Financial assets measured at amortised cost:			
Loans receivable	10	18,758,868	19,329,420
Debtors	11	243,331	712,906
Cash at bank and in hand		213	137
		<u>19,002,412</u>	<u>20,042,463</u>

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

15. Financial Instruments (continued)

	31 Dec 22 £	31 Dec 21 £
Financial liabilities measured at amortised cost:		
Creditors: amounts falling due within one year	(782,725)	(608,880)

The Partnership's income, expense, gains and losses in respect of financial instruments are summarised below:

	Note	1 Jan 22 to 31 Dec 22 £	1 Jan 21 to 31 Dec 21 £
Finance income			
Total interest income for financial assets at amortised cost	5	902,735	924,579

16. Prior years' restatement

A prior year adjustment has been made with regards to impairment as the method previously being used did not reflect the recoverable amount of the underlying investments. An adjustment has been made to correct for the overstatement of impairment and understatement of retained earnings as follows:

Statement of comprehensive income for the year ended 31 December 2021

	Previously stated £	Adjustment £	Restated £
Reversal of impairment of subsidiary undertakings	-	134,687	134,687
Impairment of loans receivable	(1,639,010)	1,639,010	-
Operating (loss)/profit	(855,361)	1,773,697	918,336
Total comprehensive (expense)/income for the year	(1,342,161)	1,773,697	431,536

Investment in subsidiaries

	Previously stated £	Adjustment £	Restated £
At end of year	-	134,687	134,687

Loans receivable

	Previously stated £	Adjustment £	Restated £
At end of year	15,963,071	3,366,349	19,329,420

Statement of changes in equity

	Previously stated £	Adjustment £	Restated £
Accumulated losses as at 1 January 2021	(7,072,730)	1,727,339	(5,345,391)
Total shareholders' deficit as at 1 January 2021	17,392,772	1,727,339	19,120,111
Accumulated losses as at 31 December 2021	(8,414,891)	3,501,036	(4,913,855)
Total shareholders' deficit as at 31 December 2021	16,050,611	3,501,036	19,551,647

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17. Parent and ultimate controlling undertaking

The General Partner of the Partnership, Aviva Investors PiP Solar PV (General Partner) Limited, is a company incorporated in Great Britain and registered in England and Wales.

The immediate parent undertaking is Aviva Investors Infrastructure Income No.1 Limited.

Aviva Investors Infrastructure Income Limited Partnership, is both the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2022. The consolidated financial statements of Aviva Investors Infrastructure Income Limited Partnership are available on application to:

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

18. Events after the reporting period

Events after the reporting period have been evaluated up to the date the audited financial statements were approved and authorised for issue by the General Partner and there are no events to be disclosed or adjusted for in these audited financial statements.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2022

AIFMD Remuneration Disclosure

In line with the requirements of the Alternative Investment Fund Managers Directive ("AIFMD"), Aviva Investors UK Fund Services Limited ("AIUKFSL") is subject to a remuneration policy which is reviewed annually and is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

Aviva Investors' remuneration framework is based on a total reward approach and is designed to reflect the success or failure against a range of personal and company performance objectives.

Remuneration Governance

Aviva Investors Remuneration Committee

The Aviva Investors Remuneration Committee is responsible for reviewing and making recommendations to the Aviva Group Remuneration Committee and Aviva Investors Holdings Limited Board regarding the Remuneration Policy of Aviva Investors including AIGSL. This Committee reviews individual remuneration packages for all employees to which the Remuneration Code applies and considers the remuneration policy and structures for all Aviva Investors employees.

The Aviva Investors Remuneration Committee is comprised of Non-Executive Director Mike Craston and Independent Non-Executive Directors Jeffrey Weingarten (Chair), Sue Amies-King, Alexa Coates, Andrew Kirton and Mark White. The majority of the members were also members of the Aviva Investors Risk Committee during 2022. The Aviva Investors Remuneration Committee met on 5 occasions in 2022.

Aviva Group Remuneration Committee

The Aviva Group Remuneration Committee oversees Aviva's remuneration policies and practices. The Committee considers alignment between Group strategy and the remuneration of Directors and Material Risk Takers (MRTs) within Aviva Investors. The Committee also works with the Board Risk Committee to ensure that risk and risk appetite are properly considered in setting the remuneration policy. The full roles and responsibilities of the Aviva Group Remuneration Committee are available on the Investor Relations website, found here:

<http://www.aviva.com/investor-relations/corporate-governance/board-of-directors/board-committees/remuneration-committee/>

The Aviva Group Remuneration Committee is comprised of Independent Non-Executive Directors Pippa Lambert (Chair), Andrea Blance and Patrick Flynn. Andrea Blance and Patrick Flynn were also members of the Board Risk Committee during 2022. The Aviva Group Remuneration Committee met on 7 occasions in 2022.

When setting remuneration policy, the relevant Remuneration Committees take account of the company's strategic objectives and take into account the long-term interests of shareholders and other stakeholders.

During 2022 the Aviva Investors Remuneration Committee and Aviva Group Remuneration Committee received independent advice on executive remuneration matters from Deloitte LLP which is a member of the Remuneration Consultants Group and adheres to its Code of Conduct.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2022

Remuneration Policy

The Aviva Investors remuneration policy is consistent with Aviva's remuneration principles which support the execution of Aviva Investor's strategy, rewarding sustained performance and growth aligned with our values:

- **Performance aligned:** We differentiate reward based on performance. Outcomes are aligned with Aviva, business-line and individual performance, both financial and non-financial.
- **Competitive:** We focus on the total reward package, ensuring that reward programme design and outcomes are market aligned and competitive, enabling the attraction, motivation and retention of high-quality colleagues.
- **Simple, transparent and consistent:** We operate a 'one Aviva' approach to reward. Our reward programmes are only as complex as necessary. They are easily understood.
- **Fair:** Our reward programmes and decision-making support Aviva's commitment to create a diverse and inclusive organisation, ensuring that all colleagues are rewarded fairly in view of the results achieved and individual contributions. Our reward approach is designed to attract, motivate and retain high quality colleagues, regardless of gender, ethnicity, age, disability or any other factor unrelated to performance, contribution or experience
- **Doing the right thing:** We do the right thing through reward programmes that support Aviva's values, behaviours and sustainability objectives. Outcomes consider expectations of Customers, Colleagues and Shareholders.
- **Risk aligned:** Reward is designed to promote sound and effective risk management, within a robust internal governance framework.

Link Between Pay and Performance

Performance is measured against a combination of:

- **Aviva Investors and Group performance:**
 - A rounded assessment of performance against financial key performance indicators (including, but not limited to operating profit, investment performance and net flows). The assessment of financial performance includes reference to actual results versus prior period results, agreed plans, relativity to competitors and progress towards our long-term target ambition; and
 - Non-financial considerations including management of risk (including the integration of sustainability risks in the investment process, where applicable), diversity and inclusion, employee engagement metrics and alignment with value created for our shareholders
- **Business Unit Performance:** Contribution of each business area to the overall success of the Aviva Investors, year on year growth and execution of its strategy; and
- **Individual Performance:** Delivery against individual goals and relative performance in comparison to peers, as well as the extent to which individuals have demonstrated the Aviva values.

The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

The Risk function provide an independent assessment of risk and control effectiveness to the Aviva Group Remuneration Committee for consideration in setting the bonus pool. The assessment is based on a balanced scorecard with metrics designed to drive and reward good risk management behaviours and outcomes, and measures to ensure appropriate independent challenge and review. The assessment includes consideration of both current and likely future risks facing the business.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2022

Link Between Pay and Performance (Continued)

The Risk function also input on any risk and conduct breaches occurring during the year that could impact variable remuneration outcomes on an individual basis. Future risks identified that have a likelihood of materialising may result in withholding or reduction in variable remuneration.

Through Aviva Investors' Global Reward Framework, all investment employees should support responsible investment and integrate ESG considerations into their investment processes, including the consideration of Sustainability Risk (as defined by the EU Sustainable Finance Disclosure Regulation). ESG research is integrated into the investment process and forms part of the investment scorecard and annual risk attestation. The Chief Investment Officers and investment desk heads consider how investment employees demonstrate their commitment to ESG processes as part of the determination of annual performance and pay outcomes.

The remuneration of employees in Control Functions (defined as Risk, Compliance and Audit) is determined independently of the financial results of Aviva Investors in order to reinforce the independence of these functions. To avoid conflicts of interest, no individual is involved in decisions relating to his or her own remuneration.

Structure of Remuneration

Fixed Remuneration

Basic Salary – set within an appropriate market range and reflecting a colleague's professional experience and organisational responsibilities. Fixed pay is set at a level which is sufficient to allow the possibility, where performance warrants, that an employee may receive no variable pay.

Benefits – standard benefits are provided that are appropriate to the market, compliant with all legal requirements and intended to provide choice and flexibility to meet individual needs.

Variable Remuneration

Annual Bonus – a discretionary short-term incentive plan where individuals may receive a bonus based on business and individual performance against targets. All Aviva Investors colleagues who are permanent employees or Fixed Term Contractors are eligible to be considered for an annual bonus.

Annual bonuses are typically received in cash but awards above certain thresholds are deferred to align the interests of employees with those of the company, its customers, and shareholders and to aid retention. A three-year deferral with pro-rata vesting in Aviva funds and/or Aviva Group Plc shares applies. MRTs are subject to additional deferral requirements, further detail is included below in the section 'MRT Deferrals and Retention Periods'.

Long Term Incentive Awards (LTIA) – discretionary long-term incentive plan to align reward with long-term investment performance, Aviva Group and Shareholders, and with the additional intention to help retain key talent. All Aviva Investors colleagues who are permanent employees are eligible to receive an LTIA, although LTIA's are typically awarded to a select number of senior colleagues.

LTIA's vest after three years; part in Aviva Investors and part in Aviva Restricted Share Units (RSUs). For colleagues in the Real Assets business, Aviva funds are subject to a two-year holding period post vesting to align with the longer-term nature of investments in the Real Assets business. For the Aviva Investors CEO, due to his role as a member of the Aviva Executive Committee the award of RSUs is subject to additional Aviva Group performance conditions. For MRTs, vesting is subject to a pre-vesting assessment of individual performance, behaviours, and alignment with the company values of Aviva Investors throughout the three-year performance period.

Variable remuneration is discretionary and fully flexible, including the possibility of zero if performance thresholds are not met.

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2022

Structure of Remuneration (continued)

MRT Deferrals and Retention Periods:

In line with regulatory requirements, MRTs are subject to additional deferral requirements:

- MRTs who have also been identified under the Alternative Investment Fund Managers Directive (AIFMD) and Undertakings for Collective Investment in Transferable Securities V (UCITS) Directive are subject to the AIFMD/UCITS V remuneration requirements. The requirements are applied on an apportioned basis, based on the % of Assets Under Management (AUM) of the AIFMD/UCITS regulated firm versus total AUM of Aviva Investors. The apportioned variable remuneration is subject to the following requirements: 40% of variable remuneration under £500,000 is deferred over three years. This increases to 60% for variable pay over £500,000. A minimum of 50% of total variable remuneration is delivered in Aviva funds and/or Aviva Group Plc shares, this applies to both the deferred element and the upfront element (the element that is not subject to deferral).

When setting deferral schedules and retention periods for MRTs, Aviva Investors take into account:

- The firm's business cycle (including length), the nature of its business and its risk profile;
- The activities and responsibilities of MRTs and how these may impact the risk profile of the firm or the assets the firm manages;
- Whether the deferred variable remuneration is paid out in instruments or cash;
- The amount of the variable remuneration and the ratio of variable to fixed remuneration; and
- How long it could take for the risks underlying the staff member's performance to crystallise.

Aviva Investors considers, based on market practice and in consideration that all variable awards are subject to clawback post vesting, that: the proportion of variable remuneration that is deferred is appropriate to align the interest of colleagues with the risk profile of the regulated entities; the retention

period is of suitable length post release of the deferred awards (or in the case of an upfront component the award); and, the deferral period and vesting schedule is of an appropriate length.

For all MRTs, malus provisions and leaver conditions will apply during the vesting period. However, these will not apply during the six-month holding period. Clawback provisions continue to apply after the vesting period, including during the holding period.

Colleagues are not permitted to undertake personal hedging strategies in respect of any variable remuneration.

Malus and Clawback:

All variable pay granted or paid to any Aviva Investors employee is subject to the Aviva's Malus and Clawback Policy. This includes the cash and deferred elements of the annual bonus plan and any LTIA. The circumstances when Malus and Clawback may apply are documented in the Directors Remuneration Policy section of the Annual Report and Accounts, found here:

<https://www.aviva.com/investors/annual-report/>

AVIVA INVESTORS PIP SOLAR PV LIMITED PARTNERSHIP

ADDITIONAL AIFMD DISCLOSURES - UNAUDITED FOR THE YEAR ENDED 31 DECEMBER 2022

Guarantees

Guaranteed awards are only offered for the year of hire in exceptional circumstances and provided the legal entity has a sound and strong capital base. In line with Aviva's policy, guarantees must:

- Not be more generous than necessary and only offered if alternate approaches, such as full year bonus opportunity, are not considered appropriate.
- Not be offered to Executive Directors.
- Be subject to a minimum standard of personal performance, behaviour and conduct.

Guarantees are subject to appropriate governance and approvals and are subject to Aviva's Malus and Clawback Policy.

Severance

Any severance payment above and beyond statutory or existing contractual entitlements is at the company's absolute discretion. There is no automatic right to a pro-rata bonus payment in the event of termination of employment by the company or individual. Any bonus payments related to early termination of contracts are at the company's discretion and will reflect performance achieved over time and designed in a way which does not reward poor conduct or failure. Treatment of any unvested share, fund or bonus awards are governed by the relevant plan rules. There is no automatic entitlement to any payment under these plans other than where expressly stated in the plan rules.

The maximum severance pay is based on Aviva applicable policies; in the event of redundancy the maximum severance pay is calculated based on year of service, with each year of service representing a proportion of salary as per Aviva Discretionary Redundancy policies, plus a discretionary pro-rata lost bonus opportunity.

In non-redundancy exits the criteria used to determine maximum severance pay is linked to the reason for the exit, the employees' length of service and the requirement to reach settlement weighted against the legal risk of litigation. In the event of legal proceedings, the maximum severance payment may exceed the calculated and determined approach above.

Material Risk Taker Identification

Aviva Investors identified MRTs in accordance with the FCA Remuneration rules and guidance as set out in SYSC 19B.

The MRT population is reviewed at least annually by the Remuneration Committees and individuals are notified of their status.

Quantitative remuneration disclosures

AIUKFSL has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2022, apportioned remuneration based on the time assessed to be spent on AIUKFSL AIFMD activity paid by Aviva Plc, the ultimate parent of AIUKFSL, to its senior management team, and MRTs:

GBP Millions	Senior Management	Other MRTs
Total Remuneration	1.3	1.1
Of which: Fixed remuneration	36%	42%
Of which: Variable remuneration	59%	51%
Of which: Pension/Benefits	5%	7%
Number of Code Staff	23	24