INTERNATIONAL
PUBLIC
PARTNERSHIPS

ANNUAL REPORT AND FINANCIAL STATEMENTS 2024

OUR PURPOSE IS TO INVEST RESPONSIBLY IN SOCIAL AND PUBLIC INFRASTRUCTURE THAT DELIVERS LONG-TERM BENEFITS FOR ALL STAKEHOLDERS.

We aim to provide our investors with stable, long-term, inflation-linked returns, based on growing dividends and the potential for capital appreciation.

We expect to achieve this by investing in a diversified portfolio of infrastructure assets and businesses which, through our active management, meets societal and environmental needs both now and into the future.

COMPANY FACTS

- London Stock Exchange trading code: INPP.L
- Member of the FTSE 250 and FTSE All-Share indices
- £2.3bn market capitalisation at 31 December 2024
- Eligible for ISA/PEPs and SIPPs
- Guernsey incorporated company
- International Public Partnerships Limited (the 'Company', 'INPP', the 'Group' (where including consolidated entities)) shares are excluded from the Financial Conduct Authority's ('FCA's') restrictions, which apply to non-mainstream investment products, and can be recommended by independent financial advisers to their clients
- Registered company number: 45241

GLOSSARY

Certain words and terms used throughout this Annual Report and financial statements are defined in the Glossary on pages 114 to 116. Where APMs are used, these are identified by being marked with an * and further information on the measure can be found in the Glossary.

COVER IMAGES

Front cover: BeNEX, Germany
Photo credit: Cantus

Inside cover: Tideway, UK
Photo credit: Tideway

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View our company website
www.internationalpublicpartnerships.com

FULL-YEAR FINANCIAL HIGHLIGHTS

We aim to provide our investors with stable, long-term, inflation-linked returns, based on growing dividends and the potential for capital appreciation.

DIVIDENDS

8.37p
2024 full-year dividend per share[1]*
(3.0% dividend growth)

8.58p
2025 full-year dividend target per share[2]*
(c.2.5% dividend growth)

8.79p
2026 full-year dividend target per share[2]
(c.2.5% dividend growth)

3.0%
2024 dividend growth*
(2023: 5.0%)

1.1x
Cash dividend cover[3]*
(2023: 1.1x)

NET ASSET VALUE ('NAV')[4]*

£2.7bn
NAV at 31 December 2024[4]
(2023: £2.9bn)

144.7p
NAV per share at 31 December 2024[4]
(2023: 152.6p)

(6.8)%
2024 NAV movements
(2023: (4.1%))

(5.2)%
2024 NAV movements per share*
(2023: (4.1%))

RETURNS

6.1%
Annualised Total Shareholder Returns since IPO[5]*
(2023: 6.8%)

0.7%
Portfolio inflation-linked returns* at 31 December 2024[6]
(2023: 0.7%)

PORTFOLIO ACTIVITY

£107.8m
Cash investments made during 2024
(2023: £108.1m)

£43.7m
Realisations made during 2024
(2023: £215.9m)

PROFIT

£0.5m
Profit before tax[7]
(2023: £28.0m)

* Where APMs are used, these are identified by being marked with an * and further information on the measure can be found in the APM section on page 113.
1 As previously announced, acknowledging the high levels of inflation, the Company increased its 2023 dividend by 5% and its 2024 dividend by 3%. From 2025, the Board expects to continue its long-term projected annual dividend growth rate of c.2.5%. Further information regarding the 2024 half-year dividend and future dividend targets can be found on pages 32 to 33. The dividend in respect of the six months to 31 December 2024 is expected to be paid on 9 June 2025.
2 Future profit projection and dividends cannot be guaranteed. Projections are based on current estimates and may vary in future.
3 Cash dividend payments to investors are paid from net operating cash flow before capital activity* as detailed on pages 30 to 31.
4 Further information on the NAV movements can be seen on page 36. The methodology used to determine the NAV is described in detail on pages 32 to 39.
5 Since inception in November 2006. Source: Bloomberg as at 31 December 2024. Share price appreciation plus dividends assumed to be reinvested.
6 Calculated by running a 'plus 1.0%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked return is the increase in the weighted average discount rate.
7 Further information is available on pages 30 to 31.

RESPONSIBLE INVESTMENT HIGHLIGHTS

The Company supports the 2030 Agenda for Sustainable Development adopted by the UN Member States in 2015.

Alignment with the UN Sustainable Development Goals ('SDGs') is a key part of the Company's approach to Environmental, Social and Governance ('ESG') integration, and demonstrates the positive environmental and social characteristics of its investments. Currently, 100% of our investments support at least one SDG and some of the key contributions are demonstrated below:

SDG	POSITIVE ENVIRONMENTAL AND SOCIAL CHARACTERISTICS AS AT 31 DECEMBER 2024	PORTFOLIO SDG ALIGNMENT AS AT 31 DECEMBER 2024
4 QUALITY EDUCATION	**>181,000** Students attending schools developed and maintained by the Company	16%
6 CLEAN WATER AND SANITATION	**37,000,000m^3** The three components of the London Tideway Improvements will work conjunctively to reduce discharges in a typical year by c.37m cubic metres	15%
7 AFFORDABLE AND CLEAN ENERGY	**c.3,700,000** Estimated equivalent number of homes capable of being powered by renewable energy transmitted through offshore transmission ('OFTO') investments	19%
11 SUSTAINABLE CITIES AND COMMUNITIES	**>243,000,000** Annual passenger journeys through rail transport investments	23%

For further information on the Company's contribution to Responsible Investment, please see pages 40 to 51 and the Company's Sustainability Report.

CHAIR'S LETTER

MIKE GERRARD
CHAIR

DEAR SHAREHOLDER,

During the year, your Board and the Investment Adviser have remained focused on ensuring that the Company's investments continue to achieve the highest levels of performance and on reallocating capital to enhance value for shareholders.

The strong underlying performance of our investments during the year was unfortunately set against a persistently challenging listed market environment where the Company's shares continued to trade at a discount to their NAV.

Your Board and the Investment Adviser continue to believe that the current share price materially undervalues the Company. Although the drivers of the recent share price movements are principally exogenous factors unrelated to the performance of the Company's assets, we recognise the importance of taking action to support the narrowing of the discount and restore value for our shareholders. The need and scope of such action has been reinforced through direct and valuable engagement with shareholders during the year, whose feedback continues to shape our approach. Our actions have also been guided by our previously published capital allocation policy and the actions that we have taken to date are summarised below.

ACTIONS TAKEN TO DATE

DIVESTMENTS	Realisations totalling c.£260m, the equivalent to c.10% of the portfolio, have been undertaken over the 18 months to 31 December 2024 across various sub-sectors of the Company's portfolio. All realisations have taken place at prices in line with the most recently published valuations
SHARE BUYBACKS	Established a share buyback programme in January 2024 with c.£55m of shares having been acquired to date, generating 0.5p of additional value per share
INVESTMENTS	Completed £92m of new and strategic follow-on investments where the projected returns were greater than the returns of the divested assets and of those implied by a share buyback
DIVIDENDS	Delivered dividend growth of 5.0% for 2023 and increased the 2024 dividend by a further 3.0%, and increased the frequency of dividends from semi-annually to quarterly from 2025[1]
CORPORATE DEBT FACILITY ('CDF')	Fully repaid the CDF in January 2024[2] in order to reduce the interest costs arising, and subsequently reduced the size of the CDF in August 2024 from £350m to £250m to lower the associated commitment fees. This revised facility provides the Company with appropriate ongoing access to liquidity should it be needed
TARGET RETURNS	Formally restated the target return for new investments to include consideration of the implied returns available from a share buyback

COMPREHENSIVE PACKAGE OF MEASURES TO BE IMPLEMENTED IN 2025

The Board recognises that the market trading environment remains challenging for the UK listed investment trust sector and the consequent impact this has on the Company. Taking this and the range of views shared through our engagement with shareholders over the course of the year into account, the Board is implementing the following package of measures, which it believes will further strengthen the Company's position in the current environment and ensure it is well-positioned for the longer-term.

1. **Further Alignment of Interest:** The interests of the Investment Adviser and INPP's shareholders are already closely aligned, including through the Investment Adviser and its employees' long-term holding of over nine million shares in the Company. However, the Board is pleased to advise that it has agreed, subject to finalisation of contractual arrangements, amendments to the Investment Advisory Agreement ('IAA') between the Investment Adviser and the Company which it believes further aligns the interests of the Investment Adviser with those of our shareholders.

   From 1 July 2025, the fees paid to the Investment Adviser in respect of each quarter will be based on the equal weighting of: (i) the average of the closing daily market capitalisation of the Company during that quarter, and (ii) the most recently published NAV. Based on the current share price discount to the NAV, this fee change is expected to reduce the ongoing management fee by approximately 10% per year, providing additional value for shareholders, as well as closer alignment[3].
2. **Enhanced Divestment Programme:** To demonstrate the underlying value of the Company's assets and fund up to an additional £140m of capital returns to investors (see below), the Company continues to actively pursue further divestments across its portfolio.

   Post-period end, in March 2025, the Company agreed to sell its minority interests in seven UK education PPPs to an existing co-shareholder for total proceeds of c.£8m which is in line with the most recent valuations. There are a number of further processes already in progress and the next realisation is expected to conclude in the second quarter of 2025, with further information to be provided in due course. The Company's divestment programme may exceed the amount of capital it intends to return to investors over the period to 31 March 2026 as it continues to consider other capital allocation options.
3. **Increased Capital Returns:** The Board intends to increase the quantum of capital being returned to shareholders by a further £140m, that is, from the current programme of up to £60m, to a programme of up to £200m, over the period to 31 March 2026. This will be funded by a combination of divestments and surplus operating cash flow generated by the Company. Whilst it is expected that the programme may be delivered through share buybacks, other forms of capital returns may also be considered.
4. **Disciplined Approach to Investments:** Whilst the Board currently prioritises the return of capital to shareholders, given the market trading environment, it will carefully consider opportunities to reinvest divestment proceeds into new and follow-on investment opportunities. Such investments will only be made where they are considered to provide significant broader portfolio or strategic benefits which, taken together with the projected long-term returns, substantially exceed the short-term benefits available through share buybacks.
5. **Commitment to Dividend Growth:** Further dividend guidance covering 2026 has now been provided which, with additional growth of c.2.5%, continues the unbroken trend of growing the dividend each year since the Company's IPO in 2006[4].

FINANCIAL PERFORMANCE

The Company's underlying investments have continued to perform very well with distributions for the year in line with the budget set at the start of the year. Accordingly, we are pleased to reconfirm the full-year 2024 dividend target of 8.37p, reflecting a 3.0% year-on-year increase. The dividend for the six months to 31 December 2024 of 4.19p is expected to be paid on 9 June 2025.

From 2025, the Company intends to continue its projected long-term growth rate of 2.5% and, as such, the full-year dividend targets for 2025 and 2026 are 8.58p and 8.79p respectively[4]. In order to provide investors with a more regular income stream, the Company previously announced that it intends to increase the frequency of its dividend payments from semi-annually to quarterly, with the first of such payments being made in September 2025[1]. The dividends projected to be paid over the 12 months from 28 February 2025 represent a 7.6% yield[5] when referenced to the share price as of the same date.

The Company reconfirms that the projected cash receipts from the existing portfolio are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy for at least the next 20 years[6].

During the year, the Company's NAV per share declined from 152.6p at 31 December 2023 to 144.7p at 31 December 2024. This movement in NAV was primarily driven by an increase in the discount rates used to value the Company's investments, which reflects sustained upward pressure on discount rates due to the sharp rise in underlying government bond yields in the period. As a result, the weighted average discount rate ('WADR') has increased from 8.4% to 9.0%. Please see more information in the Investor Returns section on pages 30 to 39.

1 The H2 2024 dividend of 4.19p, expected to be paid on 9 June 2025, is the final dividend to be paid on a six-monthly basis. Following this, dividends will be paid quarterly, commencing with the first of four interim dividends for the financial year 2025 in September 2025.
2 The CDF remains undrawn with £13.5m letters of credit to fund pre-existing investments as at 31 December 2024.
3 The IAA will include a provision to ensure that the amount of the base fee payable under the new fee arrangement cannot exceed the amount payable under the existing arrangements.
4 Future profit projection and dividends cannot be guaranteed. Projections are based on current estimates and may vary in future.
5 Dividends projected to be paid over the 12 months from 28 February 2025 divided by the Company's share price as at 28 February 2025.

CHAIR'S LETTER CONTINUED

"The Board and the Investment Adviser continue to maintain a focus on actively managing the portfolio to ensure the Company remains well positioned for the long term."

MIKE GERRARD
CHAIR

OPERATIONAL PERFORMANCE

The majority of the Company's investments generate long-term revenues which are based on the availability of the relevant asset or facility. Operational performance during the year was excellent with availability of 99.7% which was in excess of the 98% target[7].

In the Company's Half-Yearly Financial Report, published in September 2024, it was noted that the East Anglia One ('EA1') OFTO was operating at half its physical capacity, having suffered an offshore cable fault in April 2024. We are pleased to report that due to the efforts of the Investment Adviser's asset management team, the repair works were completed and EA1 returned to full service in October 2024. The team worked closely with Ofgem throughout, who expedited their own investigations into both the reasons for the fault and the Company's response. On 3 March 2025, Ofgem determined that the fault was beyond EA1's reasonable control and in considering EA1's actions in responding to and repairing the fault, concluded that existing regulatory protections would be available such that EA1 would not be subject to any revenue loss for the impact of the offshore cable fault on asset availability.

During the year, Tideway completed the major construction works on the new 25km 'super sewer' under the River Thames and in September 2024, the tunnel started to prevent sewage from entering the River Thames. Post year-end, Tideway announced that the new super sewer is now fully connected bringing the entire system online to protect the tidal Thames from sewage pollution, promising a greener, healthier River Thames. Data shows that from September 2024 until the time of writing, the system has prevented six million cubic metres of sewage from entering the river[8]. This demonstrates the scale of the benefits resulting from the project as well as the key role that private capital can play in helping to deliver the UK's much-needed new public infrastructure.

Complementing the Company's active approach to the management of its portfolio, it also made two investments during the year, totalling c.£92m, doing so only on the basis that the projected long-term returns were greater than those offered by a share buyback. These comprised Moray East OFTO and a strategic follow-on investment into BeNEX, which resulted in this portfolio company becoming one of the largest operators of passenger rail services in Germany.

RESPONSIBLE INVESTMENT

As a Company built on partnerships, we aim to continuously engage and work with our key stakeholders to improve the sustainability of our investments and to enhance ESG disclosures. This Annual Report includes a selection of this information for reference, and shareholders are encouraged to review the latest edition of our Sustainability Report for a more detailed coverage of our approach to responsible investment.

CORPORATE GOVERNANCE

Throughout 2024, the Board and Investment Adviser engaged with over 300 shareholders, including at the Company's Capital Markets Day. The Board is committed to ongoing dialogue with shareholders, especially during the period of continued volatile trading in our shares.

John Le Poidevin stepped down from his role as Chair of the Audit and Risk Committee at the AGM in June 2024, at which time the following Committee changes also took place:

- Stephanie Coxon was appointed as the Chair of the Audit and Risk Committee;
- Meriel Lenfestey was appointed as the Chair of the Environmental, Social and Governance Committee and will assume the role of Senior Independent Director with effect from the 2025 AGM;
- Julia Bond was appointed as the Chair of the Management and Engagement Committee; and
- Sally-Ann David was appointed as the Chair of the Nomination and Remuneration Committee.

The Board confirms that the Company is fully compliant with the FCA Listing Rules on diversity and after the 2025 AGM, the Board will be entirely constituted of independent directors as Giles Frost, a non-independent director, will not be seeking re-election. Further information can be seen below and on pages 71 to 72.

The Board was pleased to welcome Giles Adu as a non-executive director in the period. Giles was appointed to the Board in September 2024 and has joined each of the Company's Committees. As previously reported, John Le Poidevin and Giles Frost will not be seeking re-election at this year's AGM. I would like to thank John on behalf of the Board and our shareholders for his years of service to the Company. His experience and wise counsel will be much missed. Giles joined the Board of the Company at its formation in 2006 and has been a key figure not only in the growth and success of INPP, but also in the wider listed infrastructure investment sector. I know that shareholders, present and past, join me in thanking Giles for his outstanding contribution to the Company. Although he is stepping down from the Board, I am delighted that we will continue to benefit from his profound sector knowledge and insights, through his position within the Investment Adviser.

In addition to our ongoing engagement with shareholders, the Board and Investment Adviser have also participated in discussions with the Association of Investment Companies ('AIC') and INPP's immediate peer group on common issues affecting our sector – the most notable example being cost disclosure regulations for investment trusts where the Company has actively participated in industry advocacy and consultation to bring about changes that it believes are in the best interest of the sector.

In August 2024, our Investment Adviser, Amber Infrastructure Limited, reached formal completion on its merger with US investment manager, Boyd Watterson Asset Management, LLC ('Boyd Watterson')[9]. The Board is encouraged by the potential benefits which this should bring to the Company, including investment management resources, expertise and investment opportunities.

OUTLOOK

The Board and the Investment Adviser continue to believe that infrastructure investment remains a highly attractive sector for shareholders. INPP offers a well-diversified portfolio, generating stable, inflation-linked returns while supporting economic growth and climate resilience. Moreover, the Board believes that the implied projected net return of 10.7%[10] on an investment in the Company's shares, with a current dividend yield of 7.6%[5], represents an attractive 5.6% premium to that offered by a 30-year UK government bond[11].

Despite current market trading headwinds, the Board remains committed to positioning the Company for long-term growth. The Company remains one of the few avenues available for investors to access a portfolio of essential social and public infrastructure assets with strong financial characteristics and which play a central role in the economies of countries in which the Company invests.

With our geographic diversification, differentiated expertise in building, operating, managing and owning a diversified portfolio of assets and businesses, the measures that we have announced with the results today will assist in ensuring that INPP is well placed to continue to meet its long-term goals.

The foundations of success for an infrastructure investment company like INPP are: diligent asset selection, investment and divestment; active asset management; and prudent financial management. In restoring the Company's share price to its usual long-term close alignment with its NAV, all three principles have a crucial role to play and are given equal emphasis by the Board. In this the Board must also balance the interests of a diverse range of investors, work with wider stakeholders and take into account the long-term nature of a successful infrastructure investment strategy. I and my fellow directors thank you for your continued support.

MIKE GERRARD
CHAIR
26 March 2025

6 This is reflective of the 2025 and 2026 dividend targets, and c.2.5% annual dividend growth thereafter.
7 The asset availability target applies to assets generating availability-based revenues (i.e. both Public-Private Partnerships ('PPPs') and OFTOs). See pages 26 to 27 for further information on the asset availability during the year.
8 Tideway has launched a tracker to show the volume of sewage being prevented from entering the River Thames: https://www.tideway.london.
9 https://www.amberinfrastructure.com/news-and-insights/press-releases/boyd-watterson-and-amber-infrastructure-finalize-strategic-combination-establishing-a-premier-global-alternatives-investment-platform/.
10 As at 28 February 2025. This is calculated based on INPP's weighted average discount rate, less the Ongoing Charges Ratio, adjusted to reflect the share price discount to the NAV using published sensitivities.
11 As at 28 February 2025. 30-year bond used owing to the UK weighting of the portfolio and the weighted average investment tenor of c.38 years.

INVESTMENT CASE

01

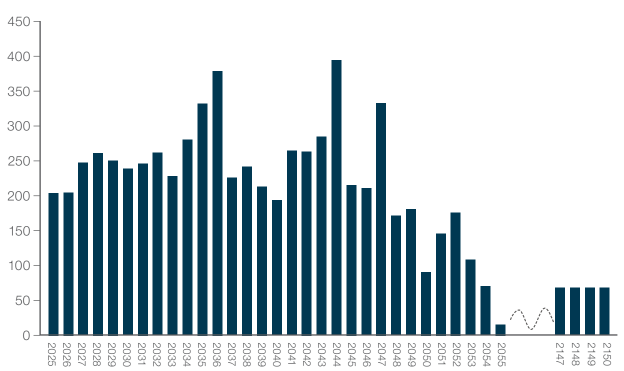
PREDICTABLE, LONG-TERM, INFLATION-LINKED CASH FLOWS

Continuing to deliver consistent financial returns for investors through dividends and capital growth.

- Resilient, inflation-linked cash flows
- Focus on growing predictable dividends
- Principally regulated or contracted government-backed revenues
- A diversified portfolio of investments with stable, long-term cash flows and potential growth attributes

For more see pages 30 to 31

PROJECTED INVESTMENT RECEIPTS FROM EXISTING ASSETS



This chart is not intended to provide any future profit forecast. Cash flows shown are projections based on the current individual asset financial models and may vary in future. Only agreed investment commitments as at 31 December 2024 are included.

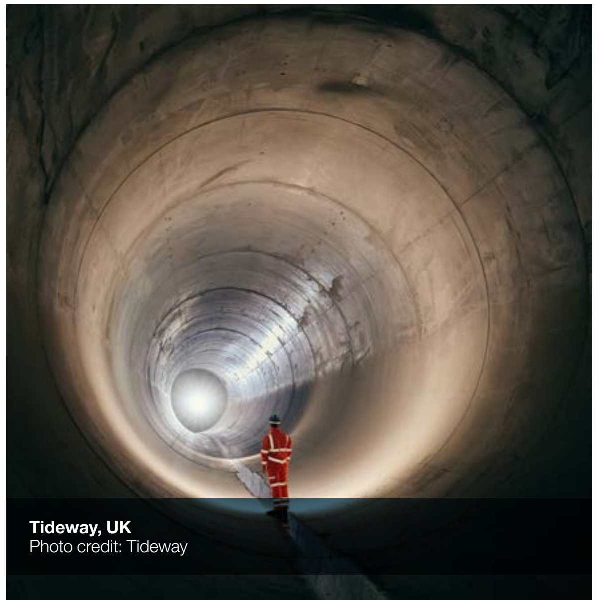
02

RESPONSIBLE APPROACH TO INVESTMENT

The Company is committed to integrating ESG considerations across the investment lifecycle. In doing so, it aims to reduce risk, drive value creation and provide benefits for its stakeholders.

- Article 8 Financial Product, as categorised under the Sustainable Finance Disclosure Regulation ('SFDR')
- Positive environmental and social characteristics
- Alignment with UN-backed Principles for Responsible Investment ('PRI'), SDGs and the Task Force on Climate-related Financial Disclosures ('TCFD')

For more see pages 40 to 51



Tideway, UK
Photo credit: Tideway

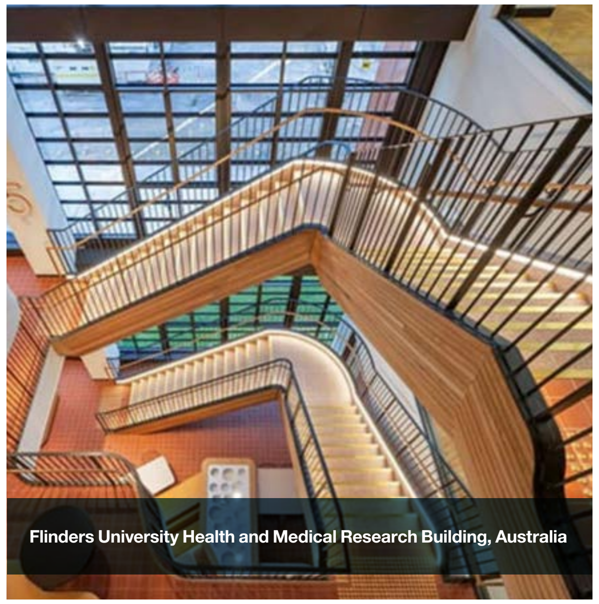
03

DIVERSIFIED PORTFOLIO OF LOW-RISK INFRASTRUCTURE ASSETS

The Company seeks to build a diversified portfolio of investments with low exposure to market demand risks.

- Investing in infrastructure assets and businesses delivering essential public services
- Investments are diversified across sectors and developed geographies
- Low correlation to other asset classes
- Active management of assets through the Company's Investment Adviser to mitigate risks and optimise value for all stakeholders

For more see pages 24 to 29



Flinders University Health and Medical Research Building, Australia

04

SPECIALIST INVESTMENT ADVISER

The Company has a long-standing relationship with the Investment Adviser. Amber has sourced, managed and optimised the Company's assets since IPO in 2006.

- Amber is a specialist international infrastructure investment manager with one of the largest independent teams in the sector with c.180 employees internationally
- Amber adopts a full-service approach and is a leading investment originator, asset and fund manager with a strong track record
- Local presence with personnel and offices across the geographies in which the Company invests, who are responsible for actively managing and optimising the portfolio throughout the full lifecycle, including pursuing investment and divestment opportunities
- In August 2024, Amber announced it had reached formal completion on a strategic transaction with Boyd Watterson[1], creating a leading global alternatives investment platform with $35bn combined assets under management

For more see pages 24 to 29

1 https://www.amberinfrastructure.com/news-and-insights/press-releases/boyd-watterson-and-amber-infrastructure-finalize-strategic-combination-establishing-a-premier-global-alternatives-investment-platform/.

BUSINESS MODEL
DELIVERING LONG-TERM BENEFITS

OUR PURPOSE

OUR PURPOSE IS TO INVEST RESPONSIBLY IN SOCIAL AND PUBLIC INFRASTRUCTURE THAT DELIVERS LONG-TERM BENEFITS FOR ALL STAKEHOLDERS.

We aim to provide our investors with stable, long-term, inflation-linked returns, based on growing dividends and the potential for capital appreciation.

We expect to achieve this by investing in a diversified portfolio of infrastructure assets and businesses, which, through our active management, meets societal and environmental needs both now and into the future.

WHAT WE DO

SOURCE

The Company operates a rigorous framework of governance, incorporating a streamlined screening, diligence and execution process. This includes substantive input from the Company's Investment Adviser and, as appropriate, external advisers, with the Company's Board providing robust challenge and scrutiny

STRUCTURE

We seek to develop a balanced portfolio through our Investment Adviser's extensive relationships, knowledge and insights of the market to:

- Enhance long-term, inflation-linked cash flows
- Provide opportunities to create long-term value and enhance returns

VALUE-FOCUSED PORTFOLIO DEVELOPMENT

- We seek a portfolio of investments with little to no exposure to market demand risks and for which financial, macroeconomic, regulatory, ESG and country risks are well understood and manageable
- The Investment Adviser has a strong investment team that originates attractive opportunities in line with the Company's investment strategy
- We continually monitor opportunities to enhance the Company's existing investments, whilst also considering opportunities for divestment
- The Company draws on the Investment Adviser's award-winning sustainability programme, 'Amber Horizons', to inform areas for future investment

For more see pages 18 to 20

OPTIMISE

We seek to actively manage our investments in order to optimise their financial, operational and ESG performance

DELIVER

Through our Investment Adviser's active asset management of our investments, we aim to ensure strong ongoing asset performance to deliver target returns and wider benefits for stakeholders

ACTIVE ASSET MANAGEMENT

- The Investment Adviser has an in-house asset management team dedicated to actively managing our investments
- Where possible, the Investment Adviser will manage the day-to-day activities of our investments internally, or will exercise our responsibilities through board representation at asset level and engagement with management teams
- Through our Investment Adviser, we work with public sector clients, partners and service providers to ensure investments are being managed both responsibly and efficiently to create value for stakeholders by meeting or exceeding performance targets
- We focus on investment stewardship across the portfolio and recognise the broader value created from our investments

For more see pages 24 to 29

UNDERPINNED BY

EFFICIENT FINANCIAL MANAGEMENT

- Efficient financial management of investment cash flows and working capital
- Maintaining cash covered dividends
- Ensuring cost-effective operations

For more see pages 30 to 31

RESPONSIBLE INVESTMENT

- ESG characteristics are assessed and considered throughout the investment lifecycle
- Robust ESG objectives to build resilience and drive environmental and social progress
- Upholding high standards of business integrity and governance

For more see pages 40 to 51

CONTINUOUS RISK MANAGEMENT

- Robust risk analysis during investment origination ensures strong portfolio development
- Integrated risk management throughout the investment cycle to support strategic objectives
- Ongoing risk assessment and mitigation supports successful continuous asset performance

For more see pages 52 to 65

VALUE CREATION

INVESTOR RETURNS

Continuing to deliver consistent financial returns for investors through dividend growth* and inflation-linked returns from underlying cash flows whilst optimising the portfolio to ensure the Company remains well positioned in the current market environment, and restoring value for our shareholders

PUBLIC SECTOR AND OTHER CLIENTS

Providing responsible investment in infrastructure to support the delivery of essential public services and broader societal objectives (e.g. supporting the path to net zero). Our ability to deliver services and maintain relationships with our clients and other key stakeholders is vital for the long-term prosperity and performance of each investment

COMMUNITIES

Delivering sustainable social infrastructure for the benefit of communities. The Company's investments provide vital public assets whose benefits also include enhancing local economies, creating jobs and strengthening of communities

SUPPLIERS AND THEIR EMPLOYEES

The performance of our service providers, supply chain and their employees is crucial for the long-term success of our investments. The Company promotes a progressive approach to:

- Safe, healthy, inclusive workplaces
- Corporate social responsibility
- Opportunities for professional development
- Staff engagement

View our company website
www.internationalpublicpartnerships.com

OBJECTIVES AND PERFORMANCE

The value we provide to our investors and our wider stakeholders is monitored using our strategic Key Performance Indicators ('KPIs').

INVESTOR RETURNS

Delivering long-term, inflation-linked returns to investors

TARGET AN ANNUAL DIVIDEND INCREASE OF 2.5%

3.0%

Annual dividend increase achieved for 2024[1]
(2023: 5.0%)

NEW INVESTMENTS TO MEET TARGET RETURN CRITERIA

100%

Of new Investments made in 2024 met return criteria[2]
(2023: 100%)

INFLATION-LINKED RETURNS ON A PORTFOLIO BASIS

0.7%

Inflation-linked returns on a portfolio basis at 31 December 2024[3]
(2023: 0.7%)

1 Further information regarding the 2024 dividend and future dividend targets can be found on pages 32 to 33. The dividend in respect of the six months to 31 December 2024 is expected to be paid on 9 June 2025.
2 The target return for any new investment is informed by several factors, including (i) the Company's share price relative to its NAV, (ii) the Company's weighted average discount rate, and (iii) any pertinent economic or strategic considerations. Further information can be found on page 32.
3 Calculated by running a 'plus 1.0%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked return is the increase in the weighted average discount rate. Please refer to page 32 for further detail.
4 Measured by comparing forecast portfolio distributions against actual portfolio distributions received, in local currency. See page 24 for further information.
5 The asset availability target applies to assets generating availability-based revenues (i.e. both PPPs and OFTOs). See page 26 for further information on the asset availability during the year.
6 The Company's Investment Adviser was awarded the highest rating of 5-stars in the UN-backed PRI 2024 assessment for the Policy Governance and Strategy and Direct Infrastructure modules.
7 Please refer to page 45 for additional ESG KPIs that are linked to the Company's approach to asset management.
8 Cash dividend payments to investors are paid from net operating cash flow before capital activity. Movements in the level of coverage from period to period can be expected due to the profile of projected distribution receipts from the portfolio over time (see chart on page 36), and are not necessarily a reflection of changes in the level of asset performance.
9 For further information, please see the Efficient Financial Management section on pages 30 to 31.

STRATEGIC PRIORITIES

VALUE-FOCUSED PORTFOLIO DEVELOPMENT

Originate investments with stable, long-term cash flows and potential growth attributes, whilst maintaining a balanced portfolio of assets

NEW INVESTMENTS MEET AT LEAST TWO OF FOUR ATTRIBUTES:

1. Stable, long-term returns
2. Inflation-linked investor cash flows
3. Early stage investor or investments secured through preferential access
4. Potential for capital appreciation

100%

of the investments made in 2024 met at least two of the four attributes
(2023:100%)

ACTIVE ASSET MANAGEMENT

Ensuring strong ongoing asset performance

STRONG ONGOING ASSET PERFORMANCE AS DEMONSTRATED BY:

100%

Forecast portfolio distributions received for 2024[4]
(2023: 100%)

0.2%

Asset performance deductions achieved against a target of <3% during 2024
(2023: 0.2%)

99.7%

Asset availability achieved against a target of >98% during 2024[5]
(2023: 99.8%)

RESPONSIBLE INVESTMENT

Management of material ESG factors

ROBUST INTEGRATION OF ESG INTO INVESTMENT LIFECYCLE

5-stars

PRI rating[6]
(2023: 5-stars)

POSITIVE SDG CONTRIBUTION FOR NEW INVESTMENTS

100%

Percentage of new investments in the year that positively support targets outlined by the SDGs[7]
(2023: 100%)

EFFICIENT FINANCIAL MANAGEMENT

Making efficient use of the Company's finances and working capital

CASH COVERED DIVIDENDS[8]*

1.1x

Dividends fully cash covered* for 2024
(2023: 1.1x)

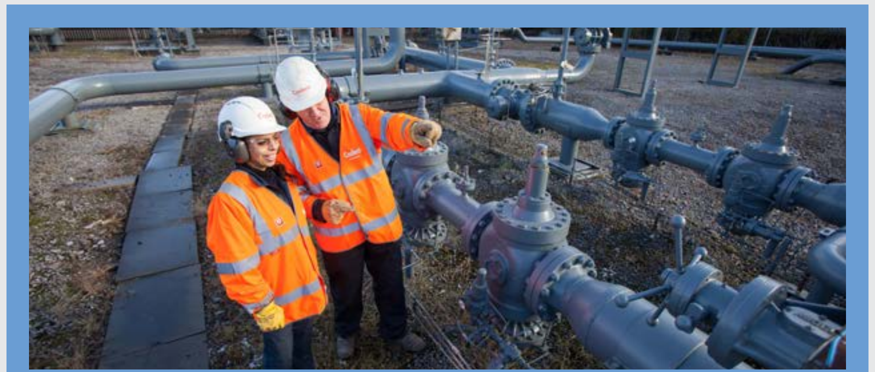
COMPETITIVE ONGOING CHARGES[9]

1.14%

Ongoing Charges Ratio for 2024
(2023: 1.17%)

TOP 10 INVESTMENTS

The Company's top 10 investments by fair value at 31 December 2024 are summarised below. A complete listing of the Company's investments is available on the Company's website.



1 CADENT

Cadent owns four of the UK's eight regional gas distribution networks ('GDNs') and in aggregate provides gas to approximately 11m homes and businesses.

LOCATION UK
SECTOR Gas Distribution
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 7% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 16.1%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 16.2%
PRIMARY SDG SUPPORTED 9

5 EA1 OFTO

The project connects the 714MW EA1 offshore wind farm, located c.50km off the Suffolk coast, to the National Grid. The transmission assets comprise the onshore and offshore substations and connecting cables, c.245km in length.

LOCATION UK
SECTOR Energy Transmission
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 4.3%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 4.4%
PRIMARY SDG SUPPORTED 7

6 LINCS OFTO

The project connects the 270MW Lincs offshore wind farm, located 8km off the east coast of England, to the National Grid. The transmission assets comprise the onshore and offshore substations and connecting cables, c.125km in length.

LOCATION UK
SECTOR Energy Transmission
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 3.6%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 4.0%
PRIMARY SDG SUPPORTED 7

8 BeNEX

BeNEX operates as an investor in both rolling stock as well as in train operating companies ('TOCs') which currently provide c.65m train km of annual rail transport per year.

LOCATION Germany
SECTOR Transport
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 3.2%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 2.5%
PRIMARY SDG SUPPORTED 11

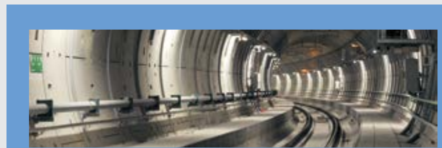
View our company website
internationalpublicpartnerships.com

More detail on significant movements in the Company's portfolio for the year to 31 December 2024 can be found on pages 18 to 19.

2 TIDEWAY

Tideway is the trading name of the company that was awarded the licence to design, build, finance, commission and maintain a new 25km 'super sewer' under the River Thames.

LOCATION UK
SECTOR Waste Water
STATUS AT 31 DECEMBER 2024 Under Construction
% HOLDING AT 31 DECEMBER 2024[1] 18% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 15.0%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 14.3%
PRIMARY SDG SUPPORTED 6



3 DIABOLO

Diabolo Rail Link ('Diabolo') integrates Brussels Airport with the national rail network allowing passengers to access high-speed trains, such as Amsterdam-Brussels-Paris and NS International trains.

LOCATION Belgium
SECTOR Transport
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 8.1%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 8.0%
PRIMARY SDG SUPPORTED 11

7 MORAY EAST OFTO

The project connects the 950MW Moray East offshore wind farm, located 22km off the Caithness Coast in the outer Moray Firth, to the National Grid. The transmission assets comprise the onshore and offshore substations and connecting cables, c.285km in length.

LOCATION UK
SECTOR Energy Transmission
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 3.2%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 N/A
PRIMARY SDG SUPPORTED 7

9 FHSP

Family Housing for Service Personnel ('FHSP') relates to mezzanine debt investments underpinned by security over seven operational PPP projects, comprising c.21,800 family housing units for US service personnel.

LOCATION US
SECTOR Other
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 100% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 2.7%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 3.9%
PRIMARY SDG SUPPORTED 11

4 ANGEL TRAINS

Angel Trains is a rolling stock leasing company which owns more than 4,000 vehicles. Angel Trains has invested over £5bn in rolling stock since it was established in 1994.

LOCATION UK
SECTOR Transport
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 10% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 6.0%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 6.2%
PRIMARY SDG SUPPORTED 11

10 RELIANCE RAIL

Reliance Rail is responsible for financing, designing, delivering and maintaining 78 next-generation, electrified, 'Waratah' train sets serving Sydney in New South Wales, Australia.

LOCATION Australia
SECTOR Transport
STATUS AT 31 DECEMBER 2024 Operational
% HOLDING AT 31 DECEMBER 2024[1] 33% Risk Capital
% INVESTMENT FAIR VALUE 31 DECEMBER 2024 2.5%
% INVESTMENT FAIR VALUE 31 DECEMBER 2023 2.8%
PRIMARY SDG SUPPORTED 11

1 Risk Capital includes project level equity and/or subordinated shareholder debt.

CASE STUDY
BeNEX

THE COMPANY'S LONG-STANDING PASSENGER RAIL BUSINESS CONTINUES ITS STRONG GROWTH TRAJECTORY

BeNEX is a key player in the German Local Public Passenger Transportation ('LPPT') market and is an investor in both rolling stock as well as in the TOCs that manage passenger services under contract with the relevant federal states across Germany. The majority of BeNEX's revenues are availability-based, rather than being linked to passenger numbers, and support the Company's wider objective of delivering long-term, predictable cash flows to its investors.

INPP first invested in BeNEX in 2007 as one of its two founding shareholders and took full control of the business by increasing its stake to 100% in 2019. This long-term partnership demonstrates INPP's commitment to supporting the LPPT sector and has helped BeNEX to grow significantly; service volumes have grown by more than four times since 2007 such that in 2024 the business transported c.123m passengers which avoided a staggering 437k tonnes of CO_2 emissions[1]. BeNEX is therefore making a significant contribution towards the achievement of both Germany's and the EU's CO_2 reduction targets, whilst continuing to provide INPP with a platform through which it can generate predictable revenues and participate in the growth of the German passenger rail market.

In October 2024, BeNEX announced the successful completion of its acquisition of Abellio's regional rail operations in Germany ('Abellio Germany') which was facilitated by a strategic follow-on investment by the Company into BeNEX of c.£15m. This transaction involved BeNEX acquiring 100% of Abellio Germany from the Dutch State Railway. As previously reported, the projected economics of this c.£15m investment were significantly more attractive, over the medium to long-term, relative to the economics of engaging in a share buyback[2]. As a result of the acquisition, BeNEX has interests in eight TOCs and has significantly increased its service volume from c.48m train kilometres per year to c.65m train kilometres per year under concession agreements with 14 of the 16 German federal states. Among other benefits, this acquisition contributes towards greater use of the regional railways leading to the reduction in emissions, and increasing future growth opportunities.

Another milestone in 2024 saw one of BeNEX's TOCs be awarded a concession to operate services in Mecklenburg-Western Pomerania for a further 15 years. Importantly, this concession will see the gradual replacement of diesel trains with new battery electric trains.

Overall, these and other recent initiatives will result in BeNEX's fleet of operating trains increasing to c.350 in 2027. With its successes in 2024, BeNEX has solidified its position as one of the largest providers of local rail passenger transport in Germany, supporting both improved mobility as well as the decarbonisation of the transport system.

DIFFERENTIATION OF THE OPERATING MODEL

A key differentiator for the Company is the relationship with its Investment Adviser. The Investment Adviser's team, spread across the countries in which the Company invests, has been focused on sourcing and managing the Company's assets since the IPO in 2006 and has a proven track record, with high standards of governance, stewardship and relationship management across the Company's investment portfolio.

More information can be found in the Active Asset Management section on page 28. The Company's investment in BeNEX demonstrates this approach, as the Investment Adviser has worked closely with its key stakeholders since the Company's initial investment in BeNEX in 2007. Owing to the experience and relationships developed by the Investment Adviser since the Company made its initial investment, the Company was well-placed to negotiate the acquisition of its 51% shareholding on accretive terms in July 2019 to become the sole owner of BeNEX.

SUSTAINABLE MANAGEMENT

As an investor in passenger rail infrastructure, BeNEX can support Germany's ambition to encourage modal shift from private car usage to public transport, with the aim of decreasing greenhouse gas ('GHG') emissions, alleviating traffic congestion, and improving air quality.

BeNEX is eligible for alignment with the EU Taxonomy for environmentally sustainable activities, under the category of Passenger Interurban Rail Transport, as it has the potential to make a substantial contribution to the Climate Mitigation objective of the Taxonomy. The Investment Adviser quantifies and tracks the EU Taxonomy alignment of the Company's investments and is working with BeNEX to support it in meeting the alignment criteria, including through a physical climate risk assessment which is currently in progress. Following the acquisition of Abellio Germany, c.80% of BeNEX's revenues are generated by operations with electric rolling stock with no direct GHG emissions, and, which has the potential to be classified as a sustainable economic activity. It is expected that this share will continue to grow due to increasing electrification of the tracks and a further enhancing share of battery electric trains in the market.

PRIMARY SDGS SUPPORTED

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Image: BeNEX, Germany
Photo credit: Cantus

Key facts and performance:

FINANCIAL	CLIMATE	SOCIETY
c.1,250%	c.437k tonnes	c.123m
Growth of revenues since initial investment in 2007	CO_2 emissions avoided in 2024 compared to a corresponding use of cars by passengers	Number of passengers transported in 2024

1 Calculated as train passenger-kms times 0.71 car-km (on average 1.4 persons per car assumed) times 164g average CO_2 emissions per car-km less corresponding train emissions based on actual electricity/diesel consumption.

2 The projected long-term economics of a share buyback are calculated based on INPP's weighted average discount rate, less the Ongoing Charges Ratio, adjusted to reflect the share price discount to the NAV using published sensitivities. As at 30 June 2024, the latest valuation date before making the investment, the projected net return was 9.3% per annum.

OPERATING REVIEW

VALUE-FOCUSED PORTFOLIO DEVELOPMENT

Given the ongoing volatility in the UK listed market, conditions remain unfavourable for raising new equity. As a result, the Board and Investment Adviser are prioritising asset allocation and active portfolio management. A package of measures has also been implemented to strengthen the Company's position in the current environment and ensure it is well-positioned for the longer-term. Central to this is an enhanced capital return programme – funded through a mix of divestments and surplus cash flow, primarily via share buybacks, though other return methods may be considered.

The Board will continue to regularly review the overall composition of the portfolio to ensure it remains aligned with the Company's investment objectives, considering both investment and divestment opportunities, as appropriate.

DESIRABLE KEY ATTRIBUTES FOR THE PORTFOLIO

Whilst the Board currently prioritises the return of capital to shareholders given the market environment, it will carefully consider opportunities to reinvest divestment proceeds into new and follow-on investment opportunities. Such investments will only be made where there are significant broader portfolio or strategic benefits and where the projected long-term returns substantially exceed the short-term benefits available through share buybacks.

More generally, any new investments should remain consistent with the Company's investment objectives to provide investors with long-term, inflation-linked cash flows and/or the potential for capital appreciation. Consistent with the Board's KPI targets, new investments are therefore required to have at least two of the four key attributes listed.

1. **Long-term, stable returns**
2. **Inflation-linked investor cash flows**
3. **Early-stage investor** (e.g. the Company is an early-stage investor in a new opportunity developed by its Investment Adviser) or investments secured through preferential access (e.g. sourced through pre-emptive rights)
4. **Potential for capital appreciation** (e.g. through 'de-risking' or residual/terminal value growth)

Any investment would also be required to positively contribute towards the SDGs (see the Responsible Investment KPI on pages 12 to 13).

INVESTMENTS MADE DURING 2024

PERFORMANCE AGAINST STRATEGIC KPIs

100%

Of the investments made in 2024 met at least two of the four attributes (2023: 100%)

Investment activity during the year to 31 December 2024 which included new, follow-on and existing commitments totalling £107.8m (2023: £108.1m). This included the acquisition of Moray East OFTO, a further investment into BeNEX and funding into long-standing investment commitments to Flinders University Health and Medical Research Building ('HMRB'), Gold Coast Light Rail – Stage 3, and toob.

The Board carefully considered the merits of completing the acquisitions in light of capital allocation priorities. The projected returns from acquiring Moray East OFTO and BeNEX were judged to be significantly more attractive relative to alternative capital allocation options and given the capital was available to the Company as a result of realisation activity, the Board concluded that these acquisitions were in the best interests of shareholders.

MORAY EAST OFTO

Location

Status
Operational

Investment
c.£77m

Investment date
February 2024

Key attributes
1 2 3 4

Primary SDG supported

Moray East OFTO is the Company's 11th OFTO investment and will further increase the Company's contribution to the UK's transition to a net zero carbon economy.

This investment has the capacity to transmit sufficient renewable electricity to power the equivalent of c.1.0m homes, increasing the total equivalent across the Company's OFTO portfolio to c.3.7m homes.

BeNEX

Location

Status
Operational

Investment
c.£15m

Investment date
October 2024

Key attributes
1 2 3 4

Primary SDG supported

BeNEX, which is wholly-owned by INPP, is an investor in both rolling stock and eight TOCs which operate regional passenger rail services across Germany. BeNEX is under contract with numerous German federal states and acquired Abellio's regional rail operations in Germany which principally comprise two TOCs generating mostly availability-based revenues.

EXISTING COMMITMENTS

The Company has three long-standing commitments to invest in the Flinders University HMRB, Gold Coast Light Rail – Stage 3, and toob. All of these investment commitments are expected to be fulfilled by mid-2026.

Existing commitments	Location	Outstanding commitment as at 31 December 2024
Flinders University HMRB		£2.0m
Gold Coast Light Rail – Stage 3		£5.1m
toob		£5.4m

INVESTMENT REALISATION

As stated earlier in this Report, the Board and the Investment Adviser continue to actively pursue selective divestment opportunities across INPP's portfolio to support valuations and fund the continued return of capital to investors. In the 18 months to 31 December 2024, the Company successfully generated c.£260m from asset realisations from its energy transmission, social infrastructure, and digital infrastructure investments. All realisations have taken place at prices in line with the most recently published valuations.

During the 12 months to 31 December 2024, INPP realised c.£44m and the Company continued to actively pursue both individual assets and portfolio divestments. Post-period end, in March 2025, the Company agreed to sell its minority interests in seven UK education PPPs to an existing co-shareholder for total proceeds of c.£8m which is in line with the most recent valuations. In addition, there are a number of further ongoing divestment processes and further information will be provided in due course.

THREE SHIRES PORTFOLIO

Location

Status
Operational

Divestment
c.£14m

Divestment date
August 2024

Primary SDG supported

The portfolio comprises the design, build, financing and maintenance of four community healthcare facilities, including two in Derbyshire, one in Leicestershire and one in Lincolnshire.

The Company's 50% interest in the portfolio was disposed of in August 2024, with the sales price being in line with the Company's 30 June 2024 valuation.

FHSP

Location

Status
Operational

Divestment
c.£30m

Divestment date
September 2024

Primary SDG supported

INPP's FHSP investments are in the form of mezzanine debt investments secured against seven operational Public-Private Partnerships ('P3') projects, comprising c.21,800 housing units located across the United States.

The Company made a partial disposal in September 2024, realising c.£30m, with the sales price being in line with the Company's 30 June 2024 valuation.

OPERATING REVIEW CONTINUED

VALUE-FOCUSED PORTFOLIO DEVELOPMENT CONTINUED

FUTURE OPPORTUNITIES

The Company does not need to make additional investments to deliver current projected returns and reconfirms that the projected cash receipts from the existing portfolio are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy for at least the next 20 years[1].

Further investment opportunities will be assessed against the Company's relevant strategic KPIs and will only be considered where there are significant broader portfolio or strategic benefits and where the projected long-term returns exceed those available through share buybacks. A high-level summary of wider sectors that the Company continues to actively review is outlined below.

SOCIAL INFRASTRUCTURE

EXAMPLE INVESTMENTS
- Education
- Health
- Justice
- Other social accommodation


Haeata Community Campus, New Zealand

TRANSPORT AND MOBILITY

EXAMPLE INVESTMENTS
- Government-backed transport including:
  - Light rail
  - Regional rail


Reliance Rail, Australia

REGULATED UTILITIES

EXAMPLE INVESTMENTS
- OFTOs
- Distribution and transmission
- Other regulated investments e.g. nuclear


Rampion OFTO, UK

OTHER ESSENTIAL INFRASTRUCTURE

EXAMPLE INVESTMENTS
- Digital connectivity
- Energy management

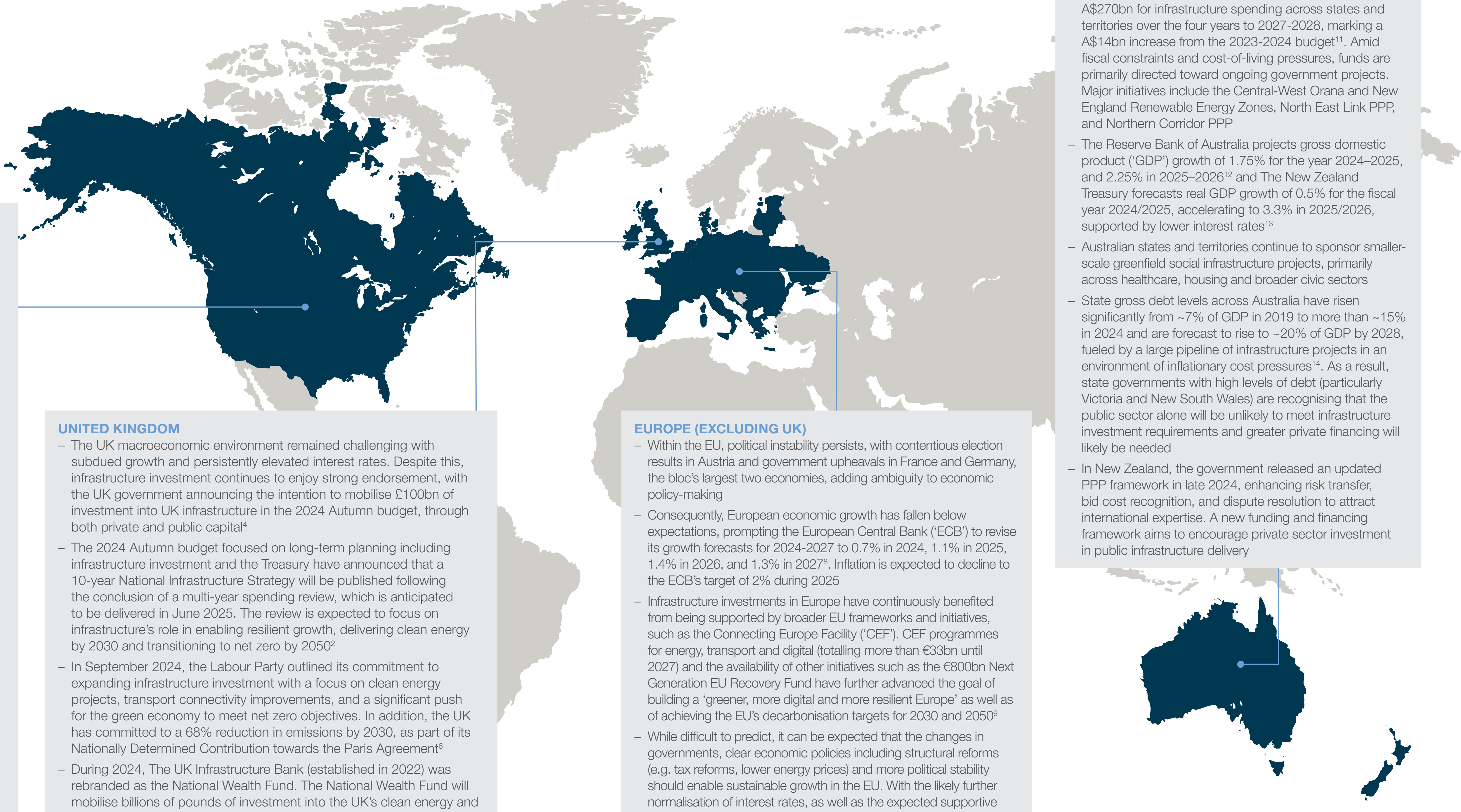
1 This is reflective of the 2025 and 2026 dividend targets, and c.2.5% annual dividend growth thereafter.

Image: Moray East OFTO, UK

OPERATING REVIEW

MARKET ENVIRONMENT AND FUTURE OPPORTUNITIES

2024 remained challenging due to volatile macroeconomic conditions and geopolitical events



NORTH AMERICA

- Bipartisan stimulus bills including the Infrastructure Investment and Jobs Act ('IIJA')[1] the CHIPS and Science Act and the Inflation Reduction Act ('IRA')[2], totaling US$1.8tn have been driving investment in transport, communications, energy, carbon and resiliency infrastructure
- However, the change in Administration resulting from the November 2024 election may create additional uncertainty around the future of some existing stimulus packages; although infrastructure spending generally appears to be well supported on a bipartisan basis
- Deal volumes increased in 2024 and are expected to increase further with new procurements issued for transport, social accommodation and energy deals
- Government and other entities are actively seeking alternative delivery of projects. Many projects display innovative capital structures utilising various sources of public and private capital
- As of December 2024, the projections for US economic GDP growth implies that government spending cuts will be fully implemented in the 2026 fiscal year and further subtract from growth, indicating GDP growth of 2.4% in 2025, before slowing to 1.7% in 2026. GDP growth of c.2% is then expected from 2027 to 2029[3]
- In Canada, aggressive energy and decarbonisation targets are driving new deal flow along with an increase in the number of proposed P3 deals

UNITED KINGDOM

- The UK macroeconomic environment remained challenging with subdued growth and persistently elevated interest rates. Despite this, infrastructure investment continues to enjoy strong endorsement, with the UK government announcing the intention to mobilise £100bn of investment into UK infrastructure in the 2024 Autumn budget, through both private and public capital[4]
- The 2024 Autumn budget focused on long-term planning including infrastructure investment and the Treasury have announced that a 10-year National Infrastructure Strategy will be published following the conclusion of a multi-year spending review, which is anticipated to be delivered in June 2025. The review is expected to focus on infrastructure's role in enabling resilient growth, delivering clean energy by 2030 and transitioning to net zero by 2050[2]
- In September 2024, the Labour Party outlined its commitment to expanding infrastructure investment with a focus on clean energy projects, transport connectivity improvements, and a significant push for the green economy to meet net zero objectives. In addition, the UK has committed to a 68% reduction in emissions by 2030, as part of its Nationally Determined Contribution towards the Paris Agreement[6]
- During 2024, The UK Infrastructure Bank (established in 2022) was rebranded as the National Wealth Fund. The National Wealth Fund will mobilise billions of pounds of investment into the UK's clean energy and growth industries. It will play a pivotal role in facilitating private sector investment to support net zero ambitions and broader infrastructure goals through the delivery of the government's new Industrial Strategy which was expanded to include defence spending, reallocating funds initially designated for green projects[7]

EUROPE (EXCLUDING UK)

- Within the EU, political instability persists, with contentious election results in Austria and government upheavals in France and Germany, the bloc's largest two economies, adding ambiguity to economic policy-making
- Consequently, European economic growth has fallen below expectations, prompting the European Central Bank ('ECB') to revise its growth forecasts for 2024-2027 to 0.7% in 2024, 1.1% in 2025, 1.4% in 2026, and 1.3% in 2027[8]. Inflation is expected to decline to the ECB's target of 2% during 2025
- Infrastructure investments in Europe have continuously benefited from being supported by broader EU frameworks and initiatives, such as the Connecting Europe Facility ('CEF'). CEF programmes for energy, transport and digital (totalling more than €33bn until 2027) and the availability of other initiatives such as the €800bn Next Generation EU Recovery Fund have further advanced the goal of building a 'greener, more digital and more resilient Europe' as well as of achieving the EU's decarbonisation targets for 2030 and 2050[9]
- While difficult to predict, it can be expected that the changes in governments, clear economic policies including structural reforms (e.g. tax reforms, lower energy prices) and more political stability should enable sustainable growth in the EU. With the likely further normalisation of interest rates, as well as the expected supportive economic growth and inflation trends, the outlook for infrastructure market activity is assumed to be more favourable in 2025, although risks remain due to ongoing geopolitical uncertainties and a potentially more challenging trading environment[10]

AUSTRALIA AND NEW ZEALAND

- Government investment will remain a key driver of private infrastructure development in Australasia in 2025, with energy and transport projects prioritised to address population growth and accelerate the transition to net zero emissions by 2050
- The Australian Government's 2024-25 budget allocated A$270bn for infrastructure spending across states and territories over the four years to 2027-2028, marking a A$14bn increase from the 2023-2024 budget[11]. Amid fiscal constraints and cost-of-living pressures, funds are primarily directed toward ongoing government projects. Major initiatives include the Central-West Orana and New England Renewable Energy Zones, North East Link PPP, and Northern Corridor PPP
- The Reserve Bank of Australia projects gross domestic product ('GDP') growth of 1.75% for the year 2024–2025, and 2.25% in 2025–2026[12] and The New Zealand Treasury forecasts real GDP growth of 0.5% for the fiscal year 2024/2025, accelerating to 3.3% in 2025/2026, supported by lower interest rates[13]
- Australian states and territories continue to sponsor smaller-scale greenfield social infrastructure projects, primarily across healthcare, housing and broader civic sectors
- State gross debt levels across Australia have risen significantly from ~7% of GDP in 2019 to more than ~15% in 2024 and are forecast to rise to ~20% of GDP by 2028, fueled by a large pipeline of infrastructure projects in an environment of inflationary cost pressures[14]. As a result, state governments with high levels of debt (particularly Victoria and New South Wales) are recognising that the public sector alone will be unlikely to meet infrastructure investment requirements and greater private financing will likely be needed
- In New Zealand, the government released an updated PPP framework in late 2024, enhancing risk transfer, bid cost recognition, and dispute resolution to attract international expertise. A new funding and financing framework aims to encourage private sector investment in public infrastructure delivery

1 Bipartisan Infrastructure Law, The White House
2 The Inflation Reduction Act, The White House
3 https://www2.deloitte.com/us/en/insights/economy/us-economic-forecast/united-states-outlook-analysis.html
4 https://www.gov.uk/government/news/what-you-need-to-know-about-the-autumn-budget-2024
5 https://www.ice.org.uk/news-views-insights/inside-infrastructure/whats-new-uk-government-doing-about-infrastructure
6 https://www.gov.uk/government/publications/national-wealth-fund-mobilising-private-investment/national-wealth-fund-mobilising-private-investment-accessible#:~:text=It%20will%20mobilise%20private%20sector,Chancellor%20of%20the%20Exchequer
7 https://assets.publishing.service.gov.uk/media/6710cf42080bdf716392f558/NWF_IIS_Publication.pdf
8 https://www.ecb.europa.eu/press/projections/html/ecb.projections202412_eurosystemstaff~71a06224a5.en.html#toc6
9 https://cinea.ec.europa.eu/programmes/connecting-europe-facility/about-connecting-europe-facility_en#cef-energy
10 https://www.dws.com/en-gb/insights/alternatives-research/infrastructure/infrastructure-strategic-outlook-2025/
11 Australian Infrastructure Budget Monitor 2024-25
12 https://budget.gov.au/content/myefo/download/02_Part_2_WEB.pdf
13 https://www.treasury.govt.nz/publications/efu/half-year-economic-and-fiscal-update-2024
14 Fitch Ratings

OPERATING REVIEW

ACTIVE ASSET MANAGEMENT

APPROACH TO ASSET MANAGEMENT

Through our Investment Adviser, we actively manage our investments to maintain a high-performing portfolio capable of delivering consistent returns to shareholders.

At the portfolio level, Amber has a highly skilled in-house team with decades of sector experience across the regions where INPP operates. This team is responsible for overseeing and optimising the Company's investments, including through board representation, as well as the provision of dedicated finance and legal staff, to ensure that the portfolio meets or exceeds performance targets for the benefit of all stakeholders. The team's proactive approach has played a crucial role in the Company's success since its IPO and has been instrumental in maintaining this success during periods of macroeconomic volatility.

CORPORATE MANAGEMENT SERVICES

Unlike typical companies, infrastructure concession-owning portfolio companies (such as PPPs and OFTOs) do not have their own management teams. Instead, they rely on third-party service providers for corporate management services typically covering contract management, lender reporting, invoicing and accounting, cash management, tax compliance, and other corporate management functions. These services are essential for ensuring the portfolio companies deliver the forecast financial returns to the Company. These services are procured by, and charged to, the relevant portfolio company, and are factored into the investment's fair value.

CORPORATE GOVERNANCE

Similar to facilities management, corporate management services are typically secured at the start of a project through a long-term contract, helping to reduce future cash flow volatility. The scope and costs of these services are evaluated by the procuring authority as part of the initial competitive project tender. Additionally, these arrangements undergo review, benchmarking, and assessment by the Investment Committee during the investment decision process.

This proven asset management approach has consistently delivered effective oversight and operational efficiency, as demonstrated by the swift resolution of the recent cable fault at EA1. When beneficial, the Board aims to leverage the broader expertise and experience of the Amber Group to directly provide these services to portfolio companies[1].

OPERATIONAL PERFORMANCE

0.30

Accident Frequency Rate per 100,000 hours worked
(31 December 2023: 0.38)

PERFORMANCE AGAINST STRATEGIC KPIs

100%

Forecast distributions received
(31 December 2023: 100%)[1]

Infrastructure assets and businesses inherently involve health and safety risk both during construction and whilst operational. The health and safety of clients, delivery partners, employees and members of the public who come into contact with our assets is of the utmost importance and so we accord the highest priority to health and safety. The Accident Frequency Rate ('AFR') of the Company's underlying investment portfolio is calculated based on the number of occupational injuries that resulted in lost time during the relevant period. For the year to 31 December 2024, this remained low at 0.30 per 100,000 hours worked (31 December 2023: 0.38). Comprehensive health and safety data is evaluated each quarter to highlight any trends or areas of focus.

From a cash flow perspective, the portfolio performed well during the year to 31 December 2024 with 100% of the investment portfolio's overall forecast distributions having been received (31 December 2023: 100%).

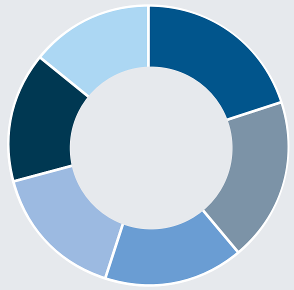
Further information on operational performance and key updates for the Company's PPP projects, regulated investments and operational businesses is set out on the following pages.

1 Further details of such services and costs can be found on the Investment Adviser's website: https://www.amberinfrastructure.com/what-we-do/manage-asset-management/.

PORTFOLIO OVERVIEW AS AT 31 DECEMBER 2024

SECTOR BREAKDOWN

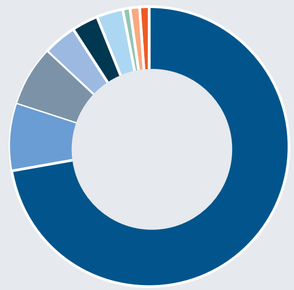
141 investments in infrastructure projects and businesses across a variety of sectors[1]



- Transport **20%**
- Energy transmission **19%**
- Education **16%**
- Gas distribution **16%**
- Waste water **15%**
- Other **14%**

GEOGRAPHIC SPLIT

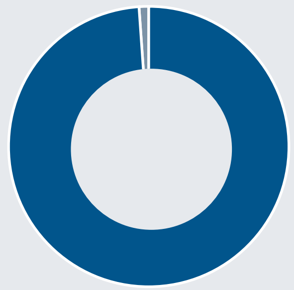
Investments are diversified by developed geographies



- UK **73%**
- Belgium **8%**
- Australia **7%**
- Germany **4%**
- US **3%**
- New Zealand **3%**
- Canada **1%**
- Ireland **<1%**
- Denmark **<1%**

INVESTMENT TYPE

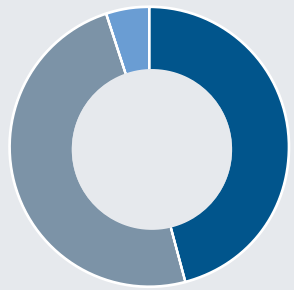
Investments across the capital structure



- Risk Capital[2] **99%**
- Senior Debt **1%**

INVESTMENT OWNERSHIP

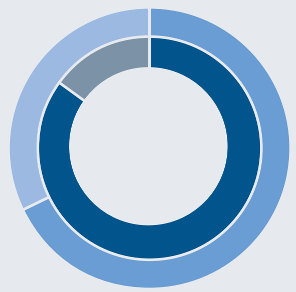
Preference to hold majority stakes



- 100% **46%**
- <50% **49%**
- 50-100% **5%**

MODE OF ACQUISITION/INVESTMENT STATUS

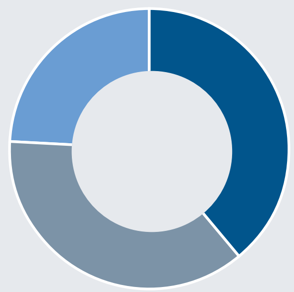
Early stage investment gives first mover advantage and maximises capital growth opportunities



- Operational **85%**
- Construction **15%**
- Early Stage Investor[3] **68%**
- Later Stage Investor[4] **32%**

INVESTMENT LIFE

Weighted average portfolio life of c.38 years[5]



- <20 years **39%**
- >30 years **37%**
- 20-30 years **24%**

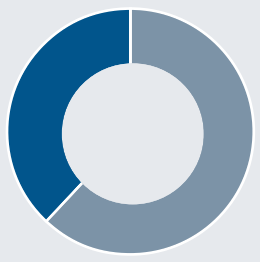
1 The majority of assets and businesses benefit from availability-based or regulated revenues. 'Other' includes Health (4%), FHSP (3%), Digital (2%) and Judicial (2%) among other assets.
2 Risk Capital includes project-level equity and/or subordinated shareholder debt.
3 Early Stage Investor – investments developed or originated by the Investment Adviser or predecessor team in primary or early phase investments.
4 Later Stage Investor – investments acquired from a third-party investor in the secondary market.
5 Includes non-concession entities which potentially have a perpetual life but are assumed to have finite lives for this illustration.

OPERATING REVIEW CONTINUED

ACTIVE ASSET MANAGEMENT CONTINUED

PPP PROJECTS

PORTFOLIO BREAKDOWN



■ PPP **38%**

PERFORMANCE AGAINST STRATEGIC KPIs

99.7%

Asset availability achieved against a target of >98%[1]
(31 December 2023: 99.8%)

0.2%

Asset performance deductions achieved against a target of <3%
(31 December 2023: 0.2%)

The Company's PPP portfolio (accounting for 38% of the portfolio by investment fair value) is comprised of individual concession-based investments where a private sector entity is generally responsible for designing, building, financing, operating and maintaining a social infrastructure facility typically in exchange for availability-based revenues. These investments span various sectors, such as education, healthcare, justice and other social infrastructure sectors across multiple jurisdictions. The Company's PPP investments continue to meet key objectives, including that facilities are available for use, areas are safe and secure, and performance standards outlined in the underlying agreements are met. The Company's Investment Adviser has significant expertise in this field and has overseen the majority of the PPP projects in the Company's portfolio since their inception.

- Monitoring availability and performance deductions serves as a vital KPI. While deductions are typically transferred to facilities management providers under long-term fixed price contracts, the Investment Adviser actively oversees its subcontractors to optimise project performance. During the year to 31 December 2024, the overall availability of the Company's PPP assets was 99.8% (31 December 2023: 99.8%) with performance deductions of only 0.2% (31 December 2023: 0.2%), both of which were ahead of targets and demonstrate the high level of operational performance achieved
- The overall asset availability of 99.7% for the year to 31 December 2024 (31 December 2023: 99.8%) reflects the Company's PPP projects as well as its OFTO investments
- During the year, the Company's Investment Adviser oversaw the delivery of lifecycle works (including repair, refurbishment, and replacement works) totalling £53.6m on behalf of public sector clients. This work ensures the facilities continue to perform in line with the contractual requirements for the relevant public sector clients
- The Company's public sector clients initiated over 1,200 contract variations during the year, amounting to £16.1m in value. These variations range from minor adjustments and renovations to substantial upgrades and expansions, and help ensure the facilities continue to meet clients' needs
- A number of benchmarking exercises were performed and agreed for the Company's social accommodation projects, which included reviewing the cost of the services delivered in order to ensure value for money for the public sector client

OTHER KEY UPDATES

ASSET HAND-BACK
The transfer, or 'hand-back', of the PPP assets and the associated services to the public sector clients is an increasingly important area of focus as the Company's PPP portfolio matures. The Investment Adviser proactively monitors asset condition, maintenance and lifecycle works to ensure the assets will meet the necessary criteria for hand-back. Where an asset's condition does not meet the necessary criteria, the PPP company must undertake remedial works. The risk associated with the costs of these works are generally contractually passed to subcontractors. This proactive approach aims to facilitate an efficient and seamless transfer to the relevant public sector counterparty.

The Investment Adviser is a leading contributor to the Infrastructure and Projects Authority ('IPA') working groups which aim to provide guidance and greater certainty to the public and private sector in the UK in relation to how hand-back should be delivered to ensure a consistent approach is adopted across the sector.

The first of the Company's PPP investments that will go through the hand-back process is Hereford and Worcester Courts in 2025 and the necessary activities are proceeding in line with expectations. The expiry dates for the remainder of the Company's PPP concessions span the next 25 years.

DIABOLO
Diabolo is a rail infrastructure investment which connects Brussels Airport with Belgium's national rail network. The majority of the revenues generated by Diabolo are linked to passenger use of either the rail link itself, or the wider Belgian rail network. Passenger numbers now exceed pre-pandemic levels and Diabolo is paying distributions in line with expectations.

1 The asset availability target applies to assets generating availability-based revenues (i.e. both PPPs and OFTOs).

REGULATED INVESTMENTS

PORTFOLIO BREAKDOWN

■ Regulated Investments **50%**

The Company is currently invested in Cadent, Tideway and a portfolio of 11 OFTOs (together accounting for 50% of the portfolio by investment fair value), all of which are regulated by statutory independent economic regulators. Whilst different in nature, the regulatory frameworks used are ultimately designed to, among other things, protect the interests of consumers whilst ensuring that the regulated companies can earn a fair return on their capital. The Company owns 100% of each of its OFTO investments and whilst the Company does not hold majority positions in Cadent or Tideway, the Company engages through its Investment Adviser's board director positions in the governance of its investments. This includes seeking to ensure effective risk management and driving the overall financial, operational and ESG performance of its investments.

OFTOs
The Company's OFTO investments are regulated by the Office of Gas and Electricity Markets ('Ofgem') which grants licences to transmit electricity generated by offshore wind farms into the onshore grid. The revenues generated are not linked to electricity production or price, instead the OFTO is paid a pre-agreed, availability-based revenue stream for a fixed period of time (typically 20-25 years).

The EA1 OFTO was operating at only half its physical capacity after having suffered an offshore cable fault in April 2024. However, due to the efforts of the Investment Adviser's asset management team, the repair works were completed and EA1 returned to full service in October 2024. The team worked closely with Ofgem throughout, who expedited their own investigations into both the reasons for the fault and EA1's response. Post period end, Ofgem determined that the fault was beyond the OFTO's reasonable control and, taking into account EA1's actions in responding to and repairing the fault, concluded that existing regulatory protections would be available such that EA1 would not be subject to any revenue loss for the impact of the offshore cable fault on asset availability. Accordingly, paid availability for the year was 99.7% which is above the licence target of 98.0%.

The Ofgem consultation process regarding the potential regulatory developments underpinning an extension of the OFTO revenue stream is ongoing. In January 2024, Ofgem published decisions on some of the questions raised in its 2022 consultation. This confirmed Ofgem's overarching objective is to maximise the combined operational lifetimes of both generation and transmission assets where it is economic and efficient to do so. In December 2024, Ofgem published a further consultation seeking views on extending the operating periods for OFTOs and improving the efficiency of the current tender process. Ofgem expects incumbent OFTOs to be best positioned to operate transmission assets in an extension period with its preferred approach being to promote bilateral negotiation with the incumbent OFTO when setting any extension revenue stream.

CADENT[1]
Cadent is the UK's largest gas distribution network, serving 11m homes and businesses. Cadent is regulated by Ofgem which has granted Cadent a licence to distribute gas across certain regions within the UK. The business has continued to perform strongly during the year.

Cadent continues to support the UK government in meeting its net zero target. The transition to net zero will change the role of the gas network over time as consumers gradually shift their consumption to lower carbon alternatives such as renewable electricity and hydrogen alongside an expected move away from natural gas. Cadent will play a critical role in energy decarbonisation in the UK by, (i) continuing to safely and reliably provide gas and thereby facilitate the increased use of cleaner albeit more intermittent technologies, (ii) driving reductions in emissions while customers still need gas, and (iii) converting and developing the network to enable the distribution of cleaner fuels such as hydrogen to where it is needed when customers are ready.

During the year, Ofgem continued to consult stakeholders as part of its process for determining the revenues that UK gas network companies will be able to earn in the next five-year price control period which starts in 2026. In July 2024, Ofgem announced[2] that it does not anticipate significant regulatory changes in the next price control period, that the framework must be adaptable to a range of potential future energy pathways, and that maintaining a safe and resilient gas network remains paramount. The terms of announcements made by Ofgem were broadly consistent with the Company's expectations. In December 2024, Cadent submitted its final business plan in respect of the next price control period to Ofgem and expects to receive Ofgem's draft and final determinations later in 2025.

TIDEWAY[3]
Tideway is regulated by the Water Services Regulation Authority ('Ofwat') which, in 2015, granted Tideway a licence to design, build, finance, commission and maintain a new 25km 'super sewer' under the River Thames.

Major construction work on the project was completed during the year and in September 2024, the tunnel started to prevent sewage from entering the River Thames for the first time. In February 2025, it was confirmed that the 'super sewer' had been fully connected and it should therefore now be able to prevent 95% of the sewage spills that would have otherwise polluted the River, dramatically improving the water quality of the River Thames and delivering significant environmental benefits. Data shows that from September 2024 until the time of writing, the system had prevented more than six million cubic metres of sewage[4] from entering the River Thames. Commissioning is currently scheduled for completion in the second half of 2025. At £4.6bn, the estimated cost of the project remains broadly in line with the amount stated in INPP's 2024 Interim Report and the cost to Thames Water customers remains within the initial estimate provided at the outset of the project.

In December 2024, Ofwat published its final determinations for the 2024 price review ('PR24') which set out the price controls for

1 View Cadent's latest Annual Report: https://cadentgas.com/getmedia/ad65d96e-2aac-4f74-86fd-73ea28922034/27091_Cadent_AR24_WEB_2024-06-19.pdf.
2 https://www.ofgem.gov.uk/decision/riio-3-sector-specific-methodology-decision-gas-distribution-gas-transmission-and-electricity-transmission-sectors.
3 View Tideway's latest Annual Report: https://www.tideway.london/media/6872/tideway-annual-performance-report-2023-24-signed.pdf.
4 Tideway has launched a tracker to show the volume of sewage being prevented from entering the River Thames: https://www.tideway.london.

OPERATING REVIEW CONTINUED

ACTIVE ASSET MANAGEMENT CONTINUED

REGULATED INVESTMENTS CONTINUED

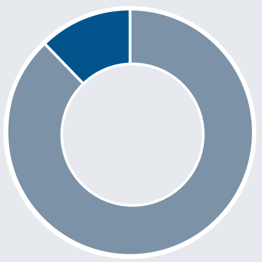
water and wastewater companies from April 2025 to March 2030. As Tideway's licence provides it with no equivalent price control review until 2030, Ofwat's announcement has no direct impact on Tideway.

As part of Tideway's planned transition following the completion of major construction works, Sir Neville Simms stepped down as the independent chair in September 2024 and was succeeded by independent non-executive director, Michael Queen. Richard Morse stepped down as deputy chair and chair of the audit and finance committee in June 2024, and was succeeded by independent non-executive director Baroness Ruby McGregor-Smith.

Tideway continues to monitor developments in relation to the well-publicised financial position of Thames Water. The matter is not expected to have a material impact on the Company's investment in Tideway. Whilst Thames Water has a licence obligation to pass revenues to Tideway, statutory and regulatory protections are afforded to Tideway which are designed to mitigate the risk of disruption to the receipt of revenues and would continue to apply should Thames Water's status change.

OPERATING BUSINESSES

PORTFOLIO BREAKDOWN



The Company invests in a number of operating businesses, including Angel Trains, BeNEX and digital infrastructure businesses (together accounting for 12% of the portfolio by investment fair value).

The Investment Adviser holds a board position on each of these operating businesses and it is through these positions that the Company engages in the governance of these investments. This engagement includes seeking to ensure effective risk management and driving the overall financial, operational and ESG performance of its investments.

ANGEL TRAINS

Angel Trains has an asset base of over 4,000 vehicles, making it the UK's largest rolling stock leasing company ('ROSCO'). It is one of the three original ROSCOs established in 1994 in preparation for the privatisation of British Rail. During the year to 31 December 2024, Angel Trains continued to perform well with its trains on lease to TOCs across the UK as planned.

In November 2024, the UK's new Labour government passed the Passenger Railway Services (Public Ownership) Act 2024, the legislation required to deliver on its manifesto commitment to bring operating services into the public sector. It remains its intention to establish Great British Railways to oversee the rail sector. In December 2024, the Secretary of State for Transport reaffirmed that there are "no plans to change the way rolling stock is leased" and the recent developments are not expected to have a material impact on Angel Trains.

Angel Trains was awarded the Global Real Estate Sustainability Benchmark's ('GRESB') highest rating of five stars for 2024, achieving a score of 99/100. The assessment measures ESG performance and the result demonstrates Angel Trains' continued commitment to sustainability.

BeNEX

BeNEX is an investor in both rolling stock and TOCs which operate regional passenger rail franchises across Germany under contract with numerous German federal states. Approximately 123m passengers were safely transported and more than 728 stops served during 2024, demonstrating the BeNEX Group's significant contribution to a sustainable and environmentally friendly mobility in Germany.

The "Deutschlandticket", a subsidised monthly regional public transportation ticket introduced in 2023 for an initial period of two years, has continued its success across Germany and the government and federal states have since agreed to extend its availability until at least early 2026. Greater use of regional trains should, among other things, help to reduce emissions as well as provide greater opportunities for BeNEX going forward.

During the second half of the year, BeNEX successfully acquired Abellio's regional rail operations in Germany which principally comprise two TOCs generating mostly availability-based revenues. The associated c.£15m investment was considered significantly more attractive, over the medium to long-term, relative to the opportunity to engage in a share buyback. This acquisition has resulted in BeNEX becoming one of the largest passenger rail operators in Germany by service volume with services across 14 of the 16 German states providing a total of c.65m train km of transportation services per annum. Further information on BeNEX can be seen in the case study on pages 16 to 17.

DIGITAL INFRASTRUCTURE

Following the sale, through the Amber-managed National Digital Infrastructure Fund ('NDIF'), of its interests in NextGenAccess (divested in 2022) and Airband (divested in 2023), the Company has interests in two remaining digital assets, toob and Community Fibre.

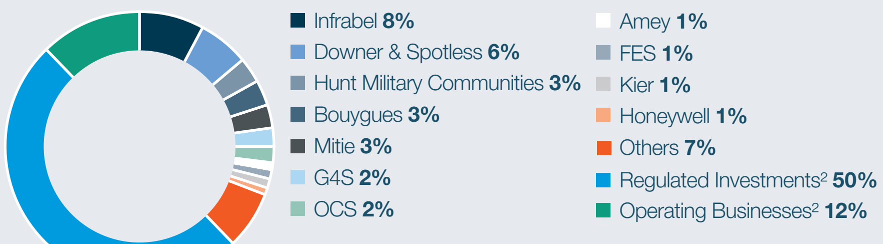
As previously reported, the Company committed to invest a further c.£13m into toob, alongside additional capital from its co-investors in the Amber-managed NDIF, throughout 2024 and 2025. This further investment is part of a wider potential £300m of additional funding raised by toob, which should enable it to reach over 600,000 premises. During 2024, INPP invested c.£7.8m of its c.£13m commitment, helping toob to grow its network to cover c.280,000 premises across Southampton and other towns in the South of England, and achieve the significant milestone of connecting 75,000 customers, which demonstrates the attractiveness of the toob product and proposition.

Community Fibre continues to make strong progress and has now passed c.1.4m homes with fibre and has over 330,000 customers. Community Fibre remains London's largest 100% full fibre broadband provider.

COUNTERPARTY RISK

Counterparty risk exists to some extent across all investments; however, the risk is required to be more carefully monitored when considered in relation to PPPs, which have a long-term fixed-price contract with a facilities management provider. The Company has a diverse exposure to service providers across its portfolio and the Investment Adviser's asset management team ensures counterparty risk is actively managed and mitigated.

INPP SERVICE PROVIDERS[1]



1. Based on percentage of Investments at Fair Value as at 31 December 2024.
2. These investments operate with no significant exposure to any one service provider or delivery partner.

PROJECTS UNDER CONSTRUCTION

The Company has a strong track record of delivering construction projects safely, on time, to budget and to a high-quality by understanding the project environment and the potential issues that may occur. It works closely with the contractors, technical advisers and management companies, where applicable, throughout the construction period in order to mitigate risk and ensure the assets can perform as expected and create value for both investors and communities.

During the year, construction works completed on the Flinders University HMRB and, in June 2024, Flinders University's Vice-Chancellor Professor Colin Stirling was joined by Prime Minister Anthony Albanese and South Australian Premier Peter Malinauskas to officially open the building.

The Company had the following two projects under construction as at 31 December 2024:

TIDEWAY

Location

Construction completion date
2025

Defects completion date
2028

% of investment at fair value at 31 December 2024
15.0%

Progress update: Major construction works completed during the year and the super sewer was fully connected in February 2025. Commissioning is currently scheduled for completion in the second half of 2025. More information on Tideway's progress can be seen on page 27.

Tideway is building the 25km 'super sewer' below the River Thames to help reduce sewage pollution in the river and ensure London's wastewater system can meet the demands of a growing population and evolving urban environment.

GOLD COAST LIGHT RAIL – STAGE 3

Location

Construction completion date
2026

Defects completion date
2027

% of investment at fair value at 31 December 2024
0.0%

Progress update: The depot expansion was completed in December 2023 and is now operational. The remaining construction works are in progress and remain on schedule for completion in 2026.

The project extends the existing Gold Coast Light Rail network a further 6.7km south from Broadbeach to Burleigh Heads. It will include eight new stations, five additional light rail trams, new bus and light rail connections, and an upgrade of existing depot and stabling facilities.

OPERATING REVIEW CONTINUED

EFFICIENT FINANCIAL MANAGEMENT

The Company aims to manage its finances efficiently in order to provide financial flexibility whilst minimising levels of unutilised cash holdings. This is achieved through actively monitoring cash held and generated from operations, ensuring cash covered dividends and managed levels of corporate costs, and is supported by appropriate hedging strategies and prudent use of the Company's CDF.

PERFORMANCE AGAINST STRATEGIC KPIs

1.1x

Dividends fully cash covered (2023: 1.1x)

1.14%

Ongoing Charges Ratio[1] (2023: 1.17%)

£0.5m

Profit before tax (2023: £28.0m)

DIVIDENDS

- During the year, the Company paid dividends of £156.8m (2023: £151.6m)
- Cash dividends were fully covered: 1.1 times (2023: 1.1 times) by the Company's net operating cash flows before capital activity* (excluding cash from realisation activity). Some movement in the level of coverage from period to period can be expected due to the profile of projected distribution receipts from the portfolio over time, and are not necessarily a reflection of changes in the level of asset performance

OPERATIONAL PERFORMANCE

- Cash receipts from the investment portfolio were £359.9m in the year (2023: £307.1m). This amount includes cash received from realisation activity in the year of £151.8m
- Profit before tax of £0.5m was reported (2023: £28.0m). The movement in profit in the year is principally reflective of the unrealised fair value movements of the investment portfolio in the period. Further information is available on page 93
- The Company's cash balance as at 31 December 2024 was £76.5m, held to service ongoing costs, share buybacks and upcoming dividend payments (31 December 2023: £128.6m)
- £107.8m was invested during the year (2023: £108.1m). This includes both previously committed investments as well as new investments, as detailed on pages 18 to 19 and note 12 of the financial statements
- The cash drawings under the Company's CDF were fully repaid in 2024 and the CDF remains undrawn (with £13.5m committed by way of letters of credit). In August 2024, the Company reduced the size of the CDF from £350m to £250m. The reduction demonstrates the disciplined approach to cost management while enabling the Company to maintain the flexibility for opportunities as they may arise
- The current CDF remains in place until June 2025, after which a renewed facility will take effect. The new facility is expected to have broadly the same terms and structure as the current facility
- Net financing costs paid were £3.2m (2023: £7.8m), reflecting the level of utilisation of the Company's CDF during the year
- In January 2024, the Company commenced a share buyback programme. As at 31 December 2024, the Company had bought back £42.9m in shares. To date, c.£55m of shares having been acquired, generating 0.5p per share of NAV accretion
- The Company intends to increase the quantum of capital being returned to shareholders by a further £140m, from the current programme of up to £60m to a programme of up to £200m, over the period to 31 March 2026. It is intended that the return of capital will be funded by a combination of divestments and surplus operating cash flow generated. While it is expected that the programme may be delivered through share buybacks, other forms of capital returns may also be considered. See the Chair's Letter on pages 4 to 7 for further information

ONGOING CHARGES

- Corporate costs were managed effectively during the year allowing Ongoing Charges to remain competitive at 1.14% (2023: 1.17%)

1 The Ongoing Charges Ratio is prepared in accordance with the Association of Investment Companies' ('AIC') recommended methodology, noting this excludes non-recurring costs. The basis of the calculation has been updated in the year taking expenses on an annualised accruals basis (previously presented on an annualised cash expense basis). To capture the recurring expenditure of the Company, advisory fees have been calculated using the prevailing GAV position, as the underlying calculation mechanism results in a lag in terms of fees charged compared with the reported GAV. Comparatives have been adjusted to be presented on a consistent basis.

SUMMARY OF CASH FLOWS

Summary of Consolidated Cash Flow	Year to 31 December 2024 £m	Year to 31 December 2023 £m
Opening cash balance	**128.6**	92.8
Cash from investments	**359.9**	307.1
Corporate costs	**(34.6)**	(35.8)
Net financing costs	**(3.2)**	(7.8)
Net operating cash flows before capital activity[1]	**322.1**	263.5
Cost of new investments	**(107.8)**	(108.1)
Investment transaction costs	**(1.5)**	(3.7)
Working capital advanced	**(0.2)**	-
Net movement of CDF	**(65.0)**	35.7
Dividends paid	**(156.8)**	(151.6)
Share buyback	**(42.9)**	-
Closing cash balance	**76.5**	128.6
Cash dividend cover (total)	**2.1x**	1.7x
Cash dividend cover (excluding cash from realisation activity)[2]	**1.1x**	1.1x

1 Net operating cash flows before capital activity as disclosed above of c.£322.1m (2023: £263.5m) include net repayments from investments at fair value through profit or loss of c.£359.9m (2023: c.£307.1m), and finance costs paid of c.£3.2m (2023: c.£7.8m) and exclude investment transaction costs of c.£1.5m (2023: c.£3.7m) when compared to net cash inflows from operations of c.£141.0m (2023: c.£133.3m) as disclosed in the consolidated cash flow statement on page 93 of the financial statements. Cash from investments of £359.9m contained within net operating cash flows before capital activity reflects the cash distributions received from the investment portfolio. When compared to this, net repayments from investments at fair value through profit or loss of c.£182.4m as presented in the cash flow statement on page 93 excludes certain forms of receipts such as those in the form of dividends or interest, which on an IFRS basis are classified as part of other lines of the statutory cash flow statement.
2 Cash of c.£151.8m was received during the year (2023: £101.9m) relating to realisation activity.

ONGOING CHARGES RATIO

Ongoing Charges Ratio	Year to 31 December 2024 £m	Year to 31 December 2023 £m
Annualised Ongoing Charges[1]	**(32.2)**	(34.7)
Average NAV[2]	**2,824.7**	2,974.0
Ongoing Charges Ratio	**(1.14%)**	(1.17%)

The following annualised expenses are used in the calculation of the Ongoing Charges ratio.

Corporate Costs	Year to 31 December 2024 £m	Year to 31 December 2023 £m
Management fees	**(29.3)**	(31.8)
Administrative fees	**(2.4)**	(2.4)
Directors' fees	**(0.5)**	(0.5)
Total annualised Ongoing Charges[1]	**(32.2)**	(34.7)

1 The Ongoing Charges Ratio is prepared in accordance with the AIC recommended methodology, noting this excludes non-recurring costs. The basis of the calculation has been updated in the year taking expenses on an annualised accruals basis (previously presented on an annualised cash expense basis). To capture the recurring expenditure of the Company, advisory fees have been calculated using the prevailing GAV position, as the underlying calculation mechanism results in a lag in terms of fees charged compared with the reported GAV. Comparatives have been adjusted to be presented on a consistent basis.
2 Average of published NAVs for the relevant period.

OPERATING REVIEW CONTINUED

INVESTOR RETURNS

The Company aims to provide its investors with stable, long-term, inflation-linked returns, based on growing dividends and the potential for capital appreciation.

TSR* AND NAV TOTAL RETURN

The Company's annualised TSR since IPO to 31 December 2024 was 6.1% (31 December 2023: 6.8%). The total return based on the NAV appreciation plus dividends paid since IPO to 31 December 2024 is 7.0% (31 December 2023: 7.4%) on an annualised basis. In March 2024, the Board published a dynamic target return framework to better enable stakeholders to understand how it assesses the relative attractiveness of new investment opportunities. This framework demonstrates how the Board considers the impact of prevailing market and macroeconomic conditions at the point in time at which investment decisions are made. Under this framework, the target return for any new investment is informed by several factors including: (i) the Company's share price relative to its NAV, (ii) the Company's weighted average discount rate, and (iii) any pertinent economic or strategic considerations.

PERFORMANCE AGAINST STRATEGIC KPIs

0.7% p.a.

Inflation-linked returns on a portfolio basis[1]
(31 December 2023: 0.7%)

3.0%

Annual dividend increase achieved
(31 December 2023: 5.0%)

INFLATION-LINKAGE

In an environment where investors are focused on achieving long-term real rates of return on their investments, inflation protection is an important consideration for the Company. At 31 December 2024, the majority of assets in the portfolio had a significant degree of inflation-linkage. In aggregate, the weighted average return of the portfolio (before fund-level costs) would be expected to increase by 0.7% per annum in response to a 1.0% per annum increase in all of the assumed inflation rates (31 December 2023: 0.7%).

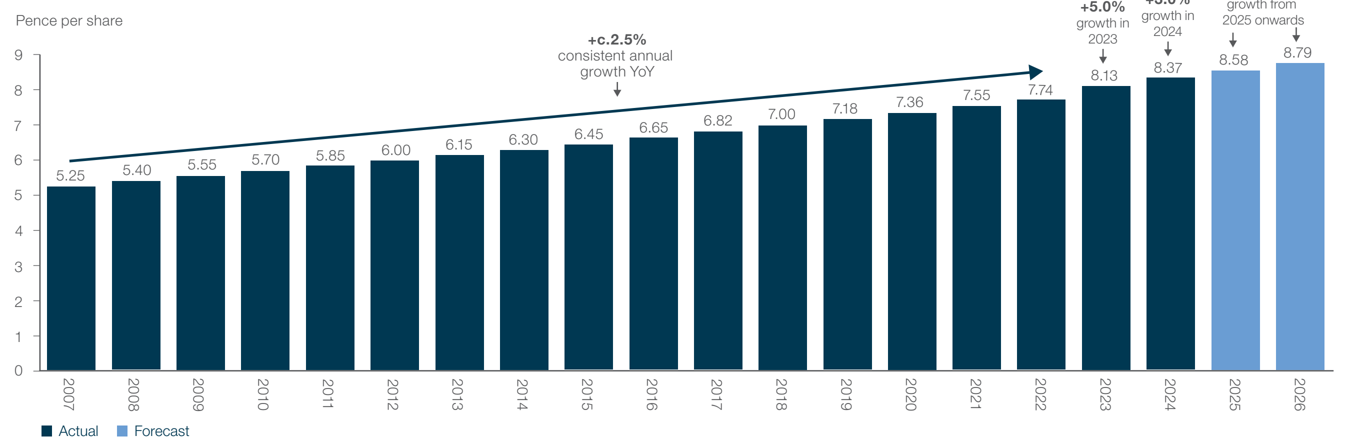
DIVIDEND GROWTH

The Board has previously announced an increased 2024 dividend target of 8.37p per share[2] reflecting growth of 3.0% compared to the 2023 dividend. The Board has declared a dividend of 4.19p per share in respect of the six months to 31 December 2024 and this is expected to be paid in June 2025. From 2025 onwards, the Board is forecasting to continue its long-term projected annual dividend growth rate of c.2.5% such that the 2025 and 2026 annual dividend targets are 8.58p per share and 8.79p per share respectively[2]. The target dividend growth rates are determined by taking into account the Company's ambitions to sustainably grow dividends over the long term whilst providing full dividend cash coverage.

The Company reconfirms that the projected cash receipts from the Company's portfolio are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy[3] for at least the next 20 years.

As previously reported, the Company intends to increase the frequency of its dividend payments, from semi-annually to quarterly, in order to provide investors with a more regular income stream. The first interim dividend will be announced in July 2025 and is expected to be paid in September 2025[4].

INPP DIVIDEND GROWTH

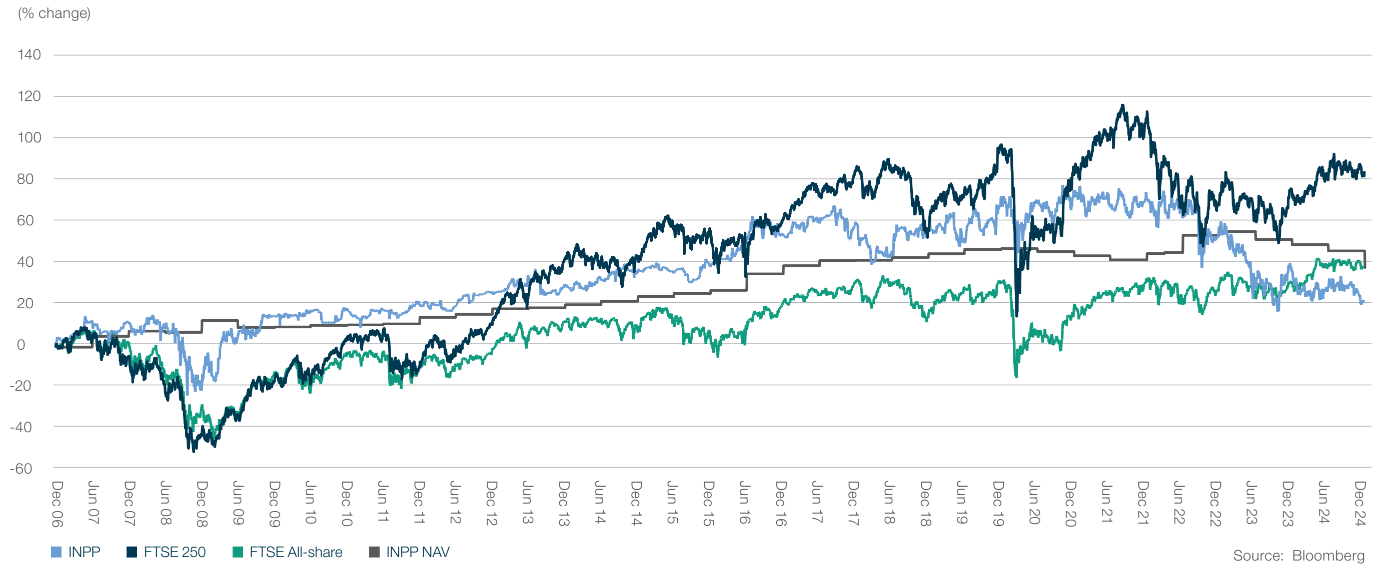


SHARE PRICE PERFORMANCE

The Company has historically exhibited relatively low levels of correlation with the market. The correlation with the FTSE All-Share Index was 0.4 over the 12 months to 31 December 2024 (31 December 2023: 0.4). The sharp rise in government bond yields, particularly UK Gilt yields, over the past year had a significant impact on the listed investment trust sector share prices, including the Company. Higher yields have placed downward pressure on share prices across the sector, contributing to the Company's shares continuing to trade at a discount to NAV during the year.

The Board and the Investment Adviser continue to believe that the current share price materially undervalues the Company. Although the drivers of the share price are principally exogenous factors unrelated to the performance of the Company's assets, we recognise the importance of taking action to support narrowing of the discount and restore value for our shareholders. The need and scope for such action has been reinforced through the direct and valuable engagement with shareholders during the year, whose feedback continues to shape our approach. Our actions, to date, have been guided by our previously published capital allocation policy and the Board is implementing a further package of measures, which it believes will further the strengthen the Company's position in the current environment and ensure it is well-positioned for the longer-term. Further information can be found in the Chair's Letter on pages 4 to 7.

SHARE PRICE PERFORMANCE



1 Calculated by running a 'plus 1.0%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked return is the increase in the weighted average discount rate.
2 Future profit projection and dividends cannot be guaranteed. Projections are based on current estimates and may vary in future.
3 This is reflective of the 2025 and 2026 dividend targets, and 2.5% annual dividend growth thereafter.
4 The 31 December 2024 dividend is the second and final dividend in respect of 2024 and is expected to be paid in June 2025. This will be the final dividend paid on a six-monthly basis. Following this, dividends will be paid quarterly, commencing with the first of four interim dividends for the financial year 2025 in September 2025.

OPERATING REVIEW CONTINUED

INVESTOR RETURNS CONTINUED

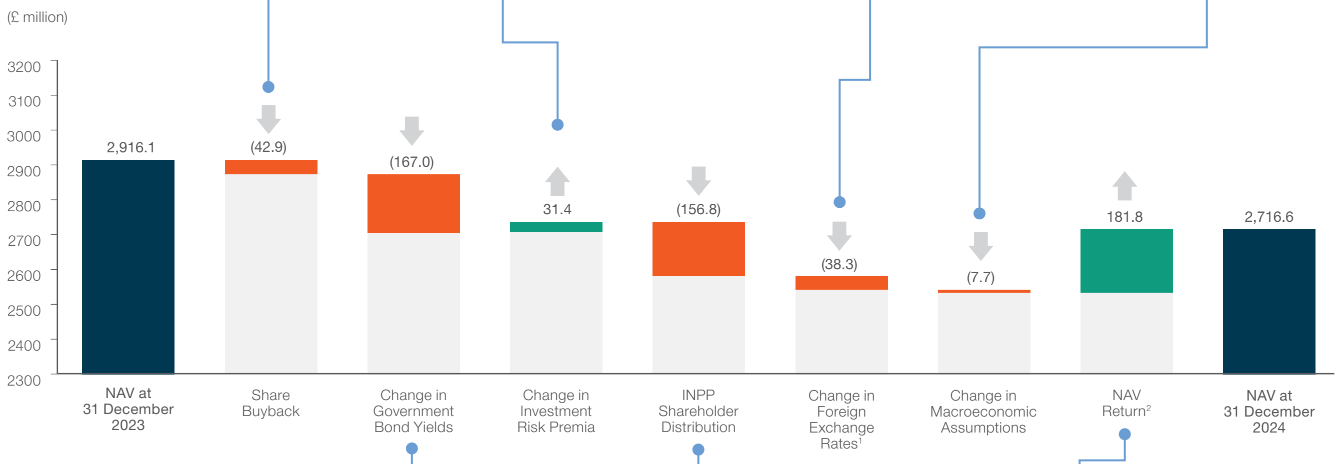
VALUATIONS
NAV MOVEMENTS

The Company commenced its share buyback programme in January 2024. While there was a negative impact of £42.9m on the NAV, the buyback programme had a positive impact on the NAV per share.

The negative impact of the increase in government bond yields was partially offset by a reduction in the investment risk premia to ensure that the valuations continue to reflect recent market-based evidence of pricing for infrastructure investments.

Over the year, Sterling weakened against the US Dollar but strengthened against the Company's other foreign currency exposures, including the Australian Dollar, New Zealand Dollar, Euro, Canadian Dollar, and Danish Krone. After accounting for changes in the value of forward foreign exchange contracts, the net impact on the NAV was negative £38.3m.

Short-term inflation assumptions have been revised to reflect the current environment, whilst the Company's long-term inflation assumptions remain largely unchanged with the exception of a modest adjustment to the UK CPIH. Further details of these changes can be seen on page 37 and in aggregate these had a negative £7.7m impact on the NAV.



The yields on the government bonds used as part of the valuation process increased, predominantly in the last six months of the period in consideration, resulting in a £167.0m reduction in the NAV.

In line with forward guidance provided previously, cash dividends of 4.07p and 4.18p per share were paid to the Company's shareholders during the year, in relation to the six-month periods ending 31 December 2023 and 30 June 2024 respectively, totalling £156.8m.

Among other factors, the NAV return of £181.8m reflects the impact of:
- The unwinding of the discount rate;
- Variances in actual macroeconomic factors compared to previous assumptions;
- Updates to operating assumptions based on current cash flow forecasts;
- Distributions received above forecast levels due to active portfolio management;
- Changes in the Company's working capital position.

1 Foreign exchange rate impact is presented net of hedging.
2 The NAV return represents amongst other things, (i) variances in both realised and forecast investment cash flows, (ii) the unwinding of the discount factor applied to those future investment cash flows, and (iii) changes in the Company's net assets.

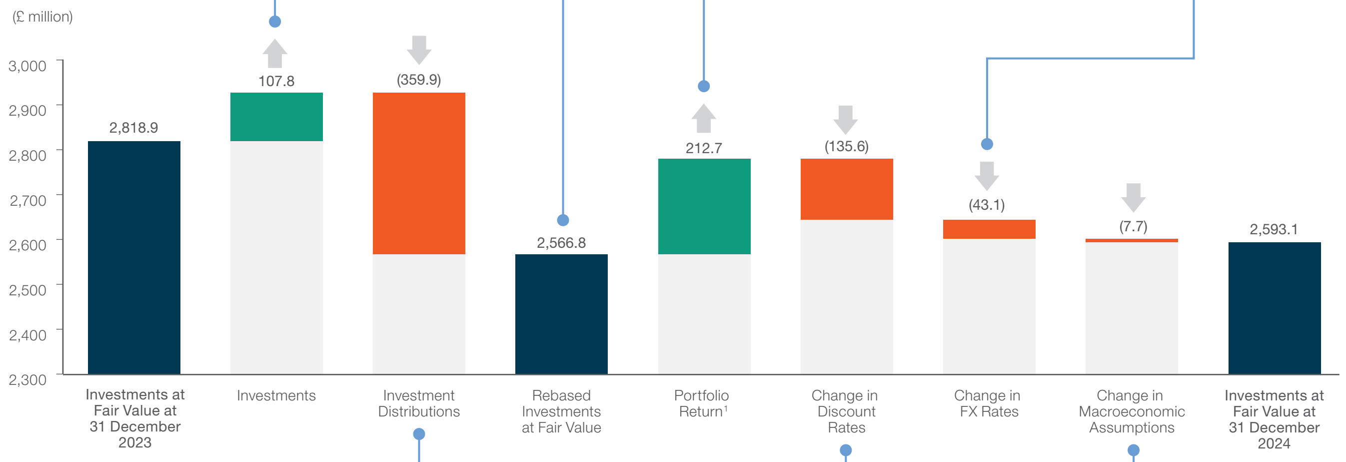
INVESTMENTS AT FAIR VALUE MOVEMENTS

An increase of £107.8m due to new investments made during the year.

The rebased investments at fair value of £2,566.8m is presented to allow an assessment of the Portfolio Return, assuming that the investments, divestments and distributions occurred at the start of the relevant period.

The Portfolio Return of £212.7m captures broadly the same items as the NAV Return (set out in detail on page 34), with the principal exception being the fund-level operating costs and portfolio working capital movements.

During the year, Sterling weakened against the US Dollar but strengthened against the remaining foreign currencies the Company was exposed to during the period (Australian Dollar, New Zealand Dollar, Euro, Canadian Dollar and the Danish Krone).



A decrease of £359.9m due to distributions paid out from the portfolio during the year. This amount includes proceeds from divestments amounting to £151.8m.

A reduction of £135.6m due to movements in discount rates applied to the portfolio valuations, driven by movements in government bond yields was partially offset by a reduction in the investment risk premia.

Short-term inflation assumptions have been revised to reflect the current environment, whilst the Company's long-term inflation assumptions remain largely unchanged with the exception of a modest adjustment to the UK CPIH. Further details of these changes can be seen on page 37 and in aggregate these had a negative £7.7m impact on the NAV.

1 The Portfolio Return represents, amongst other things, (i) variances in both realised and forecast investment cash flows and (ii) the unwinding of the discount factor applied to those future investment cash flows.

OPERATING REVIEW CONTINUED

INVESTOR RETURNS CONTINUED

PROJECTED INVESTMENT RECEIPTS AND NAV

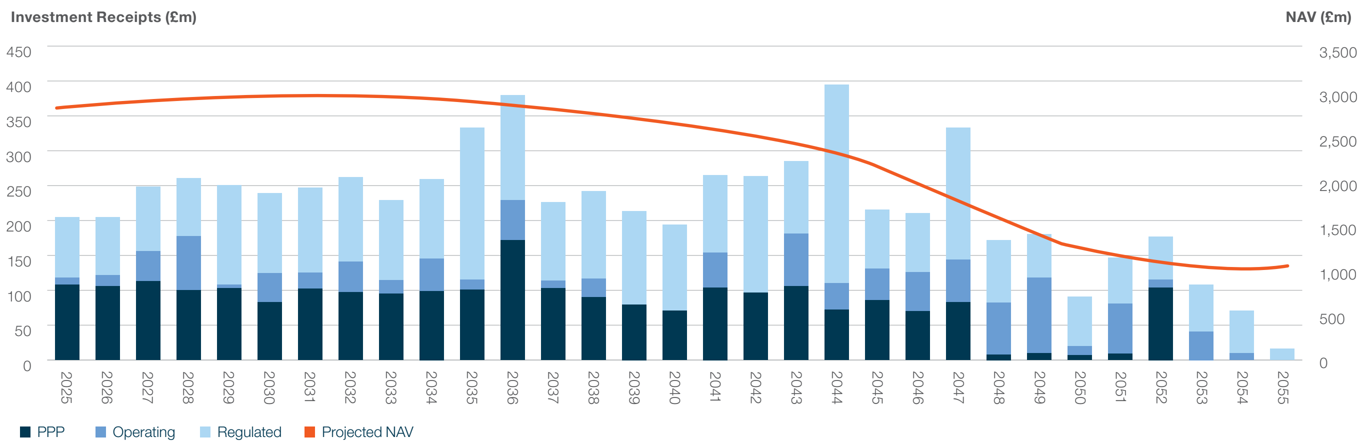
The Company's investments are generally expected to continue to deliver predictable distributions to the Company, owing to the principally contracted or regulated nature of their underlying cash flows. As the Company has a high degree of visibility over the forecast cash flows of its current investments, the chart below sets out the Company's forecast investment receipts from its current portfolio before fund-level costs[1].

The majority of the forecast investment receipts are in the form of dividends or interest and principal payments from equity or subordinated debt investments respectively. The Company's portfolio comprises both investments with finite lives (determined by concession or licence terms) and perpetual investments that may be held for a much longer term. Over the term of investments with finite lives, the Company's receipts from these investments include a return of capital as well as income, and the fair values of such investments are expected to reduce to zero over time.

In response to feedback from investors, the Board has sought to enhance the disclosure regarding the Company's projected cash flows and potential projected NAV. As set out in the chart below, the projected investment receipts from the current portfolio[1] have been grouped into those originating from PPP projects, regulated investments and operating businesses. The line in the chart below is an illustration of how the NAV of the Company may evolve over time based on the current portfolio with other things being equal. The portfolio continues to be actively managed and, as a result, there will likely be future acquisitions and disposals made as part of the Board's capital allocation decisions, which will change the projected cash flows and NAV. Other factors, including but not limited to, changes to the dividend policy, investment valuations, and the macroeconomic environment, may also influence the future cash flows and NAV.

The Board's intention is that the provision of this information will provide shareholders with a clearer understanding of both the source of the Company's projected investment receipts[1] as well as projected returns that may be available to investors over various time horizons. Please note that projected returns cannot be guaranteed.

PROJECTED INVESTMENT RECEIPTS AND NAV[1]



1 This chart covers the period to 2055 only. The projected cash flows are based on the portfolio as at 31 December 2024, before fund-level costs, and include the projected cash flows from the Company's existing investment commitments. The projected NAV is an illustration of how the NAV of the Company may evolve over time based on the portfolio as at 31 December 2024 with other things being equal. This chart is not intended to provide any future profit forecast or dividend projections as neither can be guaranteed. These projections are not a reliable indicator of future results. The market price of the shares in the Company may fluctuate independently of the NAV and the shares in the Company may trade at a discount or premium to the NAV.

MACROECONOMIC ASSUMPTIONS

The key macroeconomic assumptions used as the basis for deriving the Company's investment valuations are summarised in the table below, with further information provided in note 11 of the financial statements.

The Company reviews its macroeconomic assumptions on a regular basis. As part of the 31 December 2024 valuation process, these assumptions have been adjusted to reflect observed movements in the markets of the countries where the Company holds investments. This includes changes to short-term inflation rates and maintaining the long-term UK Consumer Price Index ('CPI'), including owner-occupied housing costs ('CPIH') assumption. Additionally, foreign exchange rates have been updated to reflect spot rates as at the valuation date.

Macroeconomic assumptions		31 December 2024	31 December 2023
Inflation rates	UK	**RPI: 3.25% until Dec 2025, 3.00% until Dec 2026, 2.75% thereafter[1]**	RPI: 4.50% until Dec 2024, 3.00% until Dec 2025, 2.75 thereafter[1]
		CPIH: 2.25%	CPIH: 3.25% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	Australia	**2.75% until Dec 2025 2.50% thereafter**	3.25% until Dec 2024, 3.00% until Dec 2025, 2.50% thereafter
	New Zealand	**2.25%**	2.75% until Dec 2024, 2.25% thereafter
	Europe	**2.25% until Dec 2026, 2.00% thereafter**	3.00% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	Canada	**2.25% until Dec 2026, 2.00% thereafter**	2.75% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	US[2]	**N/A**	N/A
Long-term deposit rates[3]	UK Australia New Zealand Europe Canada US[2]	**2.50% 2.75% 2.50% 1.50% 2.50% N/A**	2.50% 2.75% 2.50% 1.50% 2.50% N/A
Foreign exchange rates	GBP/AUD GBP/NZD GBP/DKK GBP/EUR GBP/CAD GBP/USD	**2.02 2.23 9.00 1.21 1.80 1.25**	1.87 2.01 8.60 1.15 1.69 1.27
Tax rates[4]	UK Australia New Zealand Europe Canada US[2]	**25.00% 30.00% 28.00% Various (12.50% – 32.28%) Various (23.00% – 26.50%) N/A**	25.00% 30.00% 28.00% Various (12.50% – 32.28%) Various (23.00% – 26.50%) N/A

1 Where insufficient protections exist within project agreements or through regulatory precedent, Retail Price Index ('RPI') is assumed to align with CPIH post-2030.
2 The Company's US investment is in the form of subordinated debt and therefore not directly impacted by inflation rate, deposit rate or tax rate assumptions.
3 Actual current deposit rates being achieved are assumed to be maintained until 31 December 2026 before adjusting to the long-term rates noted in the table above from 1 January 2027. The 31 December 2023 valuation adjusted to the longer-term assumption from 1 January 2026.
4 Tax rates reflect those substantively enacted as at the valuation date or those that could reasonably be expected to be substantively enacted shortly after the valuation date.

OPERATING REVIEW CONTINUED

INVESTOR RETURNS CONTINUED

DISCOUNT RATES

The discount rate used to value each investment comprises the appropriate long-term government bond yield plus an investment-specific risk premium which reflects the risks and opportunities associated with that particular investment and is designed to ensure that the resulting valuation reflects prevailing market conditions.

While long-term demand for high-quality infrastructure assets and businesses remains undeniable, the current shift away from a low interest rate cycle is driving asset repricing, leading to higher investment risk premiums and lower portfolio valuations. The Company's perspective on investment risk premiums is shaped by ongoing asset recycling activities and insights from active market transactions. A significant decline in transaction volumes compared to previous periods reflects softer market conditions, underscoring the need for caution when selecting the discount rate, with a preference for the prudent end of the spectrum.

The Company and its Investment Adviser continue to believe that the discount at which the Company's shares trade relative to NAV materially undervalues the Company. For further information on the actions the Company is taking, please see the Chair's Letter on pages 4 to 7.

The weighted average discount rate is presented in the table below.

	31 December 2024	31 December 2023	Movement
Weighted average government bond yield	**4.4%**	3.7%	0.7%
Weighted average risk premium	**4.6%**	4.7%	(0.1%)
Weighted average discount rate	**9.0%**	**8.4%**	**0.6%**

The approximate discount rate ranges used to determine the valuations of the investments which fall into each of the three sub-sectors, PPP projects, regulated investments and operating businesses, are set out below.

	31 December 2024	31 December 2023
PPPs[1]	**8.0% – 10.0%**	7.0% – 10.0%
Regulated investments	**9.0% – 10.5%**	7.5% – 9.0%
Operating businesses	**9.0% – 15.0%**	8.5% – 15.0%

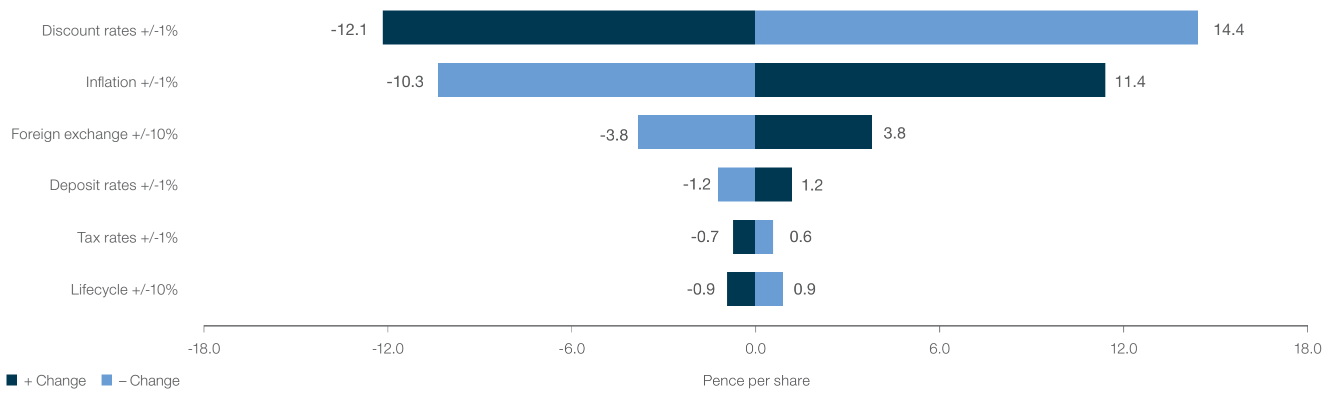
1 Gold Cost Light Rail – Stage 3, which is forecast to complete construction in 2026, is not included in the range on the basis that the Company's investment has not yet been made in full.

The Company is aware that there are differences in approach to the valuation of investments among similar listed infrastructure funds. In the Company's view, comparisons of discount rates between different listed infrastructure funds are only meaningful if there is a comparable level of confidence in the quality of forecast cash flows (i.e. assumptions are homogenous); the risk and return characteristics of different investment portfolios are understood; and allowance is made for differences in the quality of asset management employed to manage risk and deliver returns. Any focus on average discount rates without an assessment of these and other factors would be incomplete and could therefore lead to misleading conclusions.

VALUATION SENSITIVITIES

Sensitivity analysis is provided as an indication of the potential impact of these assumptions on the NAV per share on the unlikely basis that the changes occur uniformly across the remaining life of the portfolio. The movement in each assumption could be higher or lower than presented. Further, forecasting the impact of these assumptions on the NAV in isolation cannot be relied on as an accurate guide to the future performance of the Company as many other factors and variables will combine to determine what actual future returns are available. These sensitivities should therefore be used only for general guidance and not as an accurate prediction of outcomes. Further details can be found in note 11.5 of the financial statements.

ESTIMATED IMPACT OF CHANGES IN KEY VARIABLES TO 31 DECEMBER 2024 BASED ON NAV OF 144.7 PENCE PER SHARE



DISCOUNT RATES

The chart above indicates the sensitivity of the NAV per share to uniform changes to the discount rates applied to the forecast cash flows from each individual investment.

INFLATION

The impact of inflation on the value of each investment depends upon the extent to which the revenues and costs of that particular investment are linked to an inflation index. On a portfolio basis, there is a positive correlation to inflation with a 1.00% sustained increase in the assumed inflation rates projected to generate a 0.7% increase in returns (31 December 2023: 0.7%). The returns generated by the Company's non-UK investments are typically linked to the relevant CPI for that jurisdiction whilst the Company's UK investments are typically linked to variations of the RPI or the CPIH.

In anticipation of the UK Government's previously announced intention to align the RPI to the CPIH from 2030 onwards, the inflation assumption used for UK investments which are currently linked to the RPI and do not benefit from protective contractual agreements or regulatory precedents, was previously adjusted to align with the Company's CPIH assumption from 2030. For the avoidance of doubt, the impact of this approach on the NAV is negligible. Furthermore, the inflation sensitivities by geographical region are provided in note 11.5 of the financial statements.

FOREIGN EXCHANGE

The Company has a geographically diverse portfolio and forecast cash flows from investments are subject to foreign exchange rate risk in relation to Australian Dollars, Canadian Dollars, Danish Krone, Euros, New Zealand Dollars and US Dollars. The Company seeks to mitigate the impact of foreign exchange rate changes on near-term cash flows by entering into forward contracts, but the Company does not hedge exposure to foreign exchange rate risk on long-term cash flows. The impact of a 10% increase or decrease in these rates is provided for illustration.

DEPOSIT RATES

The long-term weighted average deposit rate assumption across the portfolio is 2.35% per annum. While operating cash balances tend to be low given the structured nature of the investments, project finance structures typically include reserve accounts to mitigate certain costs and therefore variations to deposit rates may impact valuations. The impact of a 1.00% increase or decrease in these rates is provided for illustration.

TAX RATES

Post-tax investment cash inflows are impacted by tax rates across all relevant jurisdictions. The impact of a 1.00% increase or decrease in these rates is provided for illustration. Other potential tax changes are not covered by this scenario.

LIFECYCLE SPEND

There is a process of renewal required to keep physical assets fit for use and the proportion of total cost that represents this 'lifecycle spend' will depend on the nature of the asset.

PPPs will typically need to ensure that the assets are kept at the standard required of them under agreements with relevant public sector counterparties. To enhance the certainty around cash flows, the majority of the Company's PPP investments, and all of the Company's OFTO investments, are currently structured such that lifecycle cost risk is taken by a subcontractor for a fixed price (isolating equity investors from such downside risk). As a result, the impact of changes to the forecast lifecycle costs for the Company's PPP investments is relatively small.

The Company's investments in rolling stock leasing or operating businesses, or businesses providing digital infrastructure, are also distinct from PPPs which have fixed revenue streams from which they need to pay lifecycle costs. These businesses will still expect to incur lifecycle costs but will typically aim to recover any changes in lifecycle costs over time through the prices they charge their end-users.

Tideway and Cadent are treated differently due to the protections offered by the regulatory regimes under which they operate. Regulated assets have their revenues determined for a known regulatory period and each settlement includes revenue sufficient to allow the owner to undertake the efficient lifecycle management of its assets due in that regulatory period. It is common practice to employ reputable subcontractors to undertake lifecycle work under contracts which include incentive and penalty regimes aligned with the businesses' regulatory targets. This approach ensures an alignment of interest and helps to mitigate the risk of increased lifecycle costs falling on the equity investor. Accordingly, no lifecycle sensitivity has been run in respect of the Company's investments in Tideway and Cadent.

The impact of a 10% increase or decrease in the lifecycle costs incurred by the Company's PPPs, OFTOs, rolling stock leasing or operating businesses is provided for illustration.

By order of the Board

MIKE GERRARD
CHAIR
26 March 2025

STEPHANIE COXON
DIRECTOR
26 March 2025

RESPONSIBLE INVESTMENT

RESPONSIBLE INVESTMENT

MERIEL LENFESTEY
CHAIR, ESG COMMITTEE

MESSAGE FROM THE ESG COMMITTEE CHAIR

Following my appointment as the Company's ESG Committee Chair in June 2024, I am pleased to report the Company's continued positive sustainability-related performance during the year.

We continued to work with our public sector clients to support the delivery of essential public services and to meet broader environmental and social objectives, across the geographies and sectors in which the Company invests.

Through the Company's investment into Moray East OFTO, the OFTO portfolio is now capable of powering an estimated 3.7m homes. In addition, rail investments delivered in excess of 243m passenger journeys during the year, which will significantly increase going forward, following BeNEX's successful acquisition of Abellio Germany.

Since the Company's introduction of a new set of ESG KPIs in the 2024 Annual Report and Sustainability Report, the Investment Adviser has been working with the management teams of our investments to create and implement initiatives to drive performance. Whilst the target date for the KPIs is 2030, we aim to make meaningful progress against each KPI on an annual basis, which is highlighted below and detailed in our latest **Sustainability Report**.

As a Company built on partnerships, we continuously engage with key stakeholders from our public sector partners, our investors and supply chains. During the year, we met with a number of investors to discuss pertinent sustainability topics, including the FCA's UK Sustainability Disclosures Requirements ('SDR') and net zero. We were also pleased to have supported University College London ('UCL') with a Department for Energy Security and Net Zero ('DESNZ') sponsored project to develop The National Building Database for energy performance to aid policy decision-making.

The Company has disclosed a selection of data within this Annual Report for reference, but would encourage shareholders to review its latest **Sustainability Report** which provides greater detail around our approach to responsible investment as well as further information on the following areas of development during the year:

NET ZERO

Making progress against the two net zero KPIs has been a focus during the year. The Investment Adviser has worked with several of our investments to fully baseline their activities and to identify and implement initiatives to meet the Net Zero Investment Framework ('NZIF') criteria where possible. For example, the Investment Adviser has worked with Transmission Capital Services ('TCS') who manage the Company's OFTO assets, to establish a net zero policy for the portfolio and to analyse and set a near-term decarbonisation target aligned with a science-based net zero pathway.

Through the Investment Adviser's engagement activities, the Company has made progress against its net zero KPIs during the first year following their implementation, which can be seen in the INPP ESG KPI section below and in section 4.4 of the Sustainability Report.

GOVERNANCE

In addition to its net zero KPIs, the Company introduced a number of other portfolio-level KPIs in March 2024, which included developments around its good governance requirements for its investment companies.

During the year, the Investment Adviser has strengthened the definitions and approach for its ESG Governance KPI, including a list of best-practice recommendations for the key governance topics. The Investment Adviser conducted a deep-dive review of cyber security governance of its portfolio companies, comparing their policies and processes against a set of best-practice criteria. This review helped the Company to understand current cyber security practices across the investment portfolio and provides a basis for tracking progress going forward.

REGULATORY ALIGNMENT AND DISCLOSURES

As a Guernsey-incorporated company and a non-FCA authorised entity, the Company is currently out of the scope of the UK's recently introduced SDR and investment labels rules. However, the Company sees the FCA's SDR as a key step to enable UK investors to have better confidence with respect to the sustainability characteristics of the Company.

Following engagement with a number of its investors, the Company has opted to voluntarily disclose, under the SDR, as a product that has sustainability characteristics but does not use any of the sustainability investment labels. Accordingly, INPP has made available certain disclosures in accordance with chapters 5.2 and 5.3 of the FCA's ESG Sourcebook, which can be found on the **Company's website**.

This year the Company's ESG data collection and quantification process was selected as part of the Company's annual controls review process, and an independent third-party was commissioned to undertake this review. The findings from the review concluded that the controls in place are appropriate for providing stakeholders with accurate ESG information, and certain best-practice areas for improvement were recommended, which the Company will consider implementing for future periods.

NEXT STEPS

As we progress this work, the interests of all our stakeholders will remain at the core of our decision-making and our overall approach to stewardship. I and my fellow directors thank the Investment Adviser for their ongoing commitment to sustainability and we look forward to further engaging with investors on this important topic.

MERIEL LENFESTEY
CHAIR, ESG COMMITTEE
26 March 2025

RESPONSIBLE INVESTMENT CONTINUED

Image: Sylvester Primary School, New Zealand

APPROACH TO RESPONSIBLE INVESTMENT DISCLOSURES

As stated above, the Company believes its investments have positive environmental and social characteristics, as per its categorisation as an Article 8 Financial Product ('FP'). The following data has been collected to enable the Company to better assess and monitor its environmental and social impacts and identify associated risks and opportunities. It is intended that this data will assist the Company's shareholders to meet their own regulatory requirements. For more detail on the Company's approach to responsible investment, please refer to the latest edition of the Company's Sustainability Report. Please refer to pages 118 to 127 for the Company's SFDR periodic report to meet its reporting requirements under Article 11 of the SFDR.

APPLICATION OF SUSTAINABILITY FRAMEWORKS

Part of the process for data selection involves using international sustainability frameworks and reporting standards as a guidance. There are several frameworks with which the Company aligns partially (i.e. we use the framework as a starting point from which to develop accounting practices) or fully (i.e. we fully comply with the framework requirements). These are summarised below.

SDGs

The Company supports the 2030 Agenda for Sustainable Development adopted by the UN Member States in 2015. Alignment with the SDGs is a key part of the Company's approach to ESG integration and it contributes towards the SDGs in two main ways: the positive environmental and social characteristics of its investments and its approach to active asset management. For more information regarding the Company's Investment Adviser's work with the SDGs, see Section 1 of the Company's latest Sustainability Report.

SFDR

The SFDR requires financial market participants ('FMPs') that market an FP into an EU state to comply with the disclosure of ESG-related information. As the Company qualifies as an internally managed Alternative Investment Fund ('AIF') pursuant to the Alternative Investment Fund Managers Directive ('AIFMD'), it is an FMP for the purposes of SFDR. By marketing itself to EU countries, the Company is deemed to be marketing an FP, given that it is itself an AIF. Therefore, INPP meets the two-pronged test of the SFDR. Please refer to the Annex of this Report for the Company's second periodic disclosure.

TCFD

The Company is aware of the transitional and physical impacts of climate change on the resilience of our business. As a closed-ended investment company, the Company is not required to comply with LR 9.8.6R(8) and, therefore, is not required to issue a statement of compliance with TCFD. However, the Company has continued to voluntarily report in line with TCFD, with a summary included on pages 48 to 49 and the detailed reporting included in the Company's latest Sustainability Report. By endorsing and aligning its practices with the TCFD recommendations, the Company has crystallised its understanding and disclosure of climate-related risks and opportunities. The Company's TCFD implementation is integrated into the Company's strategy, risk management, governance practices and reporting.

PARTNERSHIP FOR CARBON ACCOUNTING FINANCIALS

The Company's financed emissions have been quantified in accordance with the Partnership for Carbon Accounting Financials ('PCAF') Financed Emissions Standard[1], which aligns with GHG disclosures set out in the SFDR Principal Adverse Impacts ('PAIs') as well as the TCFD's recommended metrics for asset managers. This includes the disclosure of investments-level Scope 1 and 2 emissions and material Scope 3 emissions[2].

1 PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.

2 Data coverage: 97% of portfolio based on fair value as at 31 December 2024.

SDR

The Company has opted to voluntarily disclose under the SDR as a product that has sustainability characteristics but does not use any of the sustainability investment labels. Accordingly, INPP has made available certain disclosures in accordance with chapters 5.2 and 5.3 of the FCA's ESG Sourcebook, which can be found on the Company's website.

OTHER ESG FRAMEWORKS

In addition, the Company will continue to monitor other recently implemented and developing ESG frameworks closely, including the scope and applicability of the International Financial Reporting Standards Foundation's International Sustainability Standards Board ('ISSB') in their aim of establishing global sustainability disclosure standards and the Taskforce on Nature-related Financial Disclosures ('TNFD'). The Company aims to align its disclosures with ESG frameworks on a voluntary basis if it will enhance the quality of its reporting and provide stakeholders with valuable information.

RESPONSIBLE INVESTMENT CONTINUED

RESPONSIBLE INVESTMENT CONTINUED

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The Company draws on the SDGs to demonstrate the positive environmental and social characteristics of its investments. This page highlights the primary SDGs that are supported by the Company's investments, alongside alignment of the full portfolio by fair value. Please refer to Section 1 of the Sustainability Report for more information on the Company's approach to SDG alignment.

3 GOOD HEALTH AND WELL-BEING

>615,000

Patients treated in healthcare facilities developed and managed by the Company

4 QUALITY EDUCATION

>181,000

Students attending schools developed and maintained by the Company

6 CLEAN WATER AND SANITATION

37,000,000m³

The three components of the London Tideway Improvements will work conjunctively to reduce discharges in a typical year by c.37m cubic metres

7 AFFORDABLE AND CLEAN ENERGY

c.3.7million

Estimated equivalent number of homes capable of being powered by renewable energy transmitted through our OFTO investments

8 DECENT WORK AND ECONOMIC GROWTH

>11,000

Jobs supported across all investments

11 SUSTAINABLE CITIES AND COMMUNITIES

>243million

Annual passenger journeys through rail transport investments

The chart below shows the alignment of the Company's portfolio with the core SDGs described above, by investments at fair value as at 31 December 2024.

- 3 Good Health and Well-Being **4%**
- 4 Quality Education **16%**
- 6 Clean Water & Sanitation **15%**
- 7 Affordable & Clean Energy **19%**
- 9 Industry, Innovation and Infrastructure **19%**
- 11 Sustainable Cities & Communities **23%**
- 16 Peace, Justice and Strong Institutions **4%**

INPP ESG KPIs

The Company established a number of new KPIs in March 2024, including Pathway to Net Zero, EU Taxonomy, Environmental, Social, Climate risk and Governance KPIs. This suite of KPIs enables the Company to monitor performance across key environmental, social, and governance aspects, and provide stakeholders with valuable insights into the ongoing progression of its sustainability approach.

Throughout the year, the Investment Adviser engaged with investments to set out the requirements in relation to the Company's new KPIs and to begin developing plans for driving performance. The two new Pathway to Net Zero KPIs has been a particular focus, given the scale and complexity of transitioning to net zero.

For the 2024 Principles for Responsible Investment ('PRI') assessment, the Company's Investment Adviser received the highest rating for the fourth assessment in a row, receiving five-stars for both the Investment and Stewardship Policy and the Infrastructure modules. Further information on the progress made against these KPIs in the period can be found in section 2.4 of the Company's latest Sustainability Report.

ESG KPIs	Target	31 December 2024[1]	31 December 2023[1]
1. Contribution to Sustainable Development Goals			
Positive SDG contribution for new investments	100%	**100%**	100%
2. Investment Adviser ESG integration performance			
Investment Adviser PRI score	5*	**5***	5*
3. Governance			
3.1 Investments that have policies and processes in line with UN Global Compact Principles[2]	100%	**100%**	100%
3.2 Implementation of INPP minimum Governance policies and procedures on: Conflicts of Interest; Financial Crime Mitigation; Diversity and inclusion; cybersecurity and Whistleblowing[2]	100%	**100%**	100%
4. Pathway to net zero			
4.1 In-scope investments that are net zero, aligned to net zero or aligning to net zero by 2030[2, 3]	100%	**92%**	N/A[5]
4.2 Remaining investments that are 'net zero ready' by 2030[2, 4]	100%	**28%**	N/A[5]
5. Social			
5.1 Investments that have undergone a biennial, independent Health and Safety ('H&S') audit[2]	100%	**89%**	86%
5.2 Investments with initiatives that aim to improve H&S performance[2]	100%	**100%**	100%
5.3 Operating companies that transparently disclose delivery of diversity, equality, and inclusion ('DEI') policies[6]	100%	**61%**	52%
6. Environmental performance			
6.1 Investments with an environmental management system[2]	100%	**100%**	99%
6.2 Investments with initiatives that aim to improve the environmental performance of the monitored Principal Adverse Impact indicators ('PAIs')[2]	100%	**100%**	99%
7. Climate risk			
Investments with initiatives aimed at mitigating climate risks[2]	100%	**81%**	79%
8. Pathway to EU Taxonomy alignment			
Investments eligible for EU Taxonomy alignment that pass the EU Taxonomy Do No Significant Harm ('DNSH') and Minimum Safeguards criteria[7]	100%	**89%**	83%

1 All ESG KPIs, with the exception of Investment Adviser PRI score, are weighted by fair value of investments and rounded to the nearest whole number.
2 KPIs apply to all investments where the Company has a majority equity investment, or a minority equity holding over £2m.
3 As of 31 December 2024, 32% of the portfolio based on fair value falls under the KPI 4.1 criteria for NZIF infrastructure. Alignment with NZIF criteria determined by the ability of the Company to meet NZIF alignment criteria.
4 As of 31 December 2024, 68% of the portfolio based on fair value falls under the KPI 4.2 criteria for Net Zero Ready KPI. Alignment with Net Zero Ready KPI is determined by INPP requirement to work with third-party stakeholders to meet NZIF Alignment Criteria.
5 2024 is the baseline year.
6 Applies to operating companies within the portfolio. This includes Cadent, Tideway, BeNEX, OFTOs, Gold Coast Light Rail, Reliance Rail, Angel Trains, Community Fibre and toob.
7 Applies to investments eligible under EU Taxonomy Regulation (Regulation (EU) 2020/852). As at 31 December 2024, 54% of the portfolio is eligible and 48% is aligned with the EU Taxonomy.
8 Please see the SFDR Periodic Disclosure for formal EU Taxonomy alignment KPIs.

RESPONSIBLE INVESTMENT CONTINUED

RESPONSIBLE INVESTMENT CONTINUED

FINANCED GHG EMISSIONS

APPROACH

As part of its focus on aligning investments with the objectives of the Paris Agreement, the Company seeks to monitor GHG emissions across its portfolio and support decarbonisation initiatives, where possible. The Company actively manages all investments, supported by its Investment Adviser. The degree to which the Company can influence its financed emissions varies according to investment type.

For the Company's PPP investments, some operating businesses and regulated investments, the Investment Adviser's asset management team supports at an operational level and aims to ensure that GHG emissions are monitored.

Where the Company is a minority shareholder or for senior debt investments, the Company typically has less influence over operational activities, and in some cases may not have access to GHG or activity data. However, consideration of GHG impacts and data availability are incorporated in the screening and due diligence phase for every new investment.

Quantifying the financed emissions of the investment portfolio is important for the Company to help support investment-level decarbonisation initiatives and to better understand its climate-related transition risks.

The Company has self-assessed the data quality of its financed emissions, in line with the PCAF approach, and has quantified a weighted data quality score of 1.6 (1.7 in 2023) for its investment-level Scope 1 and 2 GHG emissions (High Quality = 1 Low Quality = 5).

PORTFOLIO EMISSIONS

As described on the following page, the Company has applied the PCAF guidance to calculate its total attributed GHG emissions (the Company's Scope 3 category 15 investment emissions). This includes the Scope 1, 2 and material scope emissions of each investment, attributed to the Company based on its proportional share of the equity and debt in each investment.

The carbon footprint metric aligns with PCAF's 'economic emission intensity' and is the Company's total attributed emissions normalised by the total equity and debt the Company invests across the portfolio. For the GHG intensity of investments metric the Company has applied the TCFD recommended approach for calculating a Weighted Average Carbon Intensity ('WACI').

INPP SCOPE 3 FINANCED EMISSIONS INDICATOR	Scope	31 December 2024	31 December 2023
Total attributed GHG emissions **(tCO_2e)**	Scope 1 of investments	33,389	35,584
	Scope 2 of investments	11,681	11,039
	Scope 3 of investments	29,193	32,157
	Total Scope 1 and 2	**45,070**	**46,623**
	Total Scope 1, 2 and 3	**74,263**	**78,780**
Carbon footprint **(tCO_2e/£m invested)**	**Total Scope 1 and 2**	**23**	**23**
	Total Scope 1, 2 and 3	**38**	**39**
GHG intensity of investments **(tCO_2e/£m revenue)**	**Total Scope 1 and 2**	**130**	**141**
	Total Scope 1, 2 and 3	**211**	**238**

REDUCTION INITIATIVES

Whilst the Company's level of control can vary significantly between investment types, it seeks to encourage GHG emissions reduction initiatives wherever possible. For examples of GHG reduction initiatives implemented across the portfolio during 2024, please refer to Section 4.3 of the latest Sustainability Report.

SUSTAINABLE FINANCE DISCLOSURE REGULATION

APPROACH

The Company satisfies the threshold criteria set out in the SFDR and, therefore, has obligations under the SFDR. As part of these requirements, the Company has categorised itself as an Article 8 FP which promotes, among other characteristics, environmental and social characteristics.

Through its investments in infrastructure that supports society, the Company promotes environmental and social characteristics but does not have sustainable investment as its objective and does not invest in sustainable investments, as defined under the SFDR.

This categorisation was communicated in the Company's prospectus, published in April 2022[1]. In addition, the Company has also published a website disclosure in accordance with the Level 1 requirements of the SFDR regulation[2].

1 https://www.internationalpublicpartnerships.com/news-media/press-releases/2021/placing-open-offer-and-offer-for-subscription-and-publication-of-prospectus-and-circular.
2 https://www.internationalpublicpartnerships.com/media/2629/amber-sfdr-website-disclosures.pdf.

EU TAXONOMY

The Company is not in scope of the EU Taxonomy regulation. Equally, investee companies fall outside of EU Taxonomy regulation, either by location or threshold. Under its current Article 8 categorisation, the Company has not set a minimum proportion for sustainable investments. However, we recognise the potential benefit Taxonomy disclosures could provide to the Company's investors. As such, the Company has estimated its portfolio alignment with the six environmental objectives of the EU Taxonomy. For more information, please refer to Section 4.5 of the Company's latest Sustainability Report.

SUSTAINABILITY INDICATORS

The Company tracks sustainability indicators of its investments to ensure that it meets the environmental and social characteristics it promotes. These disclosures cover the majority of the Company's investment portfolio and align with the definitions of the 14 core indicators listed in Annex 1 of the Delegated Regulation (EU) 2022/1288 (the 'Delegated Act'), consisting of nine environmental indicators and five social indicators. For more information, please refer to Section 4 of the Company's latest Sustainability Report.

Sustainability indicator	Metric	Unit	31 December 2024[1]	31 December 2023
Investment GHG emissions	Scope 1 GHG emissions	tCO_2e	**33,389**	35,584
	Scope 2 GHG emissions	tCO_2e	**11,681**	11,039
	Scope 3 GHG emissions	tCO_2e	**29,193**	32,157
	Total GHG emissions	tCO_2e	**74,263**	78,780
	Carbon footprint	tCO_2e/£m invested	**38**	39
	GHG intensity of investee companies	tCO_2e/£m revenue	**211**	238
	Share of investments in companies active in the fossil fuel sector	%	**16%**	16%
	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources[2]	%	**94%**	94%
	Energy consumption intensity per high impact climate sector: electricity, gas, steam and air conditioning supply	GWh/£m	**0.49**	0.52
	Energy consumption intensity per high impact climate sector: transportation and storage	GWh/£m	**0.23**	0.26
	Energy consumption intensity per high impact climate sector: construction	GWh/£m	**0.007**	0.003
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	%	**0%**	0%
Water	Tonnes of emissions to water generated by investee companies per million GBP invested, expressed as a weighted average	Tonnes/£m	**0**	0
Waste	Tonnes of hazardous waste and radioactive waste generated by investee companies per million GBP invested, expressed as a weighted average	Tonnes/£m	**0.13**	0.08
Social and employee matters	Share of investments in investee companies that have been involved in violations of the UN Global Compact ('UNGC') principles or Organisation for Economic Co-operation and Development ('OECD') Guidelines for Multinational Enterprises	%	**0%**	0%
	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	%	**0%**	0%
	Average unadjusted gender pay gap of investee companies	%	**17%**	21%
	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	%	**15%**	14%
	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	%	**0%**	0%

1 Sustainability indicators cover 97% of the portfolio. Where the Company is missing data, it will work with co-investors to obtain data over time, with a preference to avoid estimating impacts.
2 There are no energy generation assets within the portfolio; this data is energy consumption only.

RESPONSIBLE INVESTMENT CONTINUED

RESPONSIBLE INVESTMENT CONTINUED

TCFD

Recommended disclosure	Summary	Section
Governance		
a) Describe the Board's oversight of climate-related risks and opportunities.	The Board sets the strategy for the Company and makes decisions on changes to the portfolio (including approval of acquisitions, disposals and valuations). Through Board committees and the advice of external independent advisers, it manages the governance and risks of the Company. The Board has overall responsibility for ESG considerations, including climate change, and ensuring they are integrated into the Company's investment strategy. This is achieved through the Company's Audit and Risk Committee, Investment Committee, Management Engagement Committee and ESG Committee.	Sustainability Report Section 4.7
b) Describe management's role in assessing and managing climate-related risks and opportunities.	The Company's Investment Adviser is responsible for implementing the Company's ESG policies into its activities on a day-to-day basis. This includes the integration of ESG considerations through investment origination and ongoing management of the Company's Investments. The Board and the Investment Adviser meet on a quarterly basis, during which they review the risks facing the Company, including risks related to climate change. Sustainability considerations, including climate change, are also included as regular topics for discussion at the Company's annual strategy meetings.	Sustainability Report Section 4.7
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term.	The Company's investments are exposed to physical and transitional climate change risks. However, the Company has a high degree of protection due to the contracted or regulated nature of its investments. Flood, tropical cyclone, extreme wind and heat are the most important hazards for the Company's existing portfolio. Other hazards could affect particular assets, but do not pose a widespread risk. Equally, the changes arising from a transition to a low-carbon economy have the potential to be wide-ranging, including changes to laws and regulations, adapting to the decarbonisation of heat, increased electrification of transportation and other systems previously dependent on fossil fuels, and decarbonisation of construction. A transition to a low-carbon economy will continue to present infrastructure investment opportunities that will be required if governments around the world are to meet their legally binding commitments. As such, the Company is well placed to benefit from the transition to net zero as well as manage risks associated with it.	Sustainability Report Section 4.7
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	A large portion of the Company's investments are availability-type assets where the cash flows are based on making the assets available in a pre-agreed manner. The cash flows from such investments are largely insulated from changes to the physical risks of climate change and the net zero transition.	Sustainability Report Section 4.7
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The portfolio-level findings of the climate change impact assessment, including scenario analysis, demonstrate that the Company's strategy is resilient to both physical and transition risks associated with climate change. The Company believes it is well placed to benefit from the transition to net zero, as infrastructure will play a leading role in decarbonising the global economy.	Sustainability Report Section 4.7

Recommended disclosure	Summary	Section
Risk		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	The Board recognises the importance of identifying and actively monitoring the risk facing the business. The Company considers climate risk in line with its risk management framework for identifying, evaluating and managing significant risks faced by the Company.	Sustainability Report Section 4.7
b) Describe the organisation's processes for managing climate-related risks.	A robust assessment of principal and emerging risks facing the Company is performed. Each identified risk is assessed in terms of probability of occurrence, potential impact on financial performance and any movements in the relative significance of each risk between periods. The assessments build on the wealth of knowledge acquired by the Company and Investment Adviser through both bidding and asset management phases, with risk assessments carried out to quantify and assess risks. The Company has developed a series of risk management actions to reduce financial risks across the portfolio.	Sustainability Report Section 4.7
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	The Company's approach to risk management is implemented through the following risk control processes: Risk Identification, Risk Assessment, Mitigation Plan, Risk Monitoring, Reporting and Reassessment.	Sustainability Report Section 4.7
Metrics		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	The Company takes a holistic view to determining climate risks and opportunities at the investment level. Whilst the Company is supportive of monitoring and reporting emissions data, it also recognises that they do not always directly correlate with financial risks to the Company. However, the quantification of the financed emissions of the investment portfolio is important for the Company to help support its public sector clients with investment-level decarbonisation initiatives. The Company has quantified its Scope 3 emissions (i.e. the combined Scope 1, 2 and material Scope 3 emissions of its investments), as per SFDR and PCAF guidelines. Through scenario analysis conducted in 2022, the Company is continuing to explore options to embed physical risk metrics across its risk management processes and will embed climate-related risks and opportunities in line with its strategy. The Company also tracks a KPI aimed at monitoring the initiatives implemented by investments to mitigate climate risks.	Sustainability Report Sections 4.3 and 4.7
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	Due to the nature of its business, the Company has no Scope 1 or Scope 2 greenhouse gas emissions. As part of its focus on aligning investments with the objectives of the Paris Agreement, the Company monitors its Scope 3 investment emissions (financed emissions) across its portfolio and supports decarbonisation initiatives, where possible.	Sustainability Report Sections 4.3 and 4.7
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Through the investments that it makes, the Company is helping to support the shift to net zero in the markets where it invests. This includes infrastructure that directly enables net zero, such as the Company's offshore wind electricity transmission assets in the UK, or our passenger rail investments that provide low-carbon transport. The Company has established portfolio-level KPIs for tracking the progress of its investments on a pathway to net zero. These KPIs draw from the NZIF portfolio coverage criteria and consider the varying levels of control that the Company has over its investments, as well as the importance of collaboration with its public sector clients to achieve emissions reductions.	Sustainability Report Sections 4.4 and 4.7

RESPONSIBLE INVESTMENT CONTINUED

RESPONSIBLE INVESTMENT CONTINUED

VALUE CREATION – HOW WE ENGAGE

The Company takes a proactive approach to identifying and engaging with key stakeholders to ensure there is clear two-way communication that can be used to support the mutual success of the Company and its stakeholders. Good governance is the cornerstone of these relationships, and the Company is focused on leading with high standards of business conduct. It achieves this through a combination of board engagement and oversight and leveraging the Investment Adviser's expertise and networks. The Company believes robust stakeholder engagement is a critically important component to delivering its purpose over the long term and is considered at a strategic level by the Board, and ensuring all shareholders are treated fairly. The Board has promoted the success of the Company having regard to the requirements of Section 172 of the UK Companies Act 2006, as outlined opposite.

INVESTORS

Delivering value

We aim to provide our investors with stable, long-term, inflation-linked returns, based on growing dividends and the potential for capital appreciation. Through engagement with all our investors, we aim to inform them of our strategic objectives and to ensure that the Company understands all views on topical issues. This approach is intended to maximise investor support of our current objectives and performance whilst also helping shape the Company's future plans, ensuring that it stays well positioned in the current market environment.

The Board recognises the importance of taking action to support the narrowing of the discount to NAV and to restore value for our shareholders. The need and scope of such action has been reinforced through direct and valuable engagement with shareholders during the year, whose feedback continues to shape our approach.

An update on the initiatives taken to date, and the package of measures proposed for 2025 can be seen in the Chair's Letter.

During the year, the Company continued its active engagement with investors and engaged with over 300 shareholders.

The key mechanisms for the Company's engagement with investors include:

- Regular and timely updates on performance, including through the annual and half-yearly reporting cycle. This includes institutional and retail-focused webinars
- The Company's AGM
- Periodic Investor Days
- One-to-one meetings or calls with the Board's Chair and other Directors
- One-to-one meetings or calls with representatives from the Company's Investment Adviser
- Other Group engagement with representatives from the Company's Investment Adviser
- The Company's website
- An annual video providing an overview of the Company

The Company held a Capital Markets Day in February 2024. In addition, the Company held several one-to-one meetings throughout the year to discuss key topics, including the current market environment and investor requirements. In addition, a number of ESG-related discussions took place in relation to the UK SDR.

PUBLIC SECTOR AND OTHER STAKEHOLDERS

A trusted partner

We aim to provide the public sector and other customers with a highly reliable, robust service through our investments. Our ability to deliver contracted services and maintain strong relationships with our clients through our Investment Adviser is vital for the long-term success of the business. Through close engagement with our clients, we aim to meet high levels of satisfaction and quickly respond to any potential issues and emerging challenges.

The key mechanisms for engagement with our clients include:

- Regular meetings (where possible in person and/or virtually) between the Investment Adviser and public sector clients, including local authorities and regulators
- Active asset management, which provides monitoring of the facilities management arrangements on compliance with maintenance obligations
- Asset managers directly engaging with the client on a day-to day basis

The Company's Investment Adviser collaborated with University College London ('UCL') to support the DESNZ-sponsored project to develop The National Building Database. The Investment Adviser worked with UCL to identify which of the Company's assets would provide the most valuable information for the project. Comprehensive energy audits were conducted at the selected assets within the education sector, providing a detailed picture of their energy performance.

COMMUNITIES

Strengthening communities

We strive to make our investments an integral part of the communities they serve. Engaged communities can play an important role in successful delivery of new assets and their long-term operations. As part of our approach to active asset management, the Investment Adviser ensures critical services are delivered with a focus on the end-user, ensuring that the community is at the heart of all that we do. This approach is intended to help our communities thrive and create robust environments for our investments to flourish.

The key mechanisms for community engagement include:

- Active asset management providing facilities for community use
- Local Education Partnership agreements
- Supporting community initiatives

The Royal Children's Hospital, Melbourne, supports access and family-centred care which is culturally and spiritually sensitive with the capacity to treat over 593,000 patients per year. The project has won a number of awards due to its outstanding design and functionality. The success of the project, through both the delivery and operations phases, has delivered a world class hospital and end-user experience. The hospital is focused on providing patients with the best environment for their care, and it has exemplar facilities ranging from interactive science and technology exhibits, a cinema and even its own meerkat air enclosure.

KEY SUPPLIERS

An engaged supply chain

Our ambition is to work with a high-quality, sustainable supply chain with a focus on long-term value for our stakeholders. The performance of our service providers, their employees, and investment supply chain is crucial for the long-term success of our business. The Company takes a progressive approach to engaging with key suppliers. A key component of this is ensuring our Investment Adviser is proactively maintaining an engaged supply chain for our investments.

Examples of mechanisms for engagement with key suppliers include:

- Annual Management Engagement Committee review
- Ad-hoc engagement
- Quarterly Board meetings and reporting
- Investment Adviser managing investment supply chain

During the second half of 2024, the installation of a 250 kWp roof-mounted solar photovoltaic ('PV') array was successfully completed at Ryburn Valley School, one of the Calderdale Schools.

The works were designed by the Investment Adviser and the project company and the facilities management company (Mitie) and were delivered in-house by Mitie Group companies. The array is expected to generate an estimated 235,000 kWh of electricity for the school each year with an annual carbon reduction of 49.5 tCO_2e[1].

1 Based on 2023 grid conversion factor.

CONTINUOUS RISK MANAGEMENT

CONTINUOUS RISK MANAGEMENT

The Board is ultimately responsible for risk management. Oversight of the risk framework and management process is delegated to the Audit and Risk Committee. The risk framework has been designed to mitigate the risk of failure to meet business objectives. No system of control can provide absolute assurance against the incidence of risk, misstatement or loss. Regard is given to the materiality of relevant risks in designing systems of risk management and internal control.

BOARD

- Audit and Risk Committee
- Management Engagement Committee
- Investment Committee
- Nomination and Remuneration Committee
- Environmental, Social and Governance Committee

RISK CONTROL LEVELS

- Service provider's internal controls
- Independent controls and process reviews
- External audit

PRINCIPAL ADVISERS

- Investment Adviser and Asset Manager
- Company Secretary
- Fund Administrator
- Legal Adviser
- Corporate Broker
- Corporate Bankers

RISK MANAGEMENT

RISK FRAMEWORK AND MANAGEMENT PROCESS

The Company has in place a risk management framework. The Board recognises the importance of identifying and actively monitoring the risks facing the business. The framework involves an ongoing process for identifying, evaluating and managing significant risks faced by the Company which includes an assessment of longer-term and emerging risks. While responsibility for risk management ultimately rests with the Board, the aim is for the risk management framework to be embedded as part of the everyday operations and culture of the Company and its key advisers.

The risk framework is applied holistically across the Company and, to the extent possible, to the underlying investment portfolio as illustrated in the Business Model on pages 10 to 11. The framework has been in place for the year under review and up to the date of approval of this Annual Report and financial statements.

Direct communication between the Company and its Investment Adviser's in-house asset management team is a key element in the effective management of risks within the investment portfolio.

The Board continues to monitor the need for an internal audit function but believes the controls and assurance processes applied at the key service providers, alongside the external controls process reviews performed annually, provide robust and sufficient assurance.

The risk framework is implemented through the following risk control processes:

RISK IDENTIFICATION

- The Board, Audit and Risk Committee and the Risk Sub-Committee identify risks with additional input from the Company's Investment Adviser and the Administrator
- Key risks are identified at the investment approval stage, where the investment papers include an assessment of key risks as well as potential mitigations. This reflects work performed at the due diligence phase, incorporating input, where relevant, from specialist advisers appointed to support the investment process
- The Board receives detailed quarterly asset management reports highlighting performance and potential risk issues on an investment-by-investment basis
- The Audit and Risk Committee has an open dialogue with its advisers to assist with the identification of emerging risks and assessment of significant risks, to determine if any have arisen between reporting periods

RISK ASSESSMENT

- Each identified risk is assessed in terms of probability of occurrence, potential impact on financial performance and any movements in the relative significance of each risk between periods
- A robust assessment of principal and emerging risks facing the Company is performed. The assessments build on the wealth of knowledge acquired by the Company and Investment Adviser through both bidding and asset management phases, with risk assessments carried out to quantify and assess risks
- Where risks might impact viability, these are assessed further and the Viability Statement on page 65 contains more information on this review

MITIGATION PLAN

- For newly identified risks or existing risks with increased likelihood or impact, the Audit and Risk Committee provides oversight in terms of developing an action plan to mitigate the risk and, where relevant, enhanced monitoring and reporting is put in place

RISK MONITORING, REPORTING AND REASSESSMENT

- Risks are monitored and risk mitigation plans are reassessed by the Audit and Risk Committee, where applicable, with input from any relevant key service providers, and reported to the Board on a quarterly basis
- Annual external controls and process reviews help ensure the robustness of control processes
- No significant failings or weaknesses were identified in the review of controls during the year

CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

DEVELOPMENTS IN THE YEAR IN RELATION TO PRINCIPAL AND EMERGING RISKS

UK REGULATORY REGIME ANNOUNCEMENTS

As at 31 December 2024, the Company was invested in Cadent, Tideway and 11 OFTOs, all of which are regulated by independent statutory economic regulators with different frameworks. These frameworks are designed to, amongst other things, protect the interests of consumers whilst ensuring that regulated companies can earn a reasonable return on their capital. Investments in regulated assets are considered long-term and therefore, investors typically look beyond any individual regulatory cycle. However, changes in the regulatory regimes have the potential to impact the returns of these regulated assets. Cadent is regulated by Ofgem, which has granted Cadent a licence to distribute gas across certain regions within the UK. Cadent's licence provides it with five-yearly regulatory price reviews. During the year, Ofgem announced its Sector Specific Methodology Decision which sets out its decisions on the policy areas which will be used to determine the revenues that UK gas and electricity network companies are able to earn during the next price control period. The next price review period will run from April 2026 to March 2031. The terms of the announcement made by Ofgem were broadly consistent with the Company's expectations. In December 2024, Cadent submitted its business plan in respect of the next price control period to Ofgem and expects to receive Ofgem's draft and final determinations later in 2025. Tideway is regulated by Ofwat, which has granted Tideway a licence to design, build, finance, commission and maintain a new 25km 'super sewer' under the River Thames. Tideway's licence provides it with a fixed allowed return until 2030, after which it will likely follow a similar five-yearly price review process to which water and wastewater companies are currently subject. In December 2024, Ofwat published its final determinations for PR24 which set out the price controls for water and wastewater companies from April 2025 to March 2030. As Tideway's licence provides it with no equivalent price control review until 2030, Ofwat's announcement has no direct impact on Tideway, albeit elements of the review may indicate how Tideway will be regulated in the future.

The Company's OFTO investments are regulated by Ofgem, which has granted those OFTOs a licence to transmit electricity generated by an offshore wind farm into the onshore grid. The licence provides for an availability-based revenue stream at a predetermined rate for a fixed period of time (typically 20-25 years). Please see more information on page 27.

INFLATION

Following successive interest rate rises by the Bank of England in the previous two years, 2024 has seen the Bank begin to lower interest rates but at a slower pace than many forecast. The consequences of the initial inflation shock and the ongoing relatively high interest rate environment continues to put strain UK households. We have seen sustained disruption in the market with ongoing large-scale industrial action across the UK economy, including rail, healthcare and education, as workers have sought to limit pay erosion and improve working conditions. Whilst inflation in the UK has seemingly stabilised volatility still exists, inflationary pressures still remain with the effects of the UK Government's most recent budget filtering through the economy combined with the possibility of further external shocks.

The Company continues to monitor counterparty risk for any issues affecting its service providers in light of challenges faced by these businesses as a result of the current economic environment. The Investment Adviser, building on the experience gained following the liquidation of Carillion Plc and the administration of Interserve Plc, is well placed to respond to any issues arising from its service providers and has contingency plans in place to allow for a smooth transition of contracts to an alternative service provider if required. Please see further information on page 29.

INTEREST RATES

The high levels of interest rates and government bond yields, when compared to recent history, have the ability to impact the Company in a variety of ways including: the discount rates applied to forecasted cash flows, deposit rates affecting the amount of interest earned from cash held, and/or the cost of any new or replacement debt that needs to be procured.

Whilst historically, discount rates have not moved in lockstep with government bond yields and even though demand for infrastructure assets remains strong; discount rates have continued to see modest rises in the period. Increased cash flows resulting from higher inflation, foreign exchange gains derived from the weakening of Sterling, and greater interest earned from cash balances have played a mitigating role in offsetting any potential future discount rate valuation movements.

Due to the fixing or hedging of the vast majority of debt in the portfolio, increases in the cost of debt have a limited impact on current debt costs. Investments which do not have a pre-determined concession term or licence period may contain an element of refinancing exposure. Revenues for regulated assets are frequently adjusted by the regulator to compensate for changes in the market cost of debt, and other businesses which operate in industries with high barriers to entry would typically expect to be able to pass on a majority of changes in their cost base to counterparties.

INVESTOR SENTIMENT

The listed alternatives sector has continued to be impacted by the challenging macroeconomic environment.

The impact is not unique to the infrastructure sector: almost all UK listed investment companies have remained under pressure as investors in the space have rotated out of alternatives and into now higher yielding debt causing a negative impact on share prices.

This has naturally caused a reduction in fundraising activity in comparison to previous years and reduced the number of acquisitions taking place. Instead, many investment companies have turned their focus from making new investments to divestments, and recycling the capital into share buybacks. In addition to capital allocation measures being implemented, given the environment, we have seen an increase in mergers and acquisitions across the sector. The economic situation remains volatile, and inflation is forecast to remain above the Bank of England's target rate of 2% in the near term. Please see further information on pages 4 to 7 on how the Company is responding to the current market environment. The initiatives for 2025, described in the Chair's letter, have been designed by the Board to deliver both short-term and longer-term value to investors, and so to enhance investor sentiment.

CLIMATE CHANGE

Climate change remains a key focus of the ESG Committee, ensuring that the Company continues to evolve its approach to considering both the risks and opportunities it presents. Climate change would most likely manifest itself through impact on physical assets (risk 4) and changes in climate-related regulation (risk 9). Climate change is therefore considered both as a current and emerging risk. Please see more information from page 56 in this Report and in the Company's latest Sustainability Report.

GEOPOLITICAL EVENTS

Over the last decade, economies worldwide have been affected by repeated geopolitical disturbances including the Covid-19 pandemic, US-China trade destabilisation, the war in Ukraine and ongoing tensions and conflicts in the Middle East. Recent global elections have both brought changes to incumbent governments, the effects of which are still to filter through the domestic and worldwide economy and global trade policies. These events can cause significant volatility for markets which could impact the Company. In particular, the introduction of worldwide tariffs have the potential to disrupt supply chains and increase prices. The ongoing military conflicts have the potential to cause contagion bringing about further disruption and crises in the regions culminating in further division amongst political and economic blocs. There have been reports around Europe of suspected sabotage on infrastructure assets, including the Nord Stream pipelines in 2022, the Balticonnector in 2023 and damage to undersea cables between Finland and Estonia in late 2024. Such events could lead to increased physical asset risk of the Company's investments.

The Company continues to actively monitor these events to ensure that the portfolio of investments is protected, to the extent it can be, from the direct and indirect impacts of the conflicts. The Company does not hold any investments in the impacted regions, and we are not aware of any material direct implications for the Company or its portfolio.

EMERGING RISKS

Other than the risks described above, no new material emerging risks have been considered in these financial statements.

FURTHER INFORMATION

A description of broader risk factors relevant to investors is disclosed in the latest Company prospectus available on the website www.internationalpublicpartnerships.com.

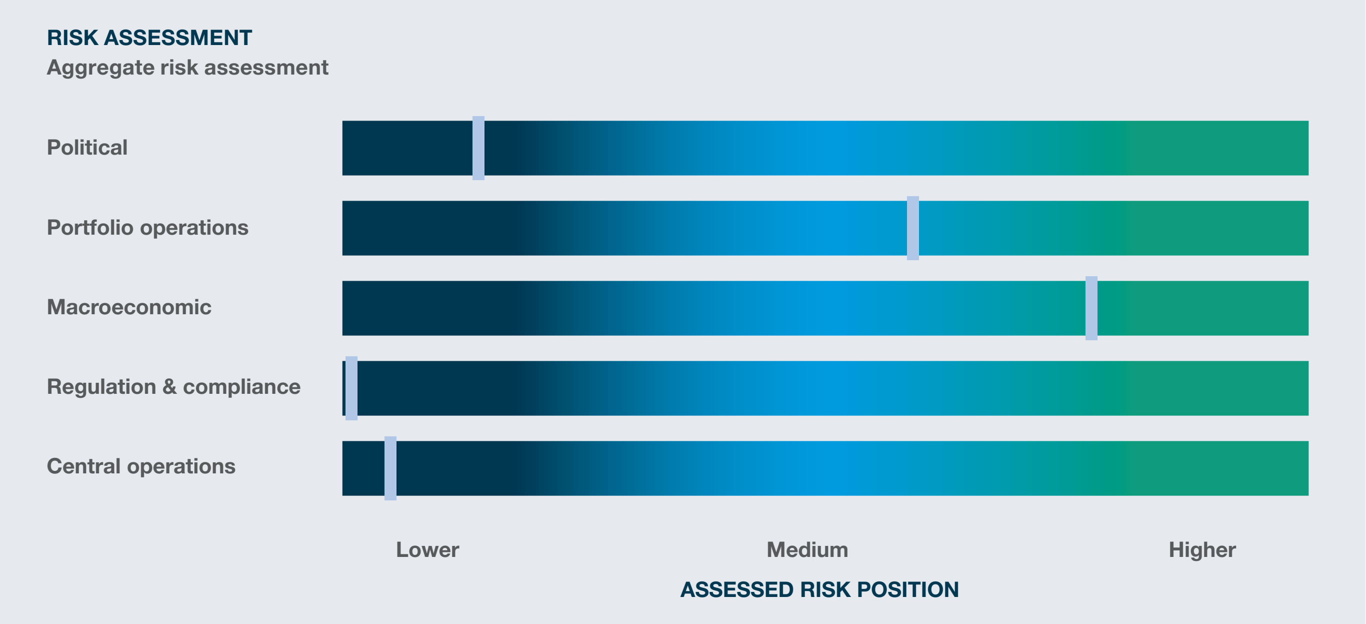
CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

RISK ASSESSMENT

AGGREGATE RISK ASSESSMENT

The Company's identified risks have been mapped to the five different risk categories: political, portfolio operations, macroeconomic, regulation and compliance, and central operations.



The chart summarises the overall residual level of risk facing the Company, presenting a combined assessment which incorporates the potential impact arising from not only the Company's principal risks, but from all of the Company's other identified risks:

- Political risk incorporates risks arising from government policy and actions;
- Portfolio operations risk incorporates risks arising from asset operations and ongoing investment performance, including regulatory risk impacting at asset level;
- Macroeconomic risk incorporates risks arising in the wider economy, including inflation and interest rates;
- Regulation and compliance risk incorporates risks arising from new laws and regulations applicable to the Company and its assets; and
- Central operations risk incorporates risks arising from the management of the portfolio.

The relative impact assessed to be arising from each risk has been combined to present a holistic position, giving stakeholders a more complete picture of the Company's residual risk position. Those risks of the Company which are assessed to be the principal risks are separately identified, and further discussed overleaf.

PRINCIPAL RISKS

This section provides a summary of the Board's assessment of the Company's principal risks. This is not intended to highlight all the potential risks to the business. There may be other risks that are currently unknown or regarded as less material, which could turn out to materially impact the performance of the Company, its assets, capital resources and reputation. Where the Company has applied mitigation processes, it is unlikely that the techniques applied will fully mitigate the risk.

The following key is used in the table below to highlight the Board's view on movement of risk exposures during the year:

- ▲ Risk exposure has increased in the year
- ▼ Risk exposure has reduced in the year
- ◆ No significant change in risk exposure since last reporting year

POLITICAL

1. POLITICAL POLICY

DESCRIPTION	MITIGATION
The businesses in which the Company invests are subject to potential changes in policy and legal requirements. All investments have a public sector infrastructure service aspect and are exposed to political scrutiny and the potential for adverse public sector or political criticism.	The majority of the Company's existing investments benefit from long-term service and asset availability-based pricing contracts or regulatory frameworks and the countries in which the Company operates do not tend to have a tradition of penal retrospective legislation. Governments tend to be long-term supporters of infrastructure and similar investment and recognise the risk of deterring future investment in the event that penal or disproportionate steps are taken in respect of existing contractual engagements.
Change in Political Policy Political policy and public financing decisions may adversely impact either existing investments, or the Company's ability to source new investments at attractive prices or at all. This may impact the Company's reputation. Adverse changes to policies may directly, or indirectly, result from reputational developments seen across the wider sector.	Current global policy practice continues to support the use of private sector capital to finance public infrastructure, despite challenge from some political parties, particularly in the UK, around the role of the private sector in the provision of such services. The Company seeks to maintain strong and positive relationships with its public sector clients and external stakeholders where possible.
Termination of Contracts Contracts between public sector bodies and the Company's investment entities may contain rights for the public sector to terminate contracts in specific situations. While the contracts typically provide for some compensation in such cases, this may be less than required to sustain the Company's valuation. There have been instances of contracts being voluntarily terminated in the UK (although not affecting the Company). As PPP service concessions approach expiry there is likely to be an increased-level public sector scrutiny over the "hand-back" of these assets.	The Company engages with its public sector clients in developing cost-saving initiatives and seeks to act as a 'good partner', including a focus on the ESG aspects of its investments and engaging early in the "hand-back" process to ensure a smooth transition of services. None of the Company's investments have been identified, by any government audit or public sector report, as poor value for money or not in the public interest. The Investment Adviser is a signatory to the Code of Conduct for Operational PFI/PPP contracts in the UK. The Code sets out the basis on which public and private sector partners agree to work together to make savings in operational PPP contracts. Compensation on termination clauses within such contracts serve to partially mitigate the risk of voluntary termination. Furthermore, in the current financial climate where voluntary termination leads to a requirement to pay compensation, such compensation is likely, in many cases, to represent an unattractive immediate call on the public finances for the public sector.
Nationalisation Following the Labour Party's UK General Election victory, nationalisation of infrastructure assets has become a topical agenda item with the announcement to bring train operating companies under government control. Ongoing longer-term political policy pressures arising as a consequence of Brexit in the UK or the Covid-19 pandemic more globally remain uncertain, so a residual possible risk of nationalisation remains over the medium-term.	The Company believes significant compensation would be required in order to enact this policy legitimately within existing contractual arrangements. Therefore, given the state of public finances, we maintain the view that the Company is defensively positioned in this regard.

CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

PORTFOLIO OPERATIONS

2. ASSET PERFORMANCE

DESCRIPTION	MITIGATION
Construction For the Company's assets under construction, there is an element of construction risk that takes the form of cost overruns or delays which could impact on investment returns. The construction industry is still affected by geopolitical events, which contain potential consequential impacts on the Company.	Contractual mechanisms allow for significant pass-down of construction cost overrun and delay risk to subcontractors and/or consumers, subject to credit risk (see below). The Company's investment in Tideway benefits from a government support mechanism which ultimately backstops investors' downside risk in the event of a major construction cost overrun. Tideway's major construction works were completed during 2024 and in February 2025, Tideway announced that the tunnel was fully connected, with the project on track to be fully complete (with testing complete) later this year.
Operational Performance Assets in the portfolio have revenues which are based on the availability of the asset, as well as revenues not solely dependent on availability but with linkage to other factors, including demand risk or being subject to regulatory frameworks. The entitlement of the Company's PPP and OFTO investments to receive revenues is generally dependent on underlying physical assets remaining available for use and continuing to meet certain performance standards. Failure to maintain assets available for use or operating in accordance with predetermined performance standards may result in a reduction in the income that the Company has projected to receive. A number of investments in the portfolio are subject to regulatory regimes which are designed by the regulators to, among other things, protect the interests of consumers whilst ensuring that regulated companies are able to earn a reasonable return on their capital. Changes in the regulatory regimes have the potential to impact the returns of the Company's two regulated assets. A number of investments in the portfolio assume residual values which are expected to be received from the assets on completion of the project contract or at the end of the expected investment holding period. Amounts which are realised may be different from current assumptions.	The Board reviews the performance of each investment on a quarterly basis and historically has seen consistently high levels of asset availability. For regulated assets, the regulatory regimes under which the assets operate provide a level of protection of cash flows for these assets. Contractual mechanisms and underlying regulatory frameworks also allow for significant pass-down of unavailability and performance risk to subcontractors in many cases, subject to credit risk (see below). In addition, investments in regulated assets are considered very long-term by the Company, beyond any individual regulatory cycle. This long-term view of such assets takes into account the robustness of yield as well as the potential for increases in the regulated asset base over time. The Company, through its Investment Adviser, has sight of detailed business continuity plans of its counterparties designed to manage services in adverse circumstances. In addition, the Company has the ability to pass down certain costs to the service providers and can potentially rely on business interruption cover where available. Residual value assumptions are based on prevailing market expectations and, where possible, recent market evidence. The nature of the Company's assets should provide some mitigation to the risk of a reduction in demand for the assets at the end of the expected investment holding period.

PORTFOLIO OPERATIONS CONTINUED

2. ASSET PERFORMANCE CONTINUED

DESCRIPTION	MITIGATION
Cyber Security Cyber security continues to be an issue of focus for the Company with growing levels of sophistication seen in the use of cyber-attacks targeting businesses. The Company and the assets in its portfolio can be impacted by cyber security in a number of ways including asset operational performance, financial loss, or reputational impact.	Layers of control exist across the portfolio designed to mitigate cyber security risk as far as possible for the Company and its assets. This includes dedicated controls and processes at fund, as well as, operational asset levels. The ways in which cyber security is further supported through the portfolio includes management focus at asset level, use of specialist external IT service providers and external controls reviews, for example.
Performance-Related Termination In serious cases where the terms of the underlying contract with the public sector are breached due to default or force majeure then that contract can usually be terminated without compensation. Failure to receive the amount of revenue projected or termination of a contract will have a consequential impact on the Company's cash flow and value.	In the event of significant and continuing unavailability across the Company's portfolio, the Company is able to terminate the Investment Advisory Agreement. This serves to reinforce alignment of interest between the Company and the Investment Adviser.

3. COUNTERPARTY RISK

DESCRIPTION	MITIGATION
The Company's investments are dependent on the performance of a series of counterparties to contracts including public sector bodies, consortium partners, construction contractors, facilities management and maintenance contractors, asset and investment managers (including the Investment Adviser), banks and lending institutions and others. Failure by one or more of these counterparties to perform their obligations fully or as anticipated could adversely affect the performance of affected investments. There may be disruption or delay to the services provided to investments, or replacement counterparties (where they can be obtained) may only be obtained at a greater cost. This could negatively impact the Company's cash flows and valuation.	The Company has a broad range of suppliers and believes that supplier counterparty risk is diversified across its investments. All contracts include the provision of a security package from counterparties to mitigate the impact of supplier failure. Generally, payments are made in arrears to service providers giving the Company some protection against failures in performance. The credit quality of supplier counterparties is reviewed as part of the Company's due diligence at the time of making its investments and for key suppliers on a regular basis. Most of the services provided to the Company's investments are reasonably well established with a number of competing providers. Therefore, there are expectations that there will be a pool of potential replacement supplier counterparties in the event that a service counterparty fails, albeit not necessarily at the same cost. The Company closely monitors the risk of adverse developments occurring in relation to its significant counterparties and develops contingency plans as appropriate to ensure risk of counterparty failure is minimised.
Where borrowings exist in respect of the Company's investments, interest rates are generally fixed through the use of interest rate swaps. The Company is therefore exposed to credit deterioration of the counterparties of these swaps.	The credit risk of such swap counterparties is considered at the time of entering into these arrangements and is regularly reviewed. The Company aims to use reputed financial institutions with good credit ratings.

CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

PORTFOLIO OPERATIONS CONTINUED

4. PHYSICAL ASSET RISK

Given global uncertainties and the perceived increase in deliberate damage to infrastructure assets across Europe, the risk exposure for specific assets has increased. The Company continues to monitor events.

DESCRIPTION

The Company indirectly invests in physical assets used by the public and thus is exposed to possible risks, both reputational and legal, in the event of damage or destruction to such assets and their users, including loss of life, personal injury and property damage. While the assets the Company invests in benefit from insurance policies, these may not be effective in all cases.

Climate Change

Investments may be subject to extreme weather and changes in precipitation and temperature, all of which may result in physical damage to assets.

MITIGATION

The Company's investments benefit from regular risk reviews and external insurance advice which is intended to ensure that those assets continue to benefit from insurance cover that is standard for such assets. Health and safety data is monitored across the portfolio to highlight any areas of focus and ensure appropriate safety measures are in place.

The Company works alongside its Investment Adviser to continue its alignment with the recommendations of TCFD. The Company has continued to update its investment processes, further strengthening climate considerations within investment screening and diligence, ensuring these are considered from the earliest point in the investment cycle.

5. CONTRACT RISK

DESCRIPTION

The performance of the Company's investments is dependent on the complex set of contractual arrangements specific to each investment continuing to operate as intended. The Company is exposed to the risk that such contracts do not operate as intended, are incomplete, contain unanticipated liabilities, are subject to interpretation contrary to its expectations or otherwise fail to provide the protection or recourse anticipated.

MITIGATION

Such contracts have been entered into, usually only after extensive negotiations and with the benefit of external legal advice. A legal review of contract documentation is undertaken as part of the Company's due diligence at the time of making new investments.

MACROECONOMIC

6. INFLATION

The Company benchmarks its inflation forecasts to credible independent sources.

DESCRIPTION

Inflation may be higher or lower than expected. The net cash flows from the Company's investment portfolio are positively correlated to inflation. Should actual inflation turn out to be higher or lower than the rates assumed by the Company at the relevant valuation date, this would be expected to impact positively or negatively, respectively, on the Company's projected cash flows.

The level of inflation-linkage across the investments held by the Company varies and is not consistent. The consequences of higher or lower levels of inflation than assumed by the Company will not be uniform across its portfolio.

The Company is also exposed to the risk of changes to the manner in which inflation is calculated by the relevant authorities.

MITIGATION

The Company benchmarks the inflation assumptions used in its forecasts to credible independent sources. It also provides sensitivities to investors indicating the projected impact on the Company's NAV of alternative inflation scenarios, offering investors an ability to anticipate the likely effects alternative inflation scenarios may have on their investment.

The Company monitors the effect of inflation on its portfolio through its biannual valuation process.

7. FOREIGN EXCHANGE MOVEMENTS

DESCRIPTION

A portion of the Company's investment portfolio has cash flows which are denominated in currencies other than Sterling, but the Company borrows corporate-level debt, reports its NAV and pays dividends in Sterling. Changes in the rates of foreign currency exchange are outside the Company's control and may impact positively or negatively on cash flows and valuation.

MITIGATION

The Company uses forward foreign exchange contracts to mitigate the risk of short-term volatility in foreign exchange rates on the Sterling value of cash flows from overseas investments. These may not be fully effective and rely on the strength of the counterparties to those contracts to be enforceable.

The Company monitors the effect of foreign exchange on its portfolio through its biannual valuation process and reports this to investors. The Company also provides sensitivities to investors indicating the projected impact on the NAV of a limited number of alternative foreign exchange scenarios, offering investors the ability to anticipate the likely effects of some foreign exchange scenarios on their investment. The Company continues to be mindful of the potential for exchange rate volatility in light of international economic and political change. The Company notes that a devaluation of Sterling against the relevant currencies would typically have a positive impact on the NAV. The opposite would be true for an increase in the value of Sterling.

CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

MACROECONOMIC CONTINUED

8. INTEREST RATES

The Company is monitoring the potential impacts of increased inflation on interest rates.

DESCRIPTION	MITIGATION
Changes in market rates of interest can affect the Company in a variety of different ways:	
Valuation Discount Rate Changes in market rates of interest (particularly government bond yields) may directly impact the discount rate used to value the Company's future projected cash flows and thus its valuation. Higher discount rates will have a negative impact on valuation while lower rates will have a positive impact.	In determining the discount rates used to value its investments, the Company generally uses nominal government bond yields to which specific investment risk premia are added to determine the overall discount rates. The investment risk premia may provide a buffer against rising bond yields assuming market demand for investment is sustained. Higher interest rates can often be precipitated by higher inflation expectations, and therefore any inflation-linkage (as noted above) may partly mitigate the effect of interest rate changes.
Corporate Debt Facility Floating rate interest is charged on the CDF, so higher than anticipated interest rates will increase the cost of this facility.	In the event that the interest rate increases, the Company has the option of repaying its CDF at any time with minimal notice, providing sufficient funds are available. The current facility totals £300m, including a £50m uncommitted 'accordion', compared to the Company's current investment portfolio valuation of approximately £2.7bn. As at the date of this report, the CDF remains undrawn. The current CDF remains in place until June 2025, after which a renewed facility will take effect. The new facility is expected to have broadly the same terms and structure as the current facility.
Underlying portfolio considerations Portfolio entities typically choose or can be required to hold various cash balances. The Company assumes that it will earn interest on such deposits over the long-term. Changes in interest rates may mean that the actual interest receivable by the Company is different to that projected. Certain assets within the portfolio contain refinancing assumptions. Increases in lending rates available to these projects would have the potential to increase their cost of financing and therefore impact the overall returns from these assets.	As presented in the sensitivity analysis, variations in cash deposit rates have little impact on the Company's NAV. The Company monitors the effect of historical and projected interest rates on its portfolio through its biannual valuation process and reports this to investors. The risk of adverse movements in debt interest rates for unhedged debt within regulated entities is limited through protections provided by the regulatory regime; however, the Company may potentially be exposed to interest rate risk on debt outside of the regulatory structure.

REGULATION AND COMPLIANCE

9. LAW AND REGULATION

DESCRIPTION	MITIGATION
Change in law or regulation Changes in law or regulation may increase costs of operating and maintaining facilities or impose other costs or obligations that indirectly adversely affect the Company's cash flow from its investments and/or valuation of them.	Some investments maintain a reserve or contingency designed to meet a change in law costs and/or have a mechanism to allow some change in law costs (typically building maintenance related) to be passed back to the public sector. The possibility remains for there to be changes in law or regulation (including, for example, in relation to climate change) that have the potential to impact costs or obligations of the Company or portfolio projects, which may not be fully capable of mitigation. The Company closely monitors changes in laws and regulations to ensure that the Company remains compliant with its obligations and minimises cost exposures wherever possible.
Transition to net zero In 2019, the UK government committed to the net zero target as recommended by the Climate Change Committee. Reaching net zero GHG emissions requires extensive changes across the economy. Major infrastructure decisions need to be made in the near future. These changes are unprecedented in their overall scale and therefore may impact the use case of a variety of infrastructure, including altering the way infrastructure is operated and utilised.	A large portion of the Company's investments are availability-type assets where the cash flows are based on making the asset available in a pre-agreed manner. The cash flows from such investments are largely insulated from the impacts of the transition to net zero. The changes arising from a transition to a low-carbon economy have the potential to be wide-ranging, including adapting to decarbonisation of heat, increased electrification of transportation and other systems previously dependent on fossil fuels, and decarbonisation of construction. It is expected infrastructure will continue to play a key role in the transition to a low-carbon economy. The Company believes the portfolio to be well placed for the transition to net zero.

10. TAX

DESCRIPTION	MITIGATION
Change in tax rates Rates of tax, both in the UK and overseas jurisdictions in which the Company operates, may increase in the future if government policy were to change.	The Company typically incorporates tax rates changes within its forecast cash flows once substantively enacted, or where there is a reasonable expectation of substantial enactment shortly after the valuation date and continuously monitors for changes in tax rates.
Change in tax legislation Changes in tax legislation across the multiple jurisdictions in which the Company has investments can reduce returns, impacting on the Company's future cash flow returns and hence valuation (calculated on a discounted cash flow basis).	The Company takes a cautious approach to tax planning. The Board monitors changes in tax legislation and takes advice as appropriate from external, independent, qualified advisers. While the Board and the Company's Investment Adviser seek to minimise the impact of adverse changes in tax requirements, its ability to do so is naturally limited.

CONTINUOUS RISK MANAGEMENT CONTINUED

CONTINUOUS RISK MANAGEMENT CONTINUED

CENTRAL OPERATIONS

11. FINANCIAL FORECASTS

DESCRIPTION

The Company's projections depend on the use of financial models to calculate its future projected investment returns. There may be errors in any of these financial models, including calculation, input, logic, and output errors. Once corrected, such errors may lead to a revision in projected cash flows and thus impact valuation.

The financial forecasts of certain operating infrastructure businesses can have more variability than contracted concessions, given the wider range of variables that apply and are therefore inherently more difficult to forecast accurately.

MITIGATION

The financial models used to generate financial forecasts are generally subject to model audit by external professional service firms, which is a process designed to identify errors. The comparison of past actual performance of investments against past projected performance also gives confidence in financial models where actual performance has closely matched projected performance. However, there can be no assurance that forecasts will be realised, particularly in relation to operational infrastructure businesses where more variables apply.

Investments in regulated businesses are considered very long-term, beyond the much shorter regulatory cycles. Valuations of such businesses should take into account robustness of yield and potential for increases in regulated asset base over time.

Sensitivities

The Company publishes information relating to its portfolio, including projections of how portfolio performance and valuation might be impacted by changes in various factors, e.g. interest rates, inflation rates, deposit rates, etc. The sensitivity analysis and projections are not forecasts and actual performance is likely to differ (possibly significantly) from that projection as in practice the impact of changes to such factors will be unlikely to apply evenly across the portfolio or in isolation from other factors.

Financial models are managed by a dedicated team with a background in financial modelling and experience of managing models in a manner that seeks to minimise the risk of error.

Sensitivities are produced for the information of relevant stakeholders and are accompanied by disclaimers and guidance explaining that limited reliance can be placed upon them.

VIABILITY STATEMENT

In accordance with provision 31 of the 2018 revision of the UK Code of Corporate Governance, we have considered the Company's viability as summarised below. Due to the long-term and/or contractual nature of our investments, we have a significant level of confidence over the endurance and longevity of our business; however, it is difficult to assess the regulatory, tax and political environment on a long-term basis. Whilst we consider the valuation of investment cash flows for the purposes of the NAV over a considerably longer period than five years, we view five years as an appropriate timeframe for assessing the Company's viability given these inherent uncertainties.

The viability assessment process is embedded within the Company's annual risk review cycle and involves the following:

1 An Audit and Risk Committee review and assessment of the risks facing the Company. A summary of the review process is detailed on page 79 to 81;

2 Identification of those principal risks that are deemed more likely to occur and have a potential impact on the Company's viability over the viability period. This exercise has included consideration of: a persistent low inflation rate environment (noting that a high-rate environment would typically be positive for the Company's investment cash flows given the linkage of revenues to inflation across many investments); large currency fluctuations impacting on receipts from overseas investments; and the impact of the loss of income from investments (whether due to key subcontractor default, or other reason for underperformance). We note that a number of risks identified during the risk review process in step one above may have implications for the Company's valuation but may be considered insignificant from a five-year viability perspective;

3 Quantification analysis of the potential impact of those principal risks occurring in isolation and under plausible combined sensitivity scenarios over the viability period;

4 Assessment of potential mitigation strategies to mitigate the potential impact of principal risks over the viability period. This exercise has considered the potential to liquidate investments and/or refinance investments if necessary.

The viability assessment is approved by the Board. Following the assessment, the Board has a reasonable expectation that the Company will be able to continue in operation and meet all of its liabilities as they fall due up to March 2028. This assessment is based on the following assumptions which are not within the Company's control:

- No significant changes to government policy, tax, laws and regulations affecting the Company or its investments other than the impacts already factored into future cash flows as part of the 31 December 2024 NAV valuation; and
- Continued availability of sufficient capital and market liquidity to allow for refinancing/repayment of any short-term recourse debt facility obligations as they become due, including in relation to the Company's debt facility which remains available until June 2025 after which a renewed facility will take effect. The new facility is expected to be broadly comparable in size and structure, with terms that reflect prevailing market conditions.

MIKE GERRARD
CHAIR
26 March 2025

STEPHANIE COXON
DIRECTOR
26 March 2025

CORPORATE GOVERNANCE

Durham Regional Courthouse, Ontario, Canada
Photo credit: WZMH Architects

CORPORATE GOVERNANCE
SUMMARY OF INVESTMENT POLICY

OVERVIEW
The Company invests in public or social infrastructure assets and related businesses located in the UK, Australia, New Zealand, Europe, North America and other parts of the world where the risk profile meets the Company's risk and return requirements.

The Company has a long-term view and invests in operational and construction phase assets for the life of the asset or concession, or under a licence issued by a regulator, unless there is a strategic rationale for earlier realisation. The Company seeks to enhance the capital value and the income derived from its investments to optimise returns for its investors.

As noted elsewhere in this Report, the Board regularly reviews the overall composition of the portfolio to ensure it remains aligned with the Company's investment objectives, including considering both investment and divestment as part of overall capital allocation considerations.

The Company has a long-standing Investment Policy that has been adopted and approved by its shareholders which informs its overall approach to capital allocation. The Policy is summarised below and available in full at www.internationalpublicpartnerships.com.

INVESTMENT PARAMETERS
Maintaining the performance of the existing portfolio is the Company's key focus. However, it will also take the following into account:

- Investments with characteristics similar to the existing portfolio;
- Investments in other assets or concessions or regulated businesses having a public or social infrastructure character with either availability, property rental or user paid payment mechanisms or appropriate regulatory frameworks;
- Investments in infrastructure assets or concessions characterised by high barriers to entry and expected to generate an attractive total rate of return over the life of the investment;
- Divestments where an investment is no longer aligned with the Company's investment objectives or where circumstances offer an opportunity to enhance the value of the portfolio.

PORTFOLIO COMPOSITION
The Company will, over the long-term, maintain a spread of investments both geographically and across industry sectors in order to achieve a broad balance of risk in the Company's portfolio. The Company does not currently expect to invest to any material extent in infrastructure projects located in non-OECD countries in the foreseeable future.

Asset allocation will depend on the maturity of the local infrastructure investment market, wider market conditions and the judgement of the Investment Adviser and the Board on the suitability of the investment from a risk and return perspective. The Asset Management section on pages 24 to 29 has details of the current composition of the investment portfolio.

INVESTMENT RESTRICTIONS
The Company's Investment Policy restricts it from making any investment of more than 20% of the total assets in any one investment in order to limit the risk of any one investment to the overall portfolio.

As a London Stock Exchange listed company, the Company is also subject to certain restrictions pursuant to the UKLA Listing Rules.

MANAGING CONFLICTS OF INTEREST
Further investments will continue to be sourced by the Investment Adviser, Amber Fund Management Limited. Some of these investments will have been originated and developed by, and in certain cases may be acquired from, members of the Amber Infrastructure Group.

The Company has established detailed procedures to deal with conflicts of interest that may arise and manage conduct in respect of any such acquisition. The Corporate Governance Report sets out more details on the conflicts management process.

FINANCIAL MANAGEMENT
The Company may also make prudent use of leverage to enhance returns to investors, to finance the acquisition of investments in the short-term and to satisfy working capital requirements.

Under the Company's Articles, outstanding borrowings at the Company level, including any financial guarantees to support subscription obligations in relation to investments, are limited to 50% of the Gross Asset Value ('GAV') of the Company's investments and cash balances. The Company has the ability to borrow in aggregate up to 66% of such GAV on a short-term basis (i.e. less than 365 days) if considered appropriate. Details of the Company's CDF can be found on page 30.

CHANGES TO INVESTMENT POLICY
Material changes to the Investment Policy summarised in this section may only be made by ordinary resolution of the shareholders in accordance with the UK Listing Rules.

BOARD OF DIRECTORS

(A) Audit and Risk Committee
(E) ESG Committee
(I) Investment Committee
(M) Management Engagement Committee
(N) Nomination & Remuneration Committee
(R) Risk Sub-Committee

The table below details all Directors at the date of this Report.

All of the independent Directors are members of all Committees with the exception of Mike Gerrard, who is not a member of the Audit and Risk Committee, and Giles Frost is a Non-Independent Director and sits only on the ESG Committee.

MIKE GERRARD
Board Chair
Chair, Investment Committee

(E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
4 September 2018

BACKGROUND AND EXPERIENCE
A resident in the UK, Mike has over 40 years of financial and management experience in global infrastructure investment. He has held a number of senior positions, including as an assistant director of Morgan Grenfell plc, a director of HM Treasury Taskforce, deputy CEO and later CEO of Partnerships UK plc. He was managing director of the Thames Tideway Tunnel during its pre-construction development.

Mike has a breadth of experience across a range of economic and social infrastructure sectors and has been involved in some of the largest infrastructure projects in the UK. He is a Fellow of the Institution of Civil Engineers.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
Mike holds no other listed company positions but holds several non-executive positions within boards and committees that oversee the development and delivery of infrastructure investments in the UK and overseas

GILES ADU[1]

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
1 September 2024

BACKGROUND AND EXPERIENCE
A resident of Jersey, Giles has over 30 years' financial markets investment experience and has held senior investment and advisory roles across debt capital markets, real estate investment, and alternative investments.

He is co-founder and investment director of Seaton Place Limited, an alternative investments advisor, investing in commercial real estate and bespoke alternative investments for family office and high net worth individual partners.

Giles has held several non-executive director positions for investment funds in private and public markets.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- Blackstone Loan Financing Limited

JULIA BOND
Chair, Management Engagement Committee

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
1 September 2017

BACKGROUND AND EXPERIENCE
A resident in the UK, Julia has over 25 years' experience of capital markets in the financial sector and held senior positions within Credit Suisse, including Head of One Bank Delivery and Global Head of Sovereign Wealth funds activity.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- Foreign, Commonwealth and Development Office
- Strategic Command Ministry of Defence
- Impax Asset Management Group Plc

STEPHANIE COXON
Chair, Audit and Risk Committee

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
1 January 2022

BACKGROUND AND EXPERIENCE
A resident of Guernsey, Stephanie is a Fellow of the Institute of Chartered Accountants in England and Wales and is a non-executive director on several London listed companies.

Prior to becoming a non-executive director, Stephanie led the investment trust capital markets team at PwC for the UK and Channel Islands. During her time at PwC, Stephanie specialised in advising FTSE 250 and premium London-listed companies on accounting, corporate governance, risk management and strategic matters.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- PPHE Hotel Group Limited
- Foresight Environmental Infrastructure Limited
- Apax Global Alpha Limited
- Praxis Group Limited[2]
- The Association of Investment Companies

1 Giles Adu was appointed to the Board of Directors on 1 September 2024.
2 Praxis Group delisted from The International Stock Exchange on 21 January 2025.

SALLY-ANN DAVID
Chair, Nomination and Remuneration Committee

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
10 January 2020

BACKGROUND AND EXPERIENCE
A resident of Guernsey, Sally-Ann has over 35 years of experience in infrastructure projects in the energy sector, including international offshore transmission systems and the challenges of the energy transition.

Having held senior positions within the power utility arena, Sally-Ann has recently retired from the position of chief operating officer at Guernsey Electricity Limited. She is a Chartered Engineer and Chartered Director.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- European Marine Energy Centre Limited
- M&G (Guernsey) & M&G Offshore Corporate Bond Ltd
- Sally-Ann is also a director of a health-related charity

MERIEL LENFESTEY
Chair, ESG Committee

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
10 January 2020

BACKGROUND AND EXPERIENCE
A resident of Guernsey, Meriel has 30 years of multi-sector business experience.

With a background in human-centred design for technology, she brings a strategic end-user focus and a broad set of experiences encompassing many sectors and scales of organisation ranging from her own start-ups through global corporations and governmental programmes.

She has sat on a wide variety of boards as an independent director for over 11 years.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- Bluefield Solar Income Fund Limited
- kigai Ventures Limited
- Boku, Inc.
- Meriel also chairs a commercial board; Jersey Telecom

JOHN LE POIDEVIN
Senior Independent Director[3]

(A) (E) (I) (M) (N) (R)

DATE OF APPOINTMENT:
1 January 2016

BACKGROUND AND EXPERIENCE
A resident of Guernsey, John has over 30 years of business experience.

John is a Fellow of the Institute of Chartered Accountants in England and Wales and a former partner of BDO LLP, where he held a number of leadership roles, including Head of Consumer Markets, where he developed an extensive breadth of experience and knowledge across the real estate, leisure and retail sectors in the UK and overseas.

John is a non-executive director on several plc boards and chairs a number of audit committees.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
- BH Macro Limited
- TwentyFour Income Fund Limited
- Super Group Limited

GILES FROST
Non-Independent Director[3]

(E)

DATE OF APPOINTMENT:
2 August 2006

BACKGROUND AND EXPERIENCE
A resident in the UK, Giles is a founder of Amber Infrastructure and has worked in the infrastructure investments sector for over 25 years.

Giles is a director of the ultimate holding company of the Investment Adviser to the Company and various of its subsidiaries.

LISTED COMPANY AND OTHER RELEVANT DIRECTORSHIPS
Giles is also a director of a number of the Company's subsidiary and investment holding entities and of other entities in which the Company has an investment. He does not currently receive directors' fees from these roles

3 John Le Poidevin and Giles Frost will be retiring from the Board at the 2025 AGM.

CORPORATE GOVERNANCE REPORT

MIKE GERRARD
CHAIR

INTRODUCTION

The Board of Directors is committed to high standards of corporate governance and has put in place a framework for corporate governance which it believes is appropriate for an investment company that is a constituent of the FTSE 250 and FTSE All-Share indices.

The Board is accountable for the overall direction and oversight of the Company, for agreeing its strategy, monitoring its financial performance, and setting and monitoring its risk appetite.

This section describes how the Company is governed. It explains how the Board is organised and operates, including the roles and composition of each of its Committees, and provides details on its Board members and how they are remunerated. As an investment company, the Company has no employees and relies on the advice and expertise of its key suppliers, notably its Investment Adviser. This section therefore also explains the nature of the Company's relationship with the Investment Adviser, and how this is managed, including the remuneration of the Investment Adviser.

COMPLIANCE WITH CORPORATE GOVERNANCE CODES AND REGULATIONS

The Company is listed on the London Stock Exchange and is required to confirm its compliance with (or explain departures from) the UK Corporate Governance Code (the 'UK Code'). The Company is a member of the AIC and has put in place arrangements to comply with the AIC Code which, in accordance with the AIC Code, enables it to comply with the UK Code in areas that are of specific relevance to investment companies. The Guernsey Financial Services Commission (the 'GFSC') has confirmed that companies that report against the UK Code or AIC Code are deemed to meet the Guernsey Code of Corporate Governance. In August 2024, the AIC Code was updated and endorsed by the Financial Reporting Council ('FRC') and the 2024 AIC Code applies to accounting periods beginning on or after 1 January 2025, with the exception of Provision 34 which will apply to accounting periods beginning on or after 1 January 2026. The AIC Code is available from the AIC website (www.theaic.co.uk). The UK Code is available from the FRC website (www.frc.co.uk).

As an investment company, most of the Company's day-to-day responsibilities are delegated to third parties. The Company does not have any executive directors. The UK Code's two separate principles of setting out the responsibilities of the chief executive and disclosing the remuneration of executive directors (Principles G and Q of the UK Code) are therefore not applicable. The Company has complied with all remaining recommendations of the AIC Code throughout the year.

Although the Company is registered in Guernsey, in accordance with the guidance set out in the AIC code, this Annual Report contains a description of how the Directors have considered matters set out in Section 172 of the UK Companies Act 2006 in relation to stakeholder engagement and the success of the Company. See page 50 to 51 for more information.

During the year, the Company was subject to the UK Packaged Retail and Insurance-based Investment Product ('PRIIPs') Regime ('the Regulation'). In accordance with the requirements of the Regulation, the Company published and updated its three-page Key Information Document ('KID') on 5 September 2024. The KID is available on the Company's website, https://www.internationalpublicpartnerships.com/investors/reports-and-publications, and will be updated following the publication of the Company's financial results, in accordance with the amendments required by the Regulation and thereafter at least every 12 months.

BOARD AND COMMITTEES

The Board sets the strategy for the Company and makes decisions on changes to the portfolio (including approval of acquisitions, disposals and valuations) and corporate actions, including the payment of dividends and return of capital to investors. Through Committees, and the use of external independent advisers, it manages risk and governance of the Company. The Board has a majority of independent directors – currently seven of the eight directors are independent.

BOARD OF DIRECTORS

The Board of Directors currently consists of eight non-executive directors, whose biographies, on pages 68 to 69, demonstrate a breadth of investment and business experience.

The Board is chaired by Mike Gerrard, who was considered to be independent upon appointment and remains independent throughout his term of service for the purposes of the AIC Code.

For the purposes of the AIC Code, Giles Frost is not treated as being an independent director, due to his relationship with the Company's Investment Adviser. In accordance with the AIC Code, all other non-executive directors were independent of the Company's Investment Adviser on appointment to the Board and continue to remain so. As Giles Frost will not be seeking re-election and will retire from the Board at the 2025 AGM, the Company will consist of all independent directors from 4 June 2025 onwards.

BOARD TENURE AND RE-ELECTION

Directors do not have service contracts. Directors are appointed under letters of appointment, copies of which are available at the registered office of the Company. All Directors offer themselves for re-election on an annual basis. The Board considers its composition and succession planning on an ongoing basis. In accordance with the AIC Code, when and if any Director has been in office (or on re-election would at the end of that term of office have been in office) for more than nine years, the Company will consider further whether there is a risk that such a director might reasonably be deemed to have lost independence through such long service.

At the forthcoming AGM, John Le Poidevin and Giles Frost will not seek re-election and will retire from the Board.

DIRECTORS' DUTIES AND RESPONSIBILITIES

The Directors have adopted a set of Reserved Powers, which establish the key purpose of the Board and detail its major duties and is available on the Company's website, www.internationalpublicpartnerships.com.

These reserved powers of the Board have been adopted by the Directors to demonstrate clearly the importance with which the Board takes its fiduciary responsibilities and as an ongoing means of measuring and monitoring the effectiveness of its actions.

The Board monitors the Company's share price and NAV and regularly considers ways in which shareholder value may be enhanced. These may include implementing marketing and investor relations activities, appropriate management of share price premium/discount and the relative positioning and performance of the Company to its competitors. The Board is also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board recognises the important role the Company's portfolio investments have in supporting the communities they serve. To ensure that they fully appreciate the impact of the investments, the Board undertakes regular visits to the Company's assets and, during 2024, visited a number of the Company's investments, which facilitate education, offer safe and affordable travel, and deliver leading health services and research.

Individual directors may, at the expense of the Company, seek independent professional advice on any matter that concerns them in the furtherance of their duties. The Company maintains appropriate Directors' and Officers' liability insurance in respect of legal action against its directors on an ongoing basis and the Company has maintained appropriate cover throughout the year.

All new directors receive introductory support and education about the infrastructure sector, and the Company, from the Investment Adviser upon joining the Board and, in consultation with the Board Chair, all directors are entitled to receive other relevant ongoing training as necessary.

CORPORATE GOVERNANCE REPORT CONTINUED

BOARD DIVERSITY

The Board is committed to maintaining the appropriate balance of skills, gender, knowledge and experience among its members to ensure strong leadership of the Company. The Board currently has four female directors, making the gender balance 50% female and 50% male. Currently, four of the sub-committee Chair positions are all held by female directors. In addition, post-year end, the Company was ranked 25th in the 'FTSE 350's Investment Trust Rankings 2024 Women on Boards' only.

The Board always appoints individuals on merit considering a balance of skills, qualities and experience that the Board feels are important to function, enhance and grow as a FTSE 250 board. The Board strongly believes that diversity of backgrounds, perspectives and insights is a critical tenet of dynamic and robust decision making and is keen to enhance the diversity of its composition, including consideration of potential candidates with the appropriate skills and experience for whom this would be their first appointment as a non-executive director of a listed company. With this critical tenet in mind, the Board is further committed to complying with the FCA UK Listing Rules (which in turn is in line with a similar recommendation of the Parker Review committee) that each FTSE 250 board have at least one director from an ethnic minority background for accounting periods starting on or after 1 April 2022.

As an externally managed investment company with no chief executive officer ('CEO') or chief financial officer ('CFO'), the roles which qualify as senior under FCA guidance are Chair and Senior Independent Director ('SID'). The Board also considers the Audit Committee Chair to represent a senior role within this context. At 31 December 2024, the Board met the targets on the percentage that are women, and ethnic diversity. The following table sets out the required information on diversity and inclusion, reflecting on the gender and ethnic background of the Board as at 31 December 2024 in accordance with the requirements of the UK Listing Rules. The information has been self-provided by the individuals concerned. The questions asked were: "Which gender do you identify by" and "Which of the FCA ethnicity groups do you consider yourself to fall within?".

	Number of Board Members	Percentage of the Board	Number of Senior Positions
Male	4	50%	2
Female	4	50%	1
White British or other White (including white minority groups)	7	88%	3
Black African	1	12%	–

BOARD REMUNERATION

The Nomination and Remuneration Committee considers matters relating to the Directors' remuneration, taking into account benchmark information (including fees paid to directors of comparable companies). All fees payable to the Directors should also reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate Directors of a quality required to run the Company successfully.

The Nomination and Remuneration Committee conducted an internal assessment of Board remuneration. The internal review of the remuneration policy undertaken benchmarked the Company's position against listed peer funds in the core infrastructure and wider infrastructure sector. The inflationary landscape, increased time commitments of the Directors during the year under review and additional responsibilities placed on certain Board members were considered. Accordingly, and with effect from 1 January 2025, the Board is recommending that shareholders approve the remuneration levels proposed in the comparative table set out below.

Position	2025 Fee P.A. £	2024 Fee P.A. £
Board Chair	**111,800**	106,500
Director (Independent and Non-Independent)	**62,000**	59,000
Audit and Risk Committee Chair[1]	**18,600**	17,700
Senior Independent Director[1]	**5,000**	4,000
Risk Sub-Committee Chair[1]	**5,000**	3,500
Management Engagement Committee Chair[1]	**5,000**	3,500
Nomination and Remuneration Committee Chair[1]	**5,000**	3,500
ESG Committee Chair[1]	**5,000**	3,500

1 These are additional fees payable to Directors chairing a committee.

There are no long-term incentive schemes provided by the Company and no performance fees, or bonuses paid to directors. Any changes to directors' aggregate remuneration are considered at the AGM of the Company.

Director	2024 Fees £	2023 Fees £
Mike Gerrard	**106,500**	101,400
Giles Adu	**19,599**	–
Julia Bond	**63,395**	61,550
Stephanie Coxon	**70,650**	59,450
Sally-Ann David	**62,759**	59,450
Meriel Lenfestey	**63,705**	59,450
John Le Poidevin	**70,540**	76,800
Giles Frost[1]	**59,000**	56,200

1 The emoluments for Giles Frost are paid to his employer Amber Infrastructure Limited, a related company of the Company's Investment Adviser.

Giles Frost is also a director of a number of other companies in which the Company directly or indirectly has an investment, although he does not control or receive remuneration in relation to these entities.

In addition to the director fees above, John Le Poidevin served as a director to three Luxembourg subsidiary entities of International Public Partnerships and was entitled to fees of £9,930 in total for the year ended 31 December 2024. The Nomination and Remuneration Committee recommended an increase to £3,475.50 per entity for 2025.

DIRECTORS' INTERESTS

Directors who held office at 31 December 2024 had the following interests in the shares of the Company:

Director	31 December 2024 Number of Ordinary Shares[1]	31 December 2023 Number of Ordinary Shares[1]
Mike Gerrard	**279,789**	279,789
Giles Adu	**-**	-
Julia Bond	**132,226**	114,694
Stephanie Coxon	**25,505**	10,000
Sally-Ann David	**30,303**	30,303
Meriel Lenfestey	**33,142**	25,142
John Le Poidevin	**327,898**	327,898
Giles Frost[2]	**1,052,246**	1,009,965

1 All shares are beneficially held.
2 Holds some shares through a personal investment company.

On 4 February 2025, John Le Poidevin acquired 86,972 shares, increasing his holdings to 414,870.

CORPORATE GOVERNANCE REPORT CONTINUED

COMMITTEES OF THE BOARD

The Board has established five Committees consisting of the independent non-executive directors. The responsibilities of these Committees are described below. Terms of reference for each committee have been approved by the Board and are available on the Company's website (www.internationalpublicpartnerships.com). In addition to the Chair of the Board, a Senior Independent Director is appointed as an alternative point of contact for shareholders and leads on matters where it is not appropriate for the Chair to do so.

BOARD

Responsibilities

– Statutory obligations and public disclosure
– Sets overall strategy for investments
– Strategic matters and financial reporting
– Board composition and accountability to shareholders
– Risk assessment and management, including reporting compliance, monitoring, governance and control
– Responsible for financial statements

AUDIT AND RISK COMMITTEE

Delegated responsibilities

– Monitor the integrity of financial statements
– Review the effectiveness and internal control policies and procedures over financial reporting and identification, assessment and reporting of risk
– Review the effectiveness of the Company's risk management framework, including in relation to the Investment Policy and the risk management procedures of the Investment Manager and other third-party providers
– Review the Company's financial and accounting policies
– Advise the Board on appointment of the external auditor and responsible for oversight and remuneration of the external auditor

MANAGEMENT ENGAGEMENT COMMITTEE

Delegated responsibilities

– Review on a regular basis the performance of the Investment Adviser and the Company's other advisers and major service suppliers to ensure that performance is satisfactory and in accordance with the terms and conditions of the respective appointments
– Review the terms of the Investment Advisory Agreement and recommend any changes considered necessary
– Ensure there are no conflicts of interest between service partners

INVESTMENT COMMITTEE

Delegated responsibilities

– Review investment and divestment proposals, including ensuring that proposals are properly prepared and that the approval process has been followed
– Ensure proposals are compliant with the Company's Investment Policy and strategy
– Ensure that proposals do not breach Articles of Incorporation, Prospectus or other constitutional documents
– Determine whether proposals are appropriate for investment or divestment and then, assuming the opportunity is approved, authorise the Investment Adviser to enact the transaction

NOMINATION AND REMUNERATION COMMITTEE

Delegated responsibilities

– Undertake annual Board performance evaluation
– Review remuneration of the Board and its Committees
– Review, and change as necessary, structure, size and composition of the Board
– Identify and appoint suitable Board candidates as vacancies arise and ensure succession planning is in place
– Articulate the roles of the Chair and Non-Executive Directors
– Conduct induction training for new Board members

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Delegated responsibilities

– Review the Company's ESG policies, principles and standards
– Provide strategic advice to the Board on ESG-related matters and policies
– Challenge the implementation of ESG policies through the investment and divestment approval process
– Provide a forum in which the Board and Investment Adviser can discuss and share ideas in relation to evolving ESG-related initiatives

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is comprised of the full Board, with the exception of Mike Gerrard as Board Chair and Giles Frost as a Non-Independent Director. However, Mike Gerrard and Giles Frost routinely attend meetings of the Audit and Risk Committee as observers.

Following the 2024 AGM, Stephanie Coxon succeeded John Le Poidevin as Chair of the Audit and Risk Committee, with Sally-Ann David remaining as the current Chair of the Risk Sub-Committee. The duties of the Audit and Risk Committee in discharging its responsibilities are outlined in the Audit and Risk Committee Report on pages 79 to 81.

In respect of its risk management function, the Audit and Risk Committee, through the separately convened Risk Sub-Committee, is also responsible for reviewing the Company's risk management function and framework, in relation to the Investment Policy of the Company, including the acquisition and disposal of assets, the valuation of assets and ensuring that the risk management function of the Investment Adviser, Administrator and other third-party service providers are adequate and to seek assurance of the same.

The Audit and Risk Committee formally reviews the Company's overall approach to risk management on an annual basis and its risk register on at least a quarterly basis. Topics considered during the year can be found in the Audit and Risk Committee Report on pages 79 to 81. The Committee is satisfied that the key risks that could impact the Company and its investments were effectively mitigated and reported upon and were broadly in line with those of the Company's relevant industry peers.

INVESTMENT COMMITTEE

The Investment Committee is comprised of the full Board, with the exception of Giles Frost as a Non-Independent Director, and is chaired by Mike Gerrard, as Chair of the Company.

The Committee considers proposals relating to the acquisition and disposal of investments and, if thought fit, approves those proposals. Details of the transactions completed during the year are outlined on pages 18 to 20 of this Annual Report.

MANAGEMENT ENGAGEMENT COMMITTEE

The Management Engagement Committee is comprised of the full Board, with the exception of Giles Frost as a Non-Independent Director. Following the 2024 AGM, Julia Bond succeeded Meriel Lenfestey as Chair of the Management Engagement Committee. The duties of the Management Engagement Committee in discharging its responsibilities are outlined in the diagram on page 74.

The Management Engagement Committee carries out its review of the Company's advisers through consideration of objective and subjective criteria and through a review of the terms and conditions of the advisers' appointments, with the aim of evaluating performance, identifying any weaknesses and ensuring value for money for the Company's shareholders.

During the year, the Management Engagement Committee formally reviewed the performance of the Investment Adviser and other key service providers to the Company and no material weaknesses were identified. Overall, the Committee confirmed its satisfaction with the services and advice received. As has been referred to extensively elsewhere in this document, post year-end, amendments to the IAA were agreed that further aligned the Investment Advisor's interests with those of our shareholders. Further information can be found in the Chair's Letter and on pages 4 to 7.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is comprised of the full Board, with the exception of Giles Frost as a Non-Independent Director. Following the 2024 AGM, Sally-Ann David succeeded Stephanie Coxon as Chair of the Nomination and Remuneration Committee. The Committee is formally charged by the Board to consider the structure, size, remuneration, skills and composition of the Board. This includes its diversity and inclusion development in line with the Company's responsible investment objective and management of material ESG factors, ensuring diversity is strongly reflected at Board level as outlined on page 72. It also oversees the appointment and reappointment of directors, taking into account the expertise and diversity of the candidates and their independence (see page 74 for more detail on the Committee).

For the Director recruitment process, the Nomination and Remuneration Committee developed a role specification with the assistance of an external recruiter to identify potential candidates for consideration, with a shortlist of candidates being interviewed by Committee members before a final decision was taken to recommend the appointment of Giles Adu to the Board. The Nomination and Remuneration Committee will continue to review structure, size and composition of the Board and report on succession planning annually to preserve continuity by phasing the retirement of Directors approaching nine years of service.

In accordance with the UK Corporate Governance Code required for listed companies on the London Stock Exchange, the Company undertakes an externally facilitated evaluation every three years. The Company's most recent external evaluation was conducted in 2023. In 2024, the Board undertook an internal evaluation co-ordinated by the Company Secretary. As part of this process, Board members completed a comprehensive questionnaire designed to assess the performance and effectiveness of the Board, its Chair and its Committees. A report of the findings of the evaluation was presented and considered by the Nomination and Remuneration Committee. No material issues were identified, and the review concluded that the Board operated well, with skill and focus and in a harmonious and supportive manner. A small number of areas were identified for further focus, including meeting structure and adviser attendance.

CORPORATE GOVERNANCE REPORT CONTINUED

ESG COMMITTEE

The ESG Committee is comprised of the full Board. Following the 2024 AGM, Meriel Lenfestey succeeded Julia Bond as Chair of the ESG Committee. The Company's ESG Committee provides a forum for discussion, support and challenge with respect to ESG matters, including the adoption of policies by the Company in relation to both investments and divestments, as well as Amber's asset management activities and reporting policies.

The ESG Committee meets at least twice a year and supports the Board in managing the Company's ESG performance. Please refer to the Company's Sustainability Report for more information on the ESG Committee and workstreams that have been delivered during the year.

BOARD AND COMMITTEE MEETING ATTENDANCE

The full Board meets at least four times per year and in addition there is regular additional contact between the Board, the Investment Adviser, the Administrator and the Company Secretary. The agenda and supporting papers are distributed in advance of quarterly Board and Committee meetings to allow time for appropriate review and to facilitate full discussion at the meetings.

The table below lists Directors' attendance at Board and Committee meetings during the year. In addition, during the year, two ad hoc Board meetings and two Board Committee meetings[1] took place to finalise matters that had been approved in principle at full meetings of the Board. Furthermore, three ad hoc Investment Committee meetings were held during the year, in accordance with the terms of the Committee, to consider investment recommendations prepared by the Investment Adviser.

Directors	Quarterly Board	Audit and Risk Committee	ESG Committee	Management Engagement Committee	Nomination and Remuneration Committee
Maximum number	**4**	**7**	**3**	**5**	**4**
Mike Gerrard[2]	4	n/a	3	5	4
Giles Adu[3]	2	3	1	3	1
Julia Bond	4	7	3	5	4
Stephanie Coxon	4	7	3	4	4
Sally-Ann David	4	7	3	5	4
Meriel Lenfestey	4	7	3	5	4
John Le Poidevin	4	7	3	5	4
Giles Frost[4]	4	n/a	2	n/a	n/a

1 Board Committee meetings are formed of any two or more members of the Board and do not require full attendance. All members of the Board are appraised of the matters to be discussed at the Committee meeting and have the opportunity to raise questions to the Board Chair, Investment Adviser or other advisers, as required.
2 Mike Gerrard is not a member of the Audit and Risk Committee but attended these meetings as an observer.
3 Giles Adu joined the Board on 1 September 2024, at which point there had been two Board meetings, four Audit and Risk Committee meetings, two ESG Committee meetings, two Management Engagement Committee meetings and three Nomination and Remuneration Committee meetings.
4 Giles Frost is not a member of the Audit and Risk Committee, Management Engagement Committee, Nomination and Remuneration Committee or the Investment Committee. While Giles Frost attended the majority of ad hoc Board and Committee meetings, as these meetings considered recommendations from the Investment Adviser, his presence does not count towards the quorum so has been excluded from this tally.

The Board has reviewed the composition, structure and diversity of the Board, succession planning, the independence of the Directors and whether each of the Directors has sufficient time available to discharge their duties effectively. The Board confirms that it believes it has an appropriate mix of skills and backgrounds, that a majority of directors should be considered as independent in accordance with the provisions of the AIC Code and that all Directors have the time available to discharge their duties effectively.

Notwithstanding that a number of the independent directors sit on the boards of other listed companies, the Board noted that these individuals are exclusively non-executive directors and that listed investment companies generally require less day-to-day responsibility and time commitment than trading companies. Furthermore, the Board noted that attendance at all Board and Committee meetings during the year was high by all Directors and that each Director has always shown the time commitment necessary to fully and effectively discharge their duties as a director.

Accordingly, the Board recommends that shareholders vote in favour of the re-election of all Directors who are putting themselves forward for re-election at the forthcoming AGM. Please refer to page 72 outlining the Board's approach to diversity and re-election.

RELATIONSHIP WITH ADMINISTRATOR AND COMPANY SECRETARY

Ocorian Administration (Guernsey) Limited ('Ocorian') acts as Administrator and Company Secretary and is responsible to the Board under the terms of the Administration Agreement. Noting that final responsibility lies with the Board, the Administrator ensures compliance with Guernsey Company Law, London Stock Exchange listing requirements, the regulatory requirements of the Guernsey Financial Services Commission, anti money-laundering regulations, corporate governance best practice and observation of the Reserved Powers of the Board and in this respect the Board receives detailed quarterly reports. The Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are followed and that it adheres to applicable legislation, rules and regulations as referred to above.

RELATIONSHIP WITH THE INVESTMENT ADVISER

The Directors are responsible for the overall management and direction of the affairs of the Company. Under the IAA, Amber Fund Management Limited (a member of the Amber Infrastructure Group Holdings Limited group of companies) acts as Investment Adviser to the Company to review and monitor current investments and to advise the Company in relation to strategic management of the investment portfolio.

CONTRACTUAL ARRANGEMENTS AND FEES

The Company has a long-standing relationship with the Investment Adviser, and through mechanisms such as the IAA, the Board ensures the ongoing alignment of interest between the Company, its shareholders and the Investment Adviser.

The IAA allows for the provision of investment advisory and certain other financial services to the Board. In return, the Investment Adviser previously received fees principally based on the GAV[1] of the Company as well as a contribution to expenses. As discussed in the Chair's Letter, as part of the package of measures designed to strengthen the Company's position in the current environment as well as ensure it is well-positioned for the longer-term, the Board and the Investment Adviser have agreed to a change in the fee basis.

From 1 July 2025, the fees paid to the Investment Adviser in respect of each quarter will be based on the equal weighting of, (i) the average of the closing daily market capitalisation of the Company during that quarter, and (ii) the most recently published NAV. Based on the current share price discount to the NAV, this fee change is expected to reduce the ongoing management fee by approximately 10% per year, providing additional value for shareholders, as well as closer alignment. The basis for the calculation of the previous and new fee arrangements are set out below.

	Fee basis to 30 June 2025	Fee basis from 1 July 2025
For fully operational assets		
1.2% for the first £750m	The GAV of the portfolio	The equal weighting of, (i) the average of the closing daily market capitalisation, and (ii) the most recently published NAV
1.0% for the amount that exceeds £750m but is less than £1.5bn		
0.9% for the amount that exceeds £1.5bn but is less than £2.75bn		
0.8% for the amount in excess of £2.75bn		
For the portion of assets bearing construction risk		
1.2% for the portion of the fee basis that bears construction risk (i.e. the asset has not fully completed all construction stages including any relevant defects period and achieved certification by the relevant counterparty and senior lender)	The GAV of the portfolio	The equal weighting of, (i) the average of the closing daily market capitalisation, and (ii) the most recently published NAV

The IAA will include a provision to ensure that the amount of the base fee payable under the new fee arrangement cannot exceed the amount payable under the existing arrangements.

The Investment Adviser will continue to be entitled to an asset origination fee of 1.5% of the value of new investments acquired by the Company. It should be noted that, generally, the Investment Adviser bears the risk of abortive transaction origination costs.

The Board considers that, given the long-term nature of the Company's investments, its responsibility for the detailed day-to-day delivery of management services and relationships with public sector clients, it is important that it benefits from the continuity of service provided by a long-term advisory partner. As a result, the new arrangements agreed with the Investment Advisor retain the current five-year notice period. To ensure that shareholder interests are protected, termination provisions continue to be in place to ensure that, in the event of poor investment performance, the Company has the ability to remove the Investment Adviser.

The Company and the Investment Adviser have agreed with effect from 1 July 2025 to remove the Company's formal right of first refusal over investment opportunities meeting its investment criteria that come to the attention of the Investment Adviser or its US-based shareholders (Hunt Companies and Boyd Watterson). Both the Company and the Investment Adviser are keen to emphasise that they do not expect any change in the quality, suitability, diversity or volume of investment opportunities being made available to INPP as a result of this change and the Investment Adviser fully expects to continue its 18-year track record of developing long term pipelines of investment opportunities for the Company.

INVESTMENT APPROVAL PROCESS

As outlined above, the Investment Committee, comprised of independent directors of the Company, make decisions with respect to new investments or divestments after reviewing recommendations made by the Company's Investment Adviser. The Investment Adviser has a detailed set of procedures and approval processes in relation to the recommendation it makes to the Board.

1 Cash receipts from capital raisings and tap issuances are not included in the GAV for the purposes of the calculation of base fees until such receipts are invested for the first time.

CORPORATE GOVERNANCE REPORT CONTINUED

It is expected that further investments will be sourced by the Investment Adviser. It is likely that some of these investments will have been originated and developed by, and in certain cases may be acquired from, other members of the Investment Adviser's group. Where that is the case, the conflicts management process summarised below is followed.

MANAGING CONFLICTS OF INTEREST

The Company has established detailed procedures to deal with conflicts of interest that may arise on investments acquired from the Investment Adviser's group and manage conduct in respect of any such acquisitions. The Company's Board has a majority of independent members and a Chair who is independent of the Investment Adviser. Each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussions.

The potential conflicts of interest that may arise include when an Amber entity is an existing investor in the target entity while an associated company, AFML, acts on the 'buyside' as Investment Adviser to the Company. The IAA contains procedures with the intention of ensuring that the terms on which the vendors of such assets dispose of their assets are fair and reasonable to the vendors; and on the 'buyside' the Company as Investment Adviser must be satisfied as to the appropriateness of the terms for and the price of the acquisition. For more details on the features of this procedure please refer to the Company's latest prospectus available on the website: www.internationalpublicpartnerships.com.

The acquisition of all assets, including those from any associate of the Investment Adviser is considered and approved in advance by the Investment Committee. In considering any such acquisition, the Investment Committee will, as it deems necessary, review and ask questions of the Buyside Committee of the Investment Adviser and the Group's other advisers and the acquisition will be approved by the Committee on the basis of this advice. The purpose of these procedures is to ensure that the terms upon which any investment is acquired from a member of the Amber group is on an arm's length basis.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for overall risk management with delegation provided to the Audit and Risk Committee. The system of risk management and internal control has been designed to manage, rather than eliminate, the risk of failure to meet the business objectives. Regard is given to the materiality of relevant risks and therefore the system of internal control cannot provide absolute assurance against material misstatement or loss.

This process, which covers the Company and its consolidated subsidiaries and therefore the consolidated Group taken as a whole, is outlined in further detail in the Risk Report found on pages 52 to 64.

RELATIONS WITH SHAREHOLDERS

The Board places great importance on communication with shareholders and encourages shareholders to share their views. It has responsibility for communication with the investor base and is directly involved in major communications and announcements.

The Board receives regular reports on the views of shareholders, and the Board Chair and other Directors, including the Senior Independent Director, are happy to make themselves available to meet shareholders as required.

During the year, the Company held its Results Presentations online, but saw an increase in day-to-day investor relations activities being held in person. During 2024, the Investment Adviser and members of the Board held formal meetings with over 300 shareholders, including the Capital Markets Day, in addition to more informal interactions. In addition, the Company held two Investor Meet Company webinars to reach its retail shareholders. The Company also maintained an active programme of sell-side engagement and the Board is informed on a regular basis of all relevant market commentary on the Company by the Investment Adviser, Administrator and the Company's Broker.

In February 2024, the Company held a Capital Markets Day which was attended by c.60 institutional investors and sell-side analysts. Members of the Board and representatives of the Investment Adviser were in attendance. Agenda items included: a market update which also covered the Company's approach to capital allocation; insights on the Company's approach to asset management; the challenges and opportunities presented to infrastructure investors by the transition to net zero; a panel discussion with representatives from the Company's portfolio investments, including Cadent and Angel Trains, and public sector representation from the IPA. Recordings from the day are available on the Company's website.

The AGM of the Company provides an opportunity for shareholders to meet and discuss issues with the Directors and with the Investment Adviser. It is the Board's policy to publish the results of the voting at the AGM via the Regulatory News Service ('RNS') at the completion of the meeting.

To promote a clear understanding of the Company, its objectives and financial results, the Board aims to ensure that information relating to the Company is disclosed in a timely manner. The Company's website (www.internationalpublicpartnerships.com) enables investors to easily find publicly disclosed documents, including Annual Reports and RNS announcements, together with additional background information on its assets and corporate practice. Investors can register to receive notifications (via email) of RNS announcements that the Company issues. The Board encourages investors to utilise this useful online resource.

Any shareholder issues of concern, including on corporate governance or strategy, can be addressed in writing to the Company at its registered office address (see Key Contacts).

MIKE GERRARD
CHAIR
26 March 2025

AUDIT AND RISK COMMITTEE REPORT

STEPHANIE COXON
CHAIR, AUDIT & RISK COMMITTEE

The Audit and Risk Committee (the 'Committee' for the purposes of this section of the Annual Report) is an essential part of the Company's governance framework. The Board has delegated oversight of the Company's financial reporting, internal controls, compliance and external audit to the Committee. The terms of reference for the Committee, together with details of the standard business considered by the Committee, have been approved by the Board and are available on the Company's website (www.internationalpublicpartnerships.com).

The Committee is chaired by Stephanie Coxon, who replaced John Le Poidevin as Chair following the AGM in June 2024. An overview of the Committee's work during the year and details of how the Committee has discharged its duties are set out below.

COMMITTEE MEETINGS

The Committee meetings during the year were attended by the Investment Adviser and Administrator by invitation. A representative of the Company's external auditor also attended those meetings where the annual audit cycle, the Annual Report and financial statements and the half-yearly financial report were considered.

The Audit and Risk Committee is comprised of the full Board, with the exception of Mike Gerrard as Board Chair and Giles Frost as a Non-Independent Director. All Committee members are considered to be appropriately experienced to fulfil their role, having significant, recent and relevant financial experience in line with the UK Corporate Governance Code. Biographies of the Committee members can be found on pages 68 to 69.

COMMITTEE AGENDA

The Committee's agenda during the year included:

- Review of the Company's risk profile, specific risks and mitigation practices, including a focus on emerging risks;
- Assessment of the effectiveness of the Company's internal control systems, including coordinating an in-depth review of key internal controls at the Investment Adviser's office;
- Review of the regulatory environment within which the Company operates;
- Review of the Committee's adherence to the FRC's Audit Committees and the External Audit: Minimum Standard;
- Review of the Annual Report and financial statements and half-yearly financial report and matters raised by the Investment Adviser and the external auditors (including significant financial reporting judgements and estimates therein), including consideration of the positive FRC review observations;
- Review of the appropriateness of the Company's accounting policies;
- Consideration and challenging of the draft valuation of the Company's investments prepared by the Investment Adviser and recommendations made to the Board on the appropriateness of the portfolio valuation;
- Review of the effectiveness, objectivity and independence of the external auditors, and the terms of engagement, cost effectiveness and the scope of the audit; and
- Approving the external auditor's plan for the current year end.

AUDIT AND RISK COMMITTEE REPORT CONTINUED

KEY ACTIVITIES CONSIDERED DURING THE YEAR

The Committee undertook the following activities in discharging its responsibilities during the year:

FINANCIAL REPORTING

The Committee reviewed the Company's Annual Report and financial statements, the half-yearly financial report and interim quarterly updates prior to approval by the Board and advised the Board with respect to meeting the Company's financial reporting obligations. The Committee reviewed the Company's accounting policies and practices, including approval of critical accounting policies; consideration of the appropriateness of significant judgements and estimates; and advising the Board as to its views on whether the Annual Report and financial statements, taken as a whole, was fair, balanced and understandable.

The Committee considered the most significant accounting judgement exercised in preparing the consolidated financial statements to be the basis for determining the fair value of the Company's investments, as detailed below.

Fair Value of Investments

The Company's investments are typically in unlisted securities, including shares and debt, hence market prices for such investments are not typically readily available. Instead, the Company uses a discounted cash flow methodology and benchmarks the valuation inputs to market comparables in order to derive the Directors' valuation of investments.

Valuations are prepared by the Investment Adviser and the methodology requires a series of judgements to be made, as explained in note 11 to the financial statements. The valuation process and methodology were discussed with the Investment Adviser regularly during the year. Key areas of focus subject to challenge were also discussed with the auditor as part of the year-end audit planning and interim review processes. The Committee challenged the Investment Adviser on the year-end fair value of investments as part of its consideration of the audited financial statements.

During the year, the Committee reviewed the Investment Adviser's quarterly valuation reports, reports on the performance of the underlying assets and the Investment Adviser's assessment of macroeconomic assumptions. No significant changes were made in the year to the approach in the valuation process and the Investment Adviser confirmed that the valuation methodology has been applied consistently with prior years. The Committee also reviewed and challenged the reasonableness of the valuation assumptions (which include the underlying cash flows, discount rates, interest rates, foreign exchange rates, inflation rates and tax rates).

The Committee scrutinised the quality and findings of the external auditor in relation to their audit of the valuations, including its assessment of the Investment Adviser's underlying cash flow projections and assumptions; macroeconomic assumptions; and discount rate methodology and output. The auditor confirmed no material adjustments were proposed.

The Committee concluded that a consistent valuation methodology has been applied throughout the year and any forecast assumptions applied were appropriate.

Revenue recognition

The Committee has considered the risk of inappropriate accounting recognition of revenue to be a relatively low risk given the nature of the Company's activities.

Internal controls over financial reporting

The Committee satisfied itself that the system of internal control and compliance over financial reporting was effective, through consideration of regular reports from the Investment Adviser, the Administrator and external third-party advisers. The Audit Committee also conducted an in-depth review of key internal controls at the Investment Adviser's offices. The primary areas covered included valuations, asset management, ESG, and risk management.

The Committee also considered the adequacy of resources, qualifications and experience of staff in the finance function and had direct access to and independent discussions with the external auditor throughout the year.

Fair, balanced and understandable

The Committee seeks to establish arrangements to ensure fair, balanced and understandable reporting. The Committee engaged in extensive dialogue with the Investment Adviser throughout the year and considered the interim and annual financial statements as well as quarterly updates and reports prepared by the Investment Adviser. Following review of the Company's 2024 Annual Report and financial statements, the Committee advised the Board that, in its opinion, the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary to assess the Company's performance, operating model and strategy.

FRC Review

During the year, the FRC's Corporate Reporting Review team, as part of its obligations under the Companies Act 2006, performed a routine review of the Company's 2023 Annual Report and financial statements. The Committee is pleased to report that the FRC had no immediate questions or queries to raise following the review. In pursuit of continuous improvement in the quality of corporate reporting, the Committee has taken into account any additional recommendations made by the FRC when preparing the current Annual Report and financial statements. The FRC review provides no assurance that our Annual Report and financial statements were correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements.

EXTERNAL AUDITOR

The Committee recommended to the Board the scope and terms of engagement of the external auditor. The Committee considered auditor objectivity and independence, audit tenure, audit tendering and auditor effectiveness, as detailed below.

Objectivity and independence

In assessing the objectivity of the auditor, the Committee considered the terms under which the external auditor may be appointed to perform non-audit services, mindful of the ethical standards for auditors and auditor independence.

Under the Company's policy for non-audit services, there is a list of permitted services for which the external auditor may be engaged, where the Committee considers that the provision of such services would not necessarily impact its independence. Potential services to be provided by the external auditor with an expected value of up to £50,000, and which are permitted by the policy, must be pre-approved by the Chair of the Committee; any services above this value require pre-approval by the full Audit and Risk Committee. Non-audit fees represented 9% of total audit fees during the year under review, relating only to the half-yearly review. PwC undertook its standard independence and objectivity procedures in relation to non-audit engagements and confirmed compliance with these to the Committee. Further details on the amounts of non-audit fees paid to the auditor are set out in note 7 to the financial statements. These were reported to us and were not considered to be a significant risk impacting the objectivity and independence of PwC as external auditor.

Review of auditor effectiveness

The Committee performs an annual review of the objectivity, quality and effectiveness of the audit, with consideration where appropriate given to FRC Audit Quality Inspection Reports and FRC Practice Aid guidance. The Committee conducted an in-depth review of the auditor's performance and the Committee was satisfied in this regard. This was facilitated through discussions with the external auditor, the completion of a questionnaire by relevant stakeholders (including members of the Committee and senior members of the Investment Adviser's finance team), review and challenge of the audit plan for consistency with the Company's financial statement risks, and review of the audit findings report. In accordance with the relevant Corporate Governance Code principles, the Committee will continue to review the effectiveness of the external auditor in line with best practice.

Review of auditor's remuneration

The Committee carried out a review of the proposed audit fees for 2024. The audit fee for the Group (including unconsolidated subsidiaries) increased on the prior year as a result of inflation and scope changes. The Committee considers that the audit fees for the current year are in line with the market and therefore represent good value for money for the Company's shareholders.

Audit tendering and tenure

The Committee annually considers the reappointment of the external auditor, including rotation of the audit partner. The external auditor is required to rotate the audit partner responsible for the Group audit every five years and the year to 31 December 2024 was the fourth year for John Luff, the current lead audit partner. The Committee remains actively engaged in endeavouring to ensure an appropriate level of continuity of the team.

RISK MANAGEMENT

During the year, the Committee continued to ensure that the Company's risk management framework and processes remained effective in managing the Company's risks. Areas of note for the year are discussed below. A review of significant developments relating to the Company's risks arising in the year can be found in the Risk Management section of this Report, starting on page 52.

Viability assessment

The Committee carried out a robust assessment of the principal and emerging risks facing the Company with a view to identifying risks which may impact the Company's viability. Detailed stress tests, including an impact assessment on the Company's forecasted cash flows, showed significant resilience in the Company's ability to remain viable. The results of the risk assessment process are detailed in the Viability Statement on page 65.

Controls review

As part of the Company's ongoing cycle of annual controls reviews, during the year an independent external review of the Company's controls framework in relation to ESG data collection was completed. The review concluded that the controls in place are suitably designed and effective in the management of ESG data collection, quantification and disclosure.

Climate change

The Committee continued to strengthen the Company's approach to managing climate change risk. During the year, continued efforts were made to embed climate change further in the reporting and risk management process. Further details can be found in the Responsible Investment section from page 40, and in the review of principal and emerging risks, from page 57.

REGULATORY AND TAX ENVIRONMENT

The Committee received regular reports from the Administrator and Investment Adviser on regulation and regulatory developments. The Company continues to maintain compliance with the requirements of the Common Reporting Standard, the Retail distribution of unregulated collective investment schemes (regulation which the Company remains excluded from), the UK Criminal Finance Act 2017, Alternative Investment Fund Managers Directive ('AIFMD'), The Foreign Account Tax Compliance Act ('FATCA'), and UK Packaged Retail and Insurance-based Investment Products (EU Exit) Regulations 2019 as amended ('UK PRIIPs').

The Committee reviewed the Company's adherence to the Audit Committees and the External Audit: Minimum Standard (issued by the FRC during 2023), and concluded that the Company meets or exceeds the requirements contained therein. The Committee notes that in respect of the requirement to review the FRC's annual report on the auditor as part of their oversight of auditor responsibilities, that the FRC's reports on Crown Dependency audit firms are confidential private documents and therefore the Committee instead held discussions with the external auditors to ascertain whether any issues were raised in the FRC's report on the audit firm that needed to be brought to the attention of the Committee.

FOCUS FOR 2025

The Company will continue to focus on the impacts arising from the current economic environment and wider market sentiment, keep focus on regular and routine matters, as well as continuing to monitor any political, tax and regulatory developments in its applicable geographies.

STEPHANIE COXON
CHAIR, AUDIT AND RISK COMMITTEE
26 March 2025

DIRECTORS' REPORT

INTRODUCTION

The Directors present their Annual Report on the performance of the Company and Group for the year ended 31 December 2024.

PRINCIPAL ACTIVITY

The Company is a limited liability, Guernsey-incorporated and domiciled, authorised closed-ended investment company under Companies (Guernsey) Law, 2008. The Company's shares have a premium listing on the Official List of the UK Listing Authority and are traded on the main market of the London Stock Exchange. The Chair's Letter and Strategic Report contain a review of the business during the year. A Corporate Governance Report is provided on pages 70 to 78.

DIRECTORS' INDEMNITIES

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force at the date of this Report.

SUBSTANTIAL SHAREHOLDINGS

As at 31 December 2024, the Company had been notified, in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules, of the following interests in 5% or more of the Company's Ordinary Shares to which voting rights are attached:

Name of holder	% Issued capital	No. of Ordinary Shares	Date notified
Investec Wealth & Investment	13.39	255,668,619	6 May 2022

On 24 February 2025, a TR-1 Standard form for notification of major holdings was issued to declare that Rathbones Investment Management Ltd hold 14.99% issued capital and 280,270,488 shares in the Company. Investec Wealth & Investment has been a part of Rathbones Group Plc since 2023.

DIRECTORS' AUTHORITY TO BUYBACK SHARES AND TREASURY SHARES

The Company commenced its share buyback programme in January 2024. In September 2024, the Company announced its intention to increase the existing share buyback programme from £30m to up to £60m and extend the programme to the end of March 2025. As at 31 December 2024, £42.9m worth of shares had been bought back. The Company intends to increase the capital being returned to investors by a further £140m from the current programme of up to £60m, to a programme of up to £200m, over the period to 31 March 2026. It is intended that the return of capital will be funded by a combination of divestments and surplus operating cash flow generated. While it is expected that the programme may be delivered through share buybacks, other forms of capital returns may also be considered.

The current authority of the Company to make market purchases of up to 14.99% of the issued Ordinary Share Capital expires on 2 June 2025. The Company will seek to renew such authority at the AGM to take place on 3 June 2025. Any buyback of Ordinary Shares will be made subject to Guernsey law and within any guidelines established from time-to-time by the Board and the making and timing of any buybacks will be at the absolute discretion of the Board.

Purchases of Ordinary Shares will only be made through the market at prices below the prevailing NAV of the Ordinary Shares (as last calculated) where the Directors believe such purchases will enhance shareholder value. Such purchases will also only be made in accordance with the Listing Rules of the UK Listing Authority, which provide that the price to be paid must not be more than 5% above the average of the middle market quotations for the Ordinary Shares for the five business days before the shares are purchased (unless previously advised to shareholders). No such shares were bought back by the Company during the prior year. Up to 10% of the Company's shares may be held as treasury shares.

GOING CONCERN

The Company and Group's business activities, together with the factors likely to affect the Company's future development, performance and position, are set out in the Strategic Report on pages 4 to 65. The financial position, cash flows, liquidity position and borrowing of the Company and Group are described in the financial statements from page 84.

The Directors have considered significant areas of possible financial risk, and comprehensive financial forecasts have been prepared and submitted to the Board for review. The Directors have, based on the information contained in these forecasts and the assessment of the committed banking facilities in place, formed a judgement, at the time of approving the financial statements, that the Company (and consolidated subsidiaries) have adequate resources to continue in operational existence for the 15 month going concern assessment review period, and at least 12 months from the approvals of these financial statements.

After consideration, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

DIRECTOR DECLARATION

Each person who is a Director at the date of approval of this Annual Report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's external auditor is unaware;
- Each 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 Section 249 of the Companies (Guernsey) Law, 2008.

MIKE GERRARD
CHAIR
26 March 2025

STEPHANIE COXON
DIRECTOR
26 March 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing financial statements for each year which give a true and fair view, in accordance with applicable Guernsey law and UK adopted international accounting standards, of the state of affairs of the Company and its consolidated subsidiaries (the 'Group') and of the profit or loss of the Group for that year. In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditor does not involve considerations of these matters and, accordingly, the auditor accepts no responsibility for any change that may have occurred to the financial statements since they were initially presented on the website. Legislation in Guernsey governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors each confirm to the best of their knowledge that:

- The consolidated financial statements, prepared in accordance with UK adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and net return of the Group; and
- The Annual Report and financial statements includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties faced.

DIRECTORS' STATEMENT UNDER THE UK CORPORATE GOVERNANCE CODE

The Board, as advised by the Audit and Risk Committee, has considered the Annual Report and financial statements and, taken as a whole, consider it to be fair, balanced and understandable and that it provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

By order of the Board

MIKE GERRARD
CHAIR
26 March 2025

STEPHANIE COXON
DIRECTOR
26 March 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
OUR OPINION
In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of International Public Partnerships Limited (the "company") and its subsidiaries (together "the group") as at 31 December 2024, and of their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with UK-adopted international accounting standards and have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

WHAT WE HAVE AUDITED
The group's consolidated financial statements comprise:
- the consolidated balance sheet as at 31 December 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated cash flow statement for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

BASIS FOR OPINION
We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated 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 are independent of the group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of the group, as required by the Crown Dependencies' Audit Rules and Guidance. We have fulfilled our other ethical responsibilities in accordance with these requirements.

OUR AUDIT APPROACH
OVERVIEW
Audit scope
- The company is a closed-ended investment company, incorporated in Guernsey, whose ordinary shares are admitted to trading on the Main Market of the London Stock Exchange;
- The group comprises both consolidated and unconsolidated entities. As disclosed under note 1 to the consolidated financial statements, the company meets the definition of an 'investment entity' in accordance with IFRS 10 'Consolidated Financial Statements' and therefore accounts for its subsidiaries, with the exception of certain subsidiaries that are not themselves investment entities, at fair value through profit or loss under IFRS 9 'Financial Instruments'. The company only consolidates those subsidiaries that are not themselves investment entities and whose main purpose is to provide services relating to the company's investment activities;
- We conducted our audit of the consolidated financial statements in Guernsey principally using the consolidated financial information and supporting documentation provided by Amber Fund Management Limited ("Amber") and Ocorian Administration (Guernsey) Limited ("Ocorian"); both of whom the board of directors have delegated the provision of certain functions to; and
- We tailored the scope of our audit, and structured our audit team to incorporate support from our PwC valuation experts, taking into account the nature and industry sector of the assets held within the investment portfolio; the involvement of third parties referred to above and the accounting processes and controls.

Key audit matters
- Risk of fraud in revenue recognition
- Fair value measurement of investments at fair value through profit or loss

Materiality
- Overall group materiality: £67.9 million (2023: £72.9 million) based on 2.5% of equity attributable to equity holders of the parent (i.e net asset value)
- Performance materiality: £50.9 million (2023: £54.6 million)

THE SCOPE OF OUR AUDIT
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

KEY AUDIT MATTERS
Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter

Risk of fraud in revenue recognition
Interest income of £108.6 million and dividend income of £93.4 million, as disclosed in the consolidated statement of comprehensive income and note 4, are measured in accordance with their respective stated accounting policies.
 	
Given the significance of these amounts, we considered the risk that management may seek to manipulate revenue in order to report the desired level of return to investors, to be a significant audit risk, and accordingly this has been reported as a key audit matter.
	– We assessed that the interest and dividend income recognition accounting policies are in compliance with the financial reporting framework and checked that these have been applied appropriately.
	– We understood and evaluated the internal control environment in place at the group around the recognition of interest and dividend income.
	– We performed the following substantive audit procedures to test revenue and check for any indication of fraudulent manipulation:
	  – On a sample basis, we agreed dividend income to the relevant supporting documentation, including dividend notices or board approvals, and traced the cash receipts to the relevant bank statements;
	  – On a sample basis, we recalculated interest income based on the contractual agreements in place;
	  – On a sample basis, we traced the cash received to date to the relevant bank statements, and checked that any interest due but not received is appropriately accrued for at year end;
	  – We ensured that interest and dividends were recorded in the correct financial year by recalculating accrued interest based on contractual terms and inspecting evidence for recorded dividends. We obtained further evidence over cut-off through our audit work performed on investment valuations, specifically through 'lookback' testing in which we compared the actual vs forecasted cash flows and investigated variances exceeding an established threshold; and
	  – We included specific consideration of any unusual journals impacting revenue within our journals testing as well as consideration of post year end journals to check for indications of cut-off concerns.
	
	We have no matters to report to those charged with governance.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED CONTINUED

Key audit matter	How our audit addressed the key audit matter

Fair value measurement of investments at fair value through profit or loss
 	
The investment portfolio, valued at £2.6 billion at year end as disclosed in the consolidated balance sheet and note 11, comprises investments in infrastructure companies which largely generate long-term predictable cash flows.
 	
The valuation of the group's investment portfolio involves complexity and subjective management estimates as disclosed in note 2 to the consolidated financial statements. The magnitude of the amounts involved means that there is the potential for material misstatement.
 	
Since the driver of the group's net asset value is the valuation of the investment portfolio, this is the key area of focus for stakeholders and a significant audit risk area, and accordingly this has been reported as a key audit matter.
	– We assessed the investment valuation accounting policy for compliance with the financial reporting framework and checked that the investments have been measured accordingly.
	– We understood and evaluated the group's processes, internal controls and methodology applied in determining the fair value of the investment portfolio and tailored our audit approach accordingly.
	– We tested the controls, which in our judgment are key in relation to investments at fair value through profit or loss, by inspecting evidence of appropriate review and approval of the significant assumptions impacting the valuation models (including macroeconomic assumptions and discount rates), as well as the quarterly performance and actual vs forecast distribution variance analysis and certain investment model review controls.
	– We performed the following substantive procedures:
	  – We assessed the appropriateness of the discount rates and key macro-economic assumptions which impact the entire investment portfolio, with the support of our valuation experts as described further below.
	  – We obtained the overall fair value reconciliation of opening to closing fair value from management and corroborated significant fair value movements during the year, thereby assessing the reasonableness and completeness of the movements in fair value for the year.
	  – We stratified the portfolio based on the nature of the underlying assets and performed a 'lookback' comparison of the forecast vs actual cash flows for the current financial year for each stratification category.
	  – On a sample basis, we performed detailed testing on valuation models and significant inputs for the selected sample, which was selected via risk and value-based targeted sampling comprising 64% of the investment portfolio by value. This testing entailed challenging key inputs in the models and obtaining appropriate supporting documentation and evidence.
	  – With the support of our PwC valuation experts, we corroborated and challenged the significant assumptions made by management in valuing the risk-based selected sample of assets, as well as performed a sensitivity analysis of significant subjective assumptions and checked the reasonableness of the overall valuation of these assets with reference to comparable market transactions and our experts' market knowledge; and
	  – With further support from our PwC valuation experts, we considered the reasonableness of the overall portfolio valuation with reference to our industry understanding and assessment of the fair value analysis prepared by Amber on behalf of, and subject to the review and approval of, the Directors.
	– Further substantive tests performed over the risk and value-based sample of investments included:
	  – Back testing comparison of the forecast vs actual cash flows for the current financial year earned on each individual asset in the sample; and
	  – Utilisation of a software tool to test the model integrity for each individual asset selected in our sample.
	– In addition to the controls testing and substantive testing performed over the entire portfolio, as detailed above, we performed a risk-based year on year variance analysis to identify, and investigate, any unusual movements within the remaining 36% of the portfolio.
	– On a sample basis, we obtained third party evidence of investment holdings and corroborated the details obtained with the records held by the group and those used for investment valuation purposes to ascertain ownership and existence.
	
	We have no matters to report to those charged with governance.

HOW WE TAILORED THE AUDIT SCOPE
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, the industry in which the group operates, and we considered the risk of climate change and the potential impact thereof on our audit approach.

We have considered whether the consolidated subsidiary entities included within the group comprise separate components for the purpose of our audit scope. However, having taken account of the group's financial reporting systems and the related controls in place at Ocorian and Amber, and based on our professional judgement, we have tailored our audit scope to account for the group's consolidated financial statements as a single component.

MATERIALITY
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

Based on our professional judgement, we determined materiality for the consolidated financial statements as a whole as follows:

Overall group materiality	£67.9 million (2023: £72.9 million)
How we determined it	2.5% of the equity attributable to equity holders of the parent (i.e. net asset value)
Rationale for benchmark applied	We believe that net assets is the most appropriate benchmark because this is the key metric of interest to investors. It is also a generally accepted measure used for companies in this industry.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £50.9 million (2023: £54.6 million) for the group financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the those charged with governance that we would report to them misstatements identified during our audit above £3.4 million (2023: £3.6 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

REPORTING ON OTHER INFORMATION
The other information comprises all the information included in the Annual Report and Financial Statements (the "Annual Report") but does not include the consolidated financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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.

RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE AUDIT
RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS
As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with UK-adopted international accounting standards, the requirements of Guernsey law and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS
Our objectives are to obtain reasonable assurance about whether the consolidated 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED CONTINUED

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern over a period of at least twelve months from the date of approval of the consolidated financial statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

USE OF THIS REPORT
This report, including the opinions, has been prepared for and only for the members as a body in accordance with Section 262 of The Companies (Guernsey) Law, 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS
COMPANY LAW EXCEPTION REPORTING
Under The Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the consolidated financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

CORPORATE GOVERNANCE STATEMENT
The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

The company has reported compliance against the 2019 AIC Code of Corporate Governance (the "Code") which has been endorsed by the UK Financial Reporting Council as being consistent with the UK Corporate Governance Code for the purposes of meeting the company's obligations, as an investment company, under the Listing Rules of the FCA.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Strategic Report and Corporate Governance section is materially consistent with the consolidated financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the consolidated financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's ability to continue to do so over a period of at least twelve months from the date of approval of the consolidated financial statements;
- The directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the Code; and considering whether the statement is consistent with the consolidated financial statements and our knowledge and understanding of the group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the consolidated financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

OTHER MATTER
The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these consolidated financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditor's report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

JOHN LUFF
FOR AND ON BEHALF OF PRICEWATERHOUSECOOPERS CI LLP
Chartered Accountants and Recognised Auditor
Guernsey, Channel Islands
26 March 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2024

	Notes	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Interest income	4	**108,617**	107,756
Dividend income	4	**93,424**	81,396
Net change in investments at fair value through profit or loss	4	**(164,852)**	(123,080)
Total investment income		**37,189**	66,072
Other operating income	5	**2,438**	5,944
Total income		**39,627**	72,016
Management costs	17	**(30,706)**	(32,251)
Administrative costs		**(2,366)**	(2,420)
Transaction costs	6, 17	**(1,612)**	(1,621)
Directors' fees		**(510)**	(475)
Total expenses		**(35,194)**	(36,767)
Profit before finance costs and tax		**4,433**	35,249
Finance costs	8	**(3,952)**	(7,284)
Profit before tax		**481**	27,965
Tax charge	9	**(16)**	(104)
Profit for the year		**465**	27,861
Earnings per share			
Basic and diluted (pence)	10	**0.02**	**1.46**

All results are from continuing operations in the year.

All income is attributable to the equity holders of the parent. There are no non-controlling interests within the Consolidated Group.

There are no other Comprehensive Income items in the current year (2023: nil). The profit for the year represents the Total Comprehensive Income for the year.

The notes on pages 94 to 112 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2024

	Notes	Share capital and share premium £'000s	Other distributable reserve £'000s	Retained earnings £'000s	Total £'000s
Balance at 1 January 2024		**2,231,276**	**182,481**	**502,381**	**2,916,138**
Profit for the year and total comprehensive income		**–**	**–**	**465**	**465**
Acquisition of treasury shares	15	**–**	**(43,130)**	**–**	**(43,130)**
Dividends in the year	15	**–**	**–**	**(156,849)**	**(156,849)**
Balance at 31 December 2024		**2,231,276**	**139,351**	**345,997**	**2,716,624**

YEAR ENDED 31 DECEMBER 2023

	Notes	Share capital and share premium £'000s	Other distributable reserve £'000s	Retained earnings £'000s	Total £'000s
Balance at 1 January 2023		2,231,276	182,481	626,082	3,039,839
Profit for the year and total comprehensive income		–	–	27,861	27,861
Dividends in the year	15	–	–	(151,562)	(151,562)
Balance at 31 December 2023		2,231,276	182,481	502,381	2,916,138

The notes on pages 94 to 112 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Notes	31 December 2024 £'000s	31 December 2023 £'000s
Non-current assets			
Investments at fair value through profit or loss	11	**2,593,056**	2,818,903
Total non-current assets		**2,593,056**	2,818,903
Current assets			
Cash and cash equivalents	11	**76,451**	128,561
Trade and other receivables	11, 13	**55,810**	43,297
Derivative financial instruments	11	**3,229**	1,424
Total current assets		**135,490**	173,282
Total assets		**2,728,546**	2,992,185
Current liabilities			
Trade and other payables	11, 14	**11,922**	11,047
Total current liabilities		**11,922**	11,047
Non-current liabilities			
Bank loans	8, 11	**–**	65,000
Total non-current liabilities		**–**	65,000
Total liabilities		**11,922**	76,047
Net assets		**2,716,624**	2,916,138
Equity			
Share capital and share premium	15	**2,231,276**	2,231,276
Other distributable reserve	15	**139,351**	182,481
Retained earnings	15	**345,997**	502,381
Equity attributable to equity holders of the parent		**2,716,624**	2,916,138
Net assets per share *(p per share)*	16	**144.7**	152.6

The notes on pages 94 to 112 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 March 2025.

They were signed on its behalf by:

MIKE GERRARD
CHAIR
26 March 2025

STEPHANIE COXON
DIRECTOR
26 March 2025

CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2024

	Notes	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Operating activities			
Profit before tax in the Consolidated Statement of Comprehensive Income[1]		**481**	27,965
Adjusted for:			
Loss / (gain) on investments at fair value through profit or loss	4	**164,852**	123,080
Finance costs[2]	8	**3,952**	7,284
Fair value movement on derivative financial instruments	5, 11	**(1,805)**	(3,250)
Decrease in receivables		**(12,015)**	1,468
(Decrease) / increase in payables		**(945)**	(2,872)
Capitalisation of interest		**(13,478)**	(20,301)
Income tax paid[3]		**(65)**	(104)
Net cash inflow from operations[4]		**140,977**	133,270
Investing activities			
Acquisition of investments at fair value through profit or loss	12	**(107,767)**	(108,088)
Net repayments from investments at fair value through profit or loss		**182,396**	134,365
Working capital advanced		**(156)**	–
Net cash inflow from investing activities		**74,473**	26,277
Financing activities			
Dividends paid	15	**(156,849)**	(151,562)
Acquisition of treasury shares	15	**(42,889)**	–
Finance costs paid[2]		**(3,192)**	(7,761)
Loan drawdowns[2]		**–**	118,400
Loan repayments[2]		**(65,000)**	(82,700)
Net cash outflow from financing activities		**(267,930)**	(123,623)
Net (decrease) / increase in cash and cash equivalents		**(52,480)**	35,924
Cash and cash equivalents at beginning of year		**128,561**	92,829
Effects of changes in foreign currency exchange rates on cash and cash equivalents		**370**	(192)
Cash and cash equivalents at end of year		**76,451**	128,561

The notes on pages 94 to 112 form an integral part of these financial statements.

1 Includes interest received of £82.6m (December 2023: £92.3m) and dividends received of £93.4m (December 2023: £81.4m).
2 These cash flows represent the changes in liabilities arising from financing liabilities during the year in accordance with IAS 7, 44A-E.
3 Includes cash flows received from unconsolidated subsidiary entities in respect of surrender of tax losses.
4 Net cash flows from operations above are reconciled to net operating cash flows before capital activity* as shown in the Strategic Report on pages 30 to 31.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. BASIS OF PREPARATION
International Public Partnerships Limited is a closed-ended authorised investment company incorporated in Guernsey under the Companies (Guernsey) Law, 2008. The address of the registered office is given on the inside back cover. The nature of the Group's ('Parent and consolidated subsidiary entities') operations and its principal activities are set out on pages 10 to 11.

These financial statements are presented in Pounds Sterling as this is the currency of the primary economic environment in which the Group operates and represents the functional currency of the Parent and all values are rounded to the nearest (£'000), except where otherwise indicated.

BASIS OF PREPARATION
These financial statements have been prepared in accordance with the UK-adopted International Accounting Standards ('IFRS'), applicable legal and regulatory requirements of Guernsey, and the Listing Rules of the UK Listing Authority. These financial statements follow the historical cost basis, except for financial assets held at fair value through profit or loss and derivatives that have been measured at fair value. The principal accounting policies adopted are set out in relevant notes to the financial statements.

The Directors have determined that International Public Partnerships Limited is an investment entity as defined by IFRS 10 on the basis that the Company:

a) Obtains funds from one or more investor(s) for the purpose of providing those investor(s) with investment management services;
b) Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
c) Measures and evaluates the performance of substantially all of its investments on a fair value basis.

Accordingly, these financial statements consolidate only those subsidiaries that provide services relevant to its investment activities, such as management services, strategic advice and financial support to its investees, and that are not themselves investment entities. Subsidiaries that do not provide investment-related services are required to be measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments.

GOING CONCERN
The Directors have reviewed cash flow forecasts prepared by management. Based on those forecasts, consideration of the Group's operating costs and obligations as well as capital commitments, and an assessment of the Group's committed banking facilities, it has been considered appropriate to prepare these consolidated financial statements of the Group on a going concern basis. In arriving at their conclusion that the Group has adequate financial resources, the Directors were mindful that the Group had unrestricted cash of £76.5m as at 31 December 2024. The Company continues to fully cover operating costs and distributions from underlying cash flows from investments. The Company has access to a CDF of £250m on a fully committed basis, and a flexible 'accordion' component which, subject to lender consent, allows for a future extension by an additional £50m. At the date of this Report, the CDF remains undrawn with £13.5m committed by letters of credit. A £20m portion of the facility is available to be utilised for working capital purposes. The facility is forecast to continue in full compliance with the associated banking covenants. The facility is available for investment in new and existing assets. The current CDF remains in place until June 2025, after which a renewed facility will take effect. The new facility is expected to have broadly the same terms and structure as the current facility.

ACCOUNTING POLICIES
The same accounting policies, presentation and methods of computation are followed in this set of financial statements as applied in the previous financial year. The new and revised IFRS and interpretations becoming effective in the period have had no material impact on the accounting policies of the Group. Note 20 sets out a comprehensive listing of all new standards applicable from 1 January 2024.

2. CRITICAL JUDGEMENTS AND ESTIMATES
INVESTMENT ENTITY
In the judgement of the Directors, International Public Partnerships Limited has been accounted for as an investment entity as defined by IFRS 10, further details of which are given in note 1, Basis of preparation.

FAIR VALUATION OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS
Fair values are a critical estimate and are determined using the income approach which discounts the expected cash flows at a rate appropriate to the risk profile of each investment. In determining the discount rate, relevant long-term government bond yields, specific investment risks and evidence of recent transactions are considered. Details of the valuation process and key sensitivities are provided in note 11.

3. SEGMENTAL REPORTING
Based on a review of information provided to the chief operating decision makers of the Group (determined to be the Board), the Group has identified four reportable segments based on the geographical risk associated with the jurisdictions in which it operates. The factors used to identify the Group's reportable segments are centred on the risk-free rates and the maturity of the infrastructure sector within each region. Further, foreign exchange and political risk is identified, as these also determine where resources are allocated. The four reportable segments are UK & CI, Europe (excl. UK), North America and Australia & New Zealand.

	Year ended 31 December 2024				
	UK & CI £'000s	Europe (excl. UK) £'000s	North America £'000s	Australia & New Zealand £'000s	Total £'000s
Segmental results					
Dividend and interest income	158,589	11,198	9,672	22,582	202,041
Fair value (loss) / gain on investments	(137,326)	10,025	(8,788)	(28,763)	(164,852)
Total investment income / (loss)	21,263	21,223	884	(6,181)	37,189
Reporting segment (loss) /profit[1]	(19,373)	22,398	2,220	(4,780)	465

	31 December 2024				
	UK & CI £'000s	Europe (excl. UK) £'000s	North America £'000s	Australia & New Zealand £'000s	Total £'000s
Segmental financial position					
Investments at fair value	1,882,298	347,600	106,305	256,853	2,593,056
Current assets	135,490	–	–	–	135,490
Total assets	2,017,788	347,600	106,305	256,853	2,728,546
Total liabilities	(11,922)	–	–	–	(11,922)
Net assets	2,005,866	347,600	106,305	256,853	2,716,624

	Year ended 31 December 2023				
	UK & CI £'000s	Europe (excl. UK) £'000s	North America £'000s	Australia & New Zealand £'000s	Total £'000s
Segmental results					
Dividend and interest income	148,829	11,615	11,339	17,369	189,152
Fair value gain / (loss) on investments	(87,156)	11,620	(18,013)	(29,531)	(123,080)
Total investment income / (loss)	61,673	23,235	(6,674)	(12,162)	66,072
Reporting segment profit / (loss)[1]	19,160	25,048	(5,603)	(10,744)	27,861

	31 December 2023				
	UK & CI £'000s	Europe (excl. UK) £'000s	North America £'000s	Australia & New Zealand £'000s	Total £'000s
Segmental financial position					
Investments at fair value	2,043,743	342,700	147,292	285,168	2,818,903
Current assets	173,282	–	–	–	173,282
Total assets	2,217,025	342,700	147,292	285,168	2,992,185
Total liabilities	(76,047)	–	–	–	(76,047)
Net assets	2,140,978	342,700	147,292	285,168	2,916,138

1 Reporting segment results are stated net of operational costs including management fees.

Revenue from investments which individually represent more than 10% of the Group's interest and dividend income approximates £25.0m (2023: £25.1m).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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4. INVESTMENT INCOME
ACCOUNTING POLICY
Interest income
Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time-apportioned basis and is recognised gross of withholding tax, if any.

Dividend income
Dividend income is recognised gross of withholding tax on the date the Company's right to receive the dividend income is established.

Net change in investments at fair value through profit or loss
Net change in investments at fair value through profit or loss represents unrealised fair value changes.

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Interest income		
Interest on investments at fair value through profit or loss	104,636	106,687
Interest on financial assets at amortised cost	3,981	1,069
Total interest income	108,617	107,756
Dividend income	93,424	81,396
Net change in investments at fair value through profit or loss	(164,852)	(123,080)
Total investment income	37,189	66,072

Dividend and interest income includes transactions with unconsolidated subsidiary entities. Changes in investments at fair value through profit or loss are also recognised in relation to the Group's investments in unconsolidated subsidiaries.

5. OTHER OPERATING INCOME

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Fair value movement on foreign exchange contracts	1,805	3,250
Other gains on foreign exchange movements	2,105	1,151
Other (expense) / income	(1,472)	1,543
Total other operating income	2,438	5,944

6. TRANSACTION COSTS

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Investment advisory costs	1,498	1,621
Other transaction costs	114	–
Total transaction costs	1,612	1,621

Details of total transaction costs paid to the Investment Adviser are provided in note 17.

7. AUDITOR'S REMUNERATION

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Fees payable to the Group's auditor (PwC CI LLP) for the audit of the Group's financial statements	685	626
Fees payable to the Group's auditor and their associates (PwC LLP, UK) for other services to the Group		
– The audit of the Group's consolidated subsidiaries	28	24
– The audit of the Group's unconsolidated subsidiaries	235	215
Total audit fees	948	865
Other fees		
– Interim review	88	83
Total non-audit fees	88	83

8. FINANCE COSTS AND BANK LOANS
ACCOUNTING POLICY
Interest bearing loans and overdrafts are initially recorded as the proceeds received net of any directly attributable issue costs. Subsequent measurement is at amortised cost, with borrowing costs recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred, using the effective interest rate method. Arrangement fees are amortised over the term of the CDF.

Finance costs for the year were £4.0m (December 2023: £7.3m). The Group has a CDF with £250m available on a fully committed basis, with a flexible 'accordion' component which will, subject to lender approval, allow for a future extension by an additional £50m. The interest rate margin on the CDF in the year was 170 basis points over SONIA. The current CDF remains in place until June 2025, after which a renewed facility will take effect. The new facility is expected to have broadly the same terms and structure as the current facility, with no repayments due ahead of maturity, and is secured over the assets of the Group. The current banking group for the facility consists of National Australia Bank, the Royal Bank of Scotland International, Sumitomo Mitsui Banking Corporation and Barclays Bank. From June 2025, the banking group will consist of Internationale Nederlanden Groep, National Australia Bank, the Royal Bank of Scotland International, and Barclays Bank. As at December 2024 the facility was undrawn (December 2023: £65.0m cash drawn), with £13.5m committed under letter of credit (December 2023: £16.4m drawn under letter of credit). The uncommitted balance of the facility which was not cash drawn or notionally drawn via letters of credit, was c.£236.5m (December 2023: £268.6m).

9. TAX CHARGE
ACCOUNTING POLICY
Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Comprehensive Income as it excludes items of income or expense that are taxable or deductible in past or future years and it further excludes items that are never taxable or deductible. The Group's asset/liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date. The current tax charge/credit in the Consolidated Statement of Comprehensive Income is recognised net of receivables recognised for losses surrendered to unconsolidated subsidiary entities.

Under the current system of taxation in Guernsey, the Company itself is exempt from paying taxes on income, profits or capital gains. Dividend income and interest income received by the Group may be subject to withholding tax imposed in the country of origin of such income.

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Current tax:		
Other overseas tax – current year	16	104
Tax charge for the year	16	104

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FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

9. TAX CHARGE CONTINUED

Reconciliation of effective tax rate:	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Profit before tax	481	27,965
Exempt tax status in Guernsey	–	–
Application of overseas tax rates	16	104
Tax charge for the year	**16**	104

The income tax charge above does not represent the full tax position of the entire Group as the investment returns received by the Company are net of tax payable at the underlying investee entity level. As a consequence of the adoption of IFRS 10 investment entity consolidation exception, underlying investee entity tax is not consolidated within these financial statements.

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the following data:

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity holders of the parent	465	27,861
	Number	Number
Weighted average number of Ordinary Shares for the purposes of basic and diluted earnings per share	1,898,454,198	1,911,243,132
Basic and diluted (pence)	**0.02**	1.46

Calculated on the basis of outstanding shares (excluding shares held in treasury from buyback activity). The denominator for the purposes of calculating both basic and diluted earnings per share is the same as the Group has not issued any share options or other instruments that would cause dilution.

11. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for derecognition in accordance with IFRS 9 Financial Instruments. Financial liabilities are derecognised when the obligation is discharged, cancelled or expired. Specific financial asset and liability accounting policies are provided below.

11.1 FINANCIAL ASSETS

	31 December 2024 £'000s	31 December 2023 £'000s
Investments at fair value through profit and loss	**2,593,056**	2,818,903
Financial assets at amortised cost		
Trade and other receivables	55,810	43,297
Cash and cash equivalents	76,451	128,561
Derivative financial instruments at fair value through profit or loss		
Foreign exchange contracts	3,229	1,424
Total financial assets	**2,728,546**	2,992,185

ACCOUNTING POLICY

The Group classifies its financial assets as at fair value through profit or loss or as financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired, with investments in unconsolidated subsidiaries (other than those providing investment-related services) being at fair value through profit or loss as required by IFRS 10.

Investments at fair value through profit or loss

Investments in underlying unconsolidated subsidiaries and other non-controlled investments are held in a portfolio, the business model of which is to manage them on a fair value basis. The Group's policy is to fair value both the equity and debt investments in underlying assets together. All transaction costs relating to the acquisition of new investments are recognised directly in profit or loss. Subsequent to initial recognition, equity and debt investments are measured at fair value with changes in fair value recognised within total investment income in the Consolidated Statement of Comprehensive Income.

11. FINANCIAL INSTRUMENTS CONTINUED

11.1 FINANCIAL ASSETS CONTINUED

Trade and other receivables

Trade and other receivables that meet the contracted cash flow test as sole payments of principal and interest and which are held in a business model to receive these contractual cash flows are classified as trade and other receivables. Financial assets with maturities less than 12 months are included in current assets, financial assets with maturities greater than 12 months after the balance sheet date are classified as non-current assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Derivative financial instruments

Derivatives are classified as financial assets and liabilities at fair value through profit or loss, held for trading. Derivatives are recognised initially, and are subsequently remeasured, at fair value. Derivatives are shown as assets when their fair value is positive or as liabilities when their fair value is negative. Fair value movements on derivative financial instruments held for trading are recognised in the Consolidated Statement of Comprehensive Income.

Impairment of financial assets

Financial assets, other than those classified at fair value through profit or loss, being trade and other receivables adopt a simplified approach to calculate any expected credit losses.

11.2 FINANCIAL LIABILITIES

	31 December 2024 £'000s	31 December 2023 £'000s
Financial liabilities at amortised cost		
Trade and other payables	11,922	11,047
Bank loans	–	65,000
Total financial liabilities	**11,922**	76,047

ACCOUNTING POLICY

Financial liabilities

Financial liabilities, other than those specifically accounted for under a separate policy, are measured at amortised cost and stated based on the amounts which are considered to be payable in respect of goods or services received up to the financial reporting date. The accounting policy for bank loans is included earlier in note 8.

The carrying value of financial assets and liabilities held at amortised cost is considered to approximate their fair value.

11.3 FINANCIAL RISK MANAGEMENT

The Group's objective in managing risk is the protection of stakeholder value. Risk is inherent in the Group's activities and is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Group is exposed to market risk (which includes currency risk, interest rate risk and inflation risk), credit risk and liquidity risk arising from the financial instruments it holds. The Board of Directors is ultimately responsible for the overall risk management of the Group, with delegation of oversight and activities (including identifying and controlling risks) provided to the Audit and Risk Committee and the Group's Investment Adviser. The Group's risk management framework and approach is set out within the Strategic Report (pages 4 to 65). The Board takes into account market, credit and liquidity risks in forming the Group's risk management strategy.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as changes in inflation, foreign exchange rates and interest rates.

Inflation risk

The majority of the Group's cash flows from underlying investments are linked to inflation indices. Changes in inflation rates can have a positive or negative impact on the Group's cash flows from investments. The long-term inflation assumptions applied in the Group's valuation of investments at fair value through profit or loss are disclosed in the fair value hierarchy section in note 11.4.

The Group's portfolio of investments has been developed in anticipation of continued inflation at or above the levels used in the Group's valuation assumptions. Where inflation is at levels below the assumed levels for a sustained period of time, investment performance may be impaired. The level of inflation-linkage* across the investments held by the Group varies and is not consistent.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

11. FINANCIAL INSTRUMENTS CONTINUED
11.3 FINANCIAL RISK MANAGEMENT CONTINUED

Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows from underlying investments, therefore impacting the value of investments at fair value through profit or loss. The Group has limited exposure to interest rate risk as the underlying borrowings within the unconsolidated investee entities are either hedged through interest rate swap arrangements via an economic hedge, are fixed rate loans or the risk of adverse movement in interest rates is limited through protections provided by the regulatory regime. For example, it is generally a requirement under a PFI/PPP concession that any borrowings are matched to the life of the concession. Hedging activities are aligned with the period of the loan, which also mirrors the concession period and are highly effective. Nevertheless, refinancing risk exists in a number of such investments. The Group's CDF is unhedged on the basis that it is utilised as an investment bridging facility and therefore drawn for a relatively short period of time. Therefore, the Group is not significantly exposed to cash flow risk due to changes in interest rates over its variable rate borrowings. Interest income on bank deposits held within underlying investments is included within the fair value of investments.

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currencies and therefore is exposed to exchange rate fluctuations. Currency risk arises in financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured. The Group uses forward foreign exchange contracts to mitigate the risk of short-term volatility in foreign exchange on significant investment returns from overseas investments via an economic hedge. The Group does not hedge its exposure to foreign exchange in relation to foreign currency denominated investment balances. The carrying amounts of the Group's foreign currency denominated monetary financial instruments at the reporting date are set out in the table below.

Sensitivity analysis showing the impact of variations of the above risks on the fair value of investments is shown in note 11.5.

	31 December 2024 £'000s	31 December 2023 £'000s
Cash		
Euro	**12,118**	6,925
Canadian Dollar	**326**	796
Australian Dollar	**1,394**	3,448
New Zealand Dollar	**2,263**	5,362
US Dollar	**3,146**	4,060
Danish Krone	**159**	362
	19,406	20,953
Current receivables		
Euro receivables	**2,447**	1,298
Danish Krone receivables	**126**	–
US Dollar receivables	**36**	–
	2,609	1,298
Investments at fair value through profit or loss		
Euro	**339,488**	330,762
Danish Krone	**8,112**	11,938
Canadian Dollar	**36,697**	40,355
Australian Dollar	**174,889**	188,228
New Zealand Dollar	**81,964**	96,940
US Dollar	**69,608**	106,937
	710,758	775,160
Total	**732,773**	797,411

Sensitivity analysis showing the impact of variations of the above market risks on the fair value of investments is shown in note 11.5.

CREDIT RISK
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties and reviewing this on a regular basis at the underlying entity level. The majority of underlying investments are in public-private partnerships and similar concessions (which are entered into with government, quasi government, other public, equivalent low risk bodies), or in regulated businesses that inherently exhibit low levels of credit risk. The maximum exposure of credit risk over financial assets as a result of counterparty default is the carrying value of those financial assets in the balance sheet. In addition, the underlying investee entities contract with third-party construction and facilities managements contractors. The Group seeks to mitigate this risk through using a diverse range of sub-contractors and through at least quarterly review of the credit position of major contractors.

LIQUIDITY RISK
Liquidity risk is defined as the risk that the Group would encounter difficulty in meeting obligations as and when they fall due associated with financial liabilities that are settled by delivering cash or another financial asset. The Group invests in relatively illiquid investments (mainly non-listed equity and loans). As a closed-ended investment vehicle there are no automatic capital redemption rights. The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows. Cash flow forecasts assume full availability of underlying infrastructure to the relevant public sector body or end-user. Failure to maintain assets available for use or operating in accordance with pre-determined performance standards or licence conditions may lead to a reduction (wholly or partially) in the investment income that the Group has projected to receive. The Directors review the underlying performance of each investment on a quarterly basis, allowing asset performance to be monitored. The terms of public-private partnership contractual mechanisms also allow for significant pass-down of unavailability and performance risk to sub-contractors. Regulated asset regimes allow for the pass through of efficiently incurred costs to the purchaser. The Group's financial liabilities comprise trade and other payables, payable within 12 months of the year end, derivative financial instruments.

11.4 FAIR VALUE HIERARCHY
All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities;

Level 2 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);

Level 3 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

During the year, there were no transfers between Level 2 and Level 3 categories.

Level 1:
The Group has no financial instruments classified as Level 1.

Level 2:
This category includes derivative financial instruments such as interest rate swaps, RPI swaps and currency forward contracts. As at 31 December 2024, the Group's only derivative financial instruments were currency forward contracts amounting to an asset of £3.2m (December 2023: asset of £1.4m).

Financial instruments classified as Level 2 have been valued using models whose inputs are observable in an active market (spot exchange rates, yield curves, interest rate curves). Valuations based on observable inputs include financial instruments such as swaps and forward contracts which are valued using market standard pricing techniques where all the inputs to the market standard pricing models are observable.

Level 3:
This category consists of investments in equity and loan instruments in underlying unconsolidated subsidiary entities and other non-controlled investments which are classified at fair value through profit or loss. At 31 December 2024, the fair value of financial instruments classified within Level 3 totalled £2,593.1m (December 2023: £2,818.9m).

Financial instruments are classified within Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

Valuation process
Valuations are the responsibility of the Board of Directors. The valuation of unlisted equity and debt investments is performed on a quarterly[1] basis by the Investment Adviser. The valuation is reviewed by the senior members of the Investment Adviser and reviewed and approved by the Board.

1 Indicative valuations are calculated in respect of each at 31 March and 30 September.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

11. FINANCIAL INSTRUMENTS CONTINUED

11.4 FAIR VALUE HIERARCHY CONTINUED

Valuation methodology

The valuation methodologies used are primarily based on discounting the underlying investee entities' future projected net cash flows at appropriate discount rates. Valuations are also reviewed against recent market transactions for similar assets in comparable markets observed by the Group or Investment Adviser and adjusted where appropriate.

Cash flow forecasts for the full-term of each underlying investment are generated by detailed investment specific financial models. These models forecast the dividend, shareholder loan interest payments, capital repayments and senior debt repayments (where applicable) expected from the underlying investments. The cash flows included in the forecasts used to determine fair value are typically fixed under contracts, however there are certain variable cash flows which are based on management's estimations (see also pages 30 to 31 of the strategic report). The significant unobservable inputs and assumptions used in projecting the Group's net future cash flows are shown below.

		31 December 2024 £'000s	31 December 2023 £'000s
Inflation rates	UK	**RPI: 3.25% until Dec 2025, 3.00% until Dec 2026, 2.75% thereafter[1]**	RPI: 4.50% until Dec 2024, 3.00% until Dec 2025, 2.75 thereafter[1]
		CPIH: 2.25%	CPIH: 3.25% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	Australia	**2.75% until Dec 2025 2.50% thereafter**	3.25% until Dec 2024, 3.00% until Dec 2025, 2.50% thereafter
	New Zealand	**2.25%**	2.75% until Dec 2024, 2.25% thereafter
	Europe	**2.25% until Dec 2026, 2.00% thereafter**	3.00% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	Canada	**2.25% until Dec 2026, 2.00% thereafter**	2.75% until Dec 2024, 2.25% until Dec 2025, 2.00% thereafter
	US[2]	**N/A**	N/A
Long-term deposit rates[3]	UK	**2.50%**	2.50%
	Australia	**2.75%**	2.75%
	New Zealand	**2.50%**	2.50%
	Europe	**1.50%**	1.50%
	Canada	**2.50%**	2.50%
	US[2]	**N/A**	N/A
Foreign exchange rates	GBP/AUD	**2.02**	1.87
	GBP/NZD	**2.23**	2.01
	GBP/DKK	**9.00**	8.60
	GBP/EUR	**1.21**	1.15
	GBP/CAD	**1.80**	1.69
	GBP/USD	**1.25**	1.27
Tax rates[4]	UK	**25.00%**	25.00%
	Australia	**30.00%**	30.00%
	New Zealand	**28.00%**	28.00%
	Europe	**Various (12.50% – 32.28%)**	Various (12.50% – 32.28%)
	Canada	**Various (23.00% – 26.50%)**	Various (23.00% – 26.50%)
	US[2]	**N/A**	N/A

1 Where insufficient protections exist within project agreements or through regulatory precedent, RPI is assumed to align with CPIH post-2030.
2 The Company's US investment is in the form of subordinated debt and therefore not directly impacted by inflation, deposit and tax rate assumptions.
3 The portfolio valuation assumes actual current deposit rates are maintained until 31 December 2026 before adjusting to the long-term rates noted in the table above from 1 January 2027. The 31 December 2023 valuation adjusted to the longer-term assumption from 1 January 2026.
4 Tax rates reflect those substantively enacted as at the valuation date or those that could reasonably be expected to be substantively enacted shortly after the valuation date.

Discount rates

Discount rates as a whole are considered to be an unobservable input for the purposes of IFRS13. The discount rate used in the valuation of each investment has been determined with reference to:

- Yield on a government bond with a remaining term equivalent to (or as close as possible to) the investment being valued, issued by the national government for the location of the relevant investment ('government bond yield');
- Investment risk premium, compromising:
  - A premium to reflect the inherent greater risk in investing in infrastructure assets over government bonds;
  - A further premium to reflect the state of maturity of the asset with a larger premium applied to immature assets and/or assets in construction and/or to reflect any current asset specific or operational issues. Typically, this risk premium will reduce over the life of any asset as an asset matures, its operating performance becomes more established, and the risks associated with its future cash flows decrease. However, the rate may increase in relation to investments with unknown residual values at the end of the relevant concession life as that date nears;
  - A further adjustment reflective of market-based transaction valuation evidence for similar assets. Such adjustment is considered to implicitly include the market's assessment of the risk posed by climate factors to that particular investment.

Over the year, the weighted average government bond yield increased. The weighted average investment premium increased reflecting observable market-based evidence.

Valuation assumptions	31 December 2024	31 December 2023	Movement
Weighted Average Government Bond Yield	**4.4%**	4.3%	0.1%
Weighted Average Investment Risk Premium	**4.6%**	4.1%	0.5%
Weighted Average Discount Rate	**9.0%**	8.4%	0.6%

Reconciliation of Level 3 fair value measurements of financial assets	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Balance at 1 January	**2,818,903**	2,947,959
Additional investments during the year	**107,767**	108,088
Net repayments during the year	**(182,396)**	(134,365)
Capitalisation of interest	**13,478**	20,301
Working capital advanced	**156**	–
Net change in investments at fair value through profit or loss	**(164,852)**	(123,080)
Balance at 31 December	**2,593,056**	2,818,903

11.5 SENSITIVITY ANALYSIS

The valuation requires management to make certain assumptions in relation to unobservable inputs to the model. There are no straightforward inter-relationships between the unobservable inputs. A sensitivity analysis for reasonably possible alternative assumptions is provided below:

Assumptions 31 December 2024	Weighted average rate in base case valuations	Sensitivity factor	Change in fair value of investment £'000s	Sensitivity factor	Change in fair value of investment £'000s
Discount rate	9.0%	+ 1.0%	(227,374)	- 1.0%	270,013
Inflation rate (overall)	2.3%	+ 1.0%	214,852	- 1.0%	(193,554)
UK (CPI/RPI)	2.0/2.8%	+ 1.0%	171,620	- 1.0%	(156,906)
Europe	2.0%	+ 1.0%	31,875	- 1.0%	(26,674)
North America	2.0%	+ 1.0%	676	- 1.0%	(575)
New Zealand	2.3%	+ 1.0%	4,281	- 1.0%	(3,884)
Australia	2.5%	+ 1.0%	6,426	- 1.0%	(5,501)
FX rate	n/a	+ 10.0%	(71,761)	- 10.0%	71,761
Tax rate	25.5%	+ 1.0%	(12,425)	- 1.0%	12,144
Deposit rate	2.4%	+ 1.0%	22,591	- 1.0%	(22,920)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

11. FINANCIAL INSTRUMENTS CONTINUED

11.5 SENSITIVITY ANALYSIS CONTINUED

Assumptions 31 December 2023	Weighted average rate in base case valuations	Sensitivity factor	Change in fair value of investment £'000s	Sensitivity factor	Change in fair value of investment £'000s
Discount rate	8.4%	+ 1.0%	(241,561)	- 1.0%	288,391
Inflation rate (overall)	2.3%	+ 1.0%	235,302	- 1.0%	(209,274)
UK (CPI/RPI)	2.0%/2.8%	+ 1.0%	185,918	- 1.0%	(165,756)
Europe	2.0%	+ 1.0%	35,488	- 1.0%	(30,778)
North America	2.0%	+ 1.0%	626	- 1.0%	(574)
New Zealand	2.3%	+ 1.0%	5,437	- 1.0%	(4,978)
Australia	2.5%	+ 1.0%	7,836	- 1.0%	(7,186)
FX rate	n/a	+ 10.0%	(78,956)	- 10.0%	78,962
Tax rate	25.5%	+ 1.0%	(13,498)	- 1.0%	13,784
Deposit rate	2.4%	+ 1.0%	23,306	- 1.0%	(23,006)

12. INVESTMENT ACTIVITY

2024

Date of investment	Description	Consideration £'000s	% Ownership post investment
February 2024	The Group made an investment into Moray East OFTO, UK	76,518	100%
February – December 2024	The Group made investments into Flinders HMRB, Australia	6,728	100%
March – December 2024	The Group made further investments into its digital asset portfolio (National Digital Infrastructure fund and its underlying assets), UK	8,831	Various
April – December 2024	The Group made investments into Gold Coast Light Rail, Australia	1,168	30%
October 2024	The Group made a further investment into BeNEX, Germany	14,522	100%
Total capital spend on investments during the year		**107,767**	

In addition to the capital spend noted above, during 2024, INPP also completed on transactions realising value from its existing portfolio. In January 2024, the Company received the second tranche of cashflows of c.£108m from the OFTO realisation activity announced in December 2023. In August 2024, the Company divested its 50% stake in the Three Shires PPP portfolio for c.£14m. In September 2024, the Company realised c.£29.7m of proceeds from a partial disposal of its FHSP investment.

2023

Date of investment	Description	Consideration £'000s	% Ownership post investment
March 2023	The Group made a follow-on investment into a Building Schools for the Future asset, UK	741	100%
June 2023	The Group made an investment into a portfolio of New Zealand Social Infrastructure assets	107,347	100%
Total capital spend on investments during the year		**108,088**	

In addition to the capital spend noted above, during 2023, INPP also completed on transactions realising value from its existing portfolio. In July 2023 the Company sold its stake in Airband (held through NDIF) for c.£12m. In December 2023, the Company completed a transaction to generate c.£200m proceeds realising value from within its OFTO portfolio, which included repayment of the Company's four senior debt investments in the OFTO portfolio.

13. TRADE AND OTHER RECEIVABLES

	31 December 2024 £'000s	31 December 2023 £'000s
Accrued interest receivable	54,613	41,813
Other debtors	1,197	1,484
Total trade and other receivables	**55,810**	43,297

14. TRADE AND OTHER PAYABLES

	31 December 2024 £'000s	31 December 2023 £'000s
Accrued management fee	8,773	9,820
Other creditors and accruals	3,149	1,227
Total trade and other payables	**11,922**	11,047

15. SHARE CAPITAL AND RESERVES

Shares authorised and in issue	Year ended 31 December 2024 shares '000s	Year ended 31 December 2023 shares '000s
Shares in issue	1,877,293	1,911,243
Shares held in treasury	33,950	–
Opening and closing balance	**1,911,243**	1,911,243

Share capital	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Opening and closing balance	2,231,276	2,231,276

At present, the Company has one class of Ordinary Shares with a par value of 0.01p which carry no right to fixed income.

During the year to 31 December 2024, 34.0m shares have been acquired as part of the Company's share buyback programme, and as at 31 December 2024 are held in treasury.

Other distributable reserve	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Balance at 1 January	182,481	182,481
Acquisition of treasury shares	(43,086)	–
Costs associated with acquisition of treasury shares	(44)	–
Movement in the year	(43,130)	–
Balance at 31 December	**139,351**	182,481

On 19 January 2007, the Company applied to the Royal Court of Guernsey, following the initial placing of shares, to reduce its share premium account. This was in order to provide a distributable reserve to enable the Company to repurchase its shares if and when the Board of Directors consider it beneficial to do so. Following court approval, the distributable reserve account was created.

Retained earnings	31 December 2024 £'000s	31 December 2023 £'000s
Balance at 1 January	502,381	626,082
Net profit for the year	465	27,861
Dividends paid[1]	(156,849)	(151,562)
Balance at 31 December	**345,997**	502,381

1 Includes scrip element of £ nil in 2024 (December 2023: £ nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

15. SHARE CAPITAL AND RESERVES CONTINUED

DIVIDENDS

The Board is satisfied that, in every respect, the solvency test as required by the Companies (Guernsey) Law, 2008, was satisfied for the proposed dividend and the dividends paid in respect of the year ended 31 December 2024.

The Board has approved interim dividends as follows:

	Year ended 31 December 2024 £'000s	Year ended 31 December 2023 £'000s
Amounts recognised as distributions to equity holders for the year ended 31 December	156,849[1]	151,562
Declared and proposed		
Interim dividend for the period 1 January to 30 June 2024 was 4.18p per share (2023: 4.06p per share)	79,267	77,596
Interim dividend for the period 1 July to 31 December 2024 was 4.19p per share[2] (2023: 4.07p per share)	78,659	77,788

1 Includes the 2023 interim dividend for the period 1 July to 31 December 2023.
2 The dividend for the period 1 July to 31 December 2024 was approved by the Board on 26 March 2025 and therefore has not been included as a liability in the balance sheet for the year ended 31 December 2024.

CAPITAL RISK MANAGEMENT

The Group seeks to efficiently manage its financial resources to ensure that it is able to continue as a going concern while providing improved returns to shareholders through the management of the debt and equity balances. The capital structure consists of the Group's CDF and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The Group aims to deliver its objective by investing available cash and using leverage whilst maintaining sufficient liquidity to meet ongoing expenses and dividend payments. The Group's investment policy is set out in the Corporate Governance Report on page 67.

The Group's Investment Adviser reviews the capital structure on a semi-annual basis. As part of this review, the Investment Adviser considers the cost of capital and the associated risks.

16. NET ASSETS PER SHARE

	31 December 2024 £'000s	31 December 2023 £'000s
Net assets attributable to equity holders of the parent	2,716,624	2,916,138
	Number	Number
Number of shares		
Ordinary Shares outstanding at the end of the year	1,877,293,132	1,911,243,132
Net assets per share (p per share)	144.7	152.6

17. RELATED PARTY TRANSACTIONS

Details of the Company's significant consolidated and unconsolidated subsidiaries are included in note 20.

During the year, Group companies entered into certain transactions with related parties that are not members of the Group but are related parties by reason of being in the same group as Amber Infrastructure Group Holdings Limited, which is the ultimate holding company of the Investment Adviser, Amber Fund Management Limited ('AFML').

Under the Investment Advisory Agreement ('IAA'), AFML was appointed to provide investment advisory services to the Group including advising the Group as to the strategic management of its portfolio of investments.

AFML and International Public Partnerships GP Limited are subsidiary companies of Amber Infrastructure Group Holdings Limited ('Amber Group'), in which Giles Frost is a Director and also a substantial shareholder.

Giles Frost is also a Director of International Public Partnerships Limited (the 'Company'); International Public Partnerships Lux 1 Sarl; (a wholly owned subsidiary of the Group); and certain other companies in which the Group indirectly has an investment. The transactions with the Amber Group are considered related party transactions under IAS 24 'Related Party Disclosures'.

The Director's fees of £59,000 (2023: £55,525) for Giles Frost's directorship of the Company are paid to his employer, Amber Infrastructure Limited (a member of the Amber Group).

The amounts of the transactions in the year that were related party transactions are set out in the table below:

	Related party expense in the Income Statement		Amounts owing to related parties in the Balance Sheet	
	For the year ended 31 December 2024 £'000s	For the year ended 31 December 2023 £'000s	**At 31 December 2024 £'000s**	At 31 December 2023 £'000s
International Public Partnerships GP Limited[1]	30,706	32,251	8,773	9,820
Amber Fund Management Limited[2]	1,498	1,621	12	–
Total	32,204	33,872	8,785	9,820

1 Represents amounts paid to related parties for investment advisory fees.
2 Represents amounts paid to related parties to acquire or make investments or advisory fees associated with investments which are subsequently recorded in the balance sheet.

INVESTMENT ADVISORY ARRANGEMENTS

Investment advisory fees payable during the year are calculated as follows:

For existing construction assets:

- 1.2% per annum of gross asset value of investments bearing construction risk.

For existing fully operational assets:

- 1.2% per annum of the gross asset value ('GAV') excluding uncommitted cash from capital raisings up to £750 m;
- 1.0% per annum where GAV (excluding uncommitted cash from capital raisings) is between £750 m and £1.5 bn;
- 0.9% per annum where GAV (excluding uncommitted cash from capital raisings) is between £1.5 bn and £2.75 bn;
- 0.8% per annum where GAV (excluding uncommitted cash from capital raisings) value exceeds £2.75 bn.

Asset origination fees in connection with new acquisitions are charged at a rate of 1.5% of the value of new acquisitions.

The IAA can be terminated where less than 95% of the Group's assets are available for use for certain periods and the Investment Adviser fails to implement a remediation plan agreed with the Group. The IAA may also be terminated by either party giving to the other five years notice of termination, expiring at any time after 10 years from the date of the IAA.

Following the year end, the Board and the Investment Adviser agreed to a change in the fee basis effective from 1 July 2025. For further information on these changes see page 73.

As at 31 December 2024, the Amber Group held 8,002,379 (December 2023: 8,002,379) shares in the Company. The shares held by the Investment Adviser in the Company helps further strengthen the alignment of interests between the two parties.

TRANSACTIONS WITH DIRECTORS

Shares acquired by Directors in the year are disclosed below:

	Number of New Ordinary Shares	
Director	**Year ended 31 December 2024**	Year ended 31 December 2023
Mike Gerrard	–	36,342
Julia Bond	17,532	8,152
Stephanie Coxon	15,505	–
Meriel Lenfestey	8,000	–
Total purchased	41,037	44,494

Remuneration paid to the Non-Executive Directors is disclosed on page 72. Directors received dividends on total shares held as disclosed on page 73, in accordance with the approved dividends detailed under note 15.

18. CONTINGENT LIABILITIES AND COMMITMENTS

As at 31 December 2024 the Group has committed funding of up to c.£21.5m (December 2023: c.£19.7m), which includes committed investment amounts as noted in the Strategic Report on pages 18 to 20, as well as guaranteed amounts not necessarily forecast to be cash invested which includes letters of credit under the CDF and a deferred commitment of c.£2.6m for BeNEX (December 2023: £3.3m) which is due to be settled from future returns generated by BeNEX.

There were no other contingent liabilities at the date of this Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

19. EVENTS AFTER BALANCE SHEET
In March, the Company agreed to sell its minority interests in seven UK education PPPs to an existing co-shareholder for total proceeds of c.£8m which is in line with the 31 December 2024 carrying value.

Following the year end, the Board and the Investment Adviser agreed to a change in the Company's Investment Advisory fee basis effective from 1 July 2025. For further information on these changes see page 77.

20. OTHER MANDATORY DISCLOSURES
NEW STANDARDS THAT THE GROUP HAS APPLIED FROM 1 JANUARY 2024

Standards and amendments to standards applicable to the Group that became effective during the year are listed below. These have no material impact on the reported performance or financial statements of the Group.

- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements (1 January 2024)
- Amendments to IAS 1 Classification of liabilities (1 January 2024)

STANDARDS ISSUED BUT NOT YET EFFECTIVE

- Standards applicable to the Group which are issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. This listing is of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group intends to adopt these standards when they become effective, however does not currently anticipate the standards to have a significant impact on the Group's financial statements. Current assumptions regarding the impact of future standards will remain under consideration in light of interpretation notes as and when they are issued.
- Amendments to IAS 21 Effects of Changes in Foreign Exchange Rates (1 January 2025);

UNCONSOLIDATED SUBSIDIARIES

A list of the significant investments in unconsolidated subsidiaries, including the name, country of incorporation as at 31 December 2024 and proportion of ownership is shown below:

Name	Place of incorporation (or registration) and operation	Proportion of ownership interest %
Abingdon Limited Partnership	UK	100
Aggregator PLC	UK	100
Access Justice Durham Limited	Canada	100
AKS Betriebs GmbH & Co. KG	Germany	98
ASV Project LP	New Zealand	100
BBPP Alberta Schools Limited	Canada	100
Blackburn with Darwen Phase 1 Limited	UK	100
Blackburn with Darwen Phase 2 Limited	UK	100
BPSL No. 2 Limited Partnership	UK	100
Building Schools for the Future Investments LLP	UK	100
Calderdale Schools Partnership	UK	100
CHP Unit Trust	Australia	100
Derby City BSF Limited	UK	90
Derbyshire Courts Limited Partnership	UK	100
Derbyshire Schools	UK	100
Derbyshire Schools Phase Two Partnership	UK	100
Essex Schools Limited	UK	100
Future Ealing Phase 1 Limited	UK	100
Future Schools Partners LP	New Zealand	100
4 Futures Phase 1 Limited	UK	90
4 Futures Phase 2 Limited	UK	90
Hertfordshire Schools Building Partnership Phase 1 Limited	UK	100
H&W Courts Limited Partnership	UK	100
INPP Infrastructure Germany GmbH & Co. KG	Germany	100
Inspire Partnership Limited Partnership	UK	100
IPP CCC Limited Partnership	Ireland	100
Inspiredspaces Durham (Project Co 1) Limited	UK	100
Kent PFI (Project Co 1) Limited	UK	58
Inspiredspaces Nottingham (Project Co 1) Limited	UK	90
Inspiredspaces Nottingham (Project Co 2) Limited	UK	90
Inspiredspaces STaG (Project Co 1) Limited	UK	90.1
Inspiredspaces StaG (Project Co 2) Limited	UK	90.1
Inspiredspaces Wolverhampton (Project Co 1) Limited	UK	100
Transform Islington (Phase 1) Limited	UK	90
Transform Islington (Phase 2) Limited	UK	90
IPP (Moray Schools) Holdings Limited	UK	100
Maesteg School Partnership	UK	100
Next Step Partners LP	New Zealand	100
Northampton Schools Limited Partnership	UK	100
Northern Diabolo N.V.	Belgium	100
Oldham BSF Limited	UK	99
OPP Hobro Tinglysningsret A/S	Denmark	66.7
OPP Ørstedskolen A/S	Denmark	66.7
OPP Vildbjerg Skole A/S	Denmark	66.7
OPP Randers P-Hus A/A	Denmark	66.7
PSBP Midlands Limited	UK	92.5
Pinnacle Healthcare (OAHS) Trust	Australia	100
Plot B Partnership	UK	100
ShapEd NZ LP	New Zealand	100
St Thomas More School Partnership	UK	100
PPP Solutions (Long Bay) Partnership	Australia	100
PPP Solutions (Showgrounds) Trust	Australia	100
Strathclyde Limited Partnership	UK	100
TH Schools Limited Partnership	UK	100
TC Robin Rigg OFTO Limited	UK	100
TC Barrow OFTO Limited	UK	100
TC Gunfleet Sands OFTO Limited	UK	100
TC Ormonde OFTO Limited	UK	100
TC Lincs OFTO Limited	UK	100
TC Westermost Rough OFTO Limited	UK	100
TC Dudgeon OFTO PLC	UK	100
TC Beatrice OFTO Limited	UK	100
TC Rampion OFTO Limited	UK	100
TC East Anglia OFTO Limited	UK	100
TC Moray East OFTO Limited	UK	100

The entities listed above in aggregate represent 53.6% (December 2023: 54.7%) of investments at fair value through profit or loss. The remaining fair value is driven from joint ventures, associate interests and minority stakes held by the Group.

CONSOLIDATED SUBSIDIARIES

The subsidiary undertakings of the Company, all of which have been included in these consolidated financial statements are as follows:

Name	Place of incorporation (or registration) and operation	Proportion of ownership interest %
International Public Partnerships Limited Partnership	UK	100
International Public Partnerships Lux 1 Sarl	Luxembourg	100
International Public Partnerships Lux 2 Sarl	Luxembourg	100
IPP Bond Limited	UK	100
IPP Holdings 1 Limited	UK	100
IPP Investments UK Limited	UK	100
IPP Investments Limited Partnership	UK	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

21. INVESTMENTS

The Group holds 141 investments across energy transmission, education, transport, health, judicial, waste water, family housing for service personnel and other sectors. The table below sets out the Group's investments that are recorded at fair value through profit or loss.

Investment Name	Country	Status at 31 December 2024	Per cent. Risk Capital owned by the Group[1]	Investment end
UK				
UK PPP Assets				
Calderdale Schools	UK	Operational	100.0	April 2030
Derbyshire Schools Phase Two	UK	Operational	100.0	February 2032
Northamptonshire Schools	UK	Operational	100.0	December 2037
Derbyshire Courts	UK	Operational	100.0	August 2028
Derbyshire Schools Phase One	UK	Operational	100.0	April 2029
North Wales Police HQ	UK	Operational	100.0	December 2028
St Thomas More Schools	UK	Operational	100.0	April 2028
Tower Hamlets Schools	UK	Operational	100.0	August 2027
Norfolk Police HQ	UK	Operational	100.0	December 2036
Strathclyde Police Training Centre	UK	Operational	100.0[2]	September 2026
Hereford & Worcester Courts	UK	Operational	100.0[2]	September 2025
Abingdon Police Station	UK	Operational	100.0	April 2030
Bootle Government Offices	UK	Operational	100.0	December 2025
Maesteg Schools	UK	Operational	100.0	July 2033
Moray Schools	UK	Operational	100.0	February 2042
Liverpool Library	UK	Operational	100.0	November 2037
Townlands Hospital	UK	Operational	100.0	November 2041
Priority Schools Building Aggregator Programme				
Batch 1 – Schools in North East England	UK	Operational	0.0[2]	August 2040
Batch 2 – Schools in Hertfordshire, Luton and Reading	UK	Operational	0.0[2]	November 2040
Batch 3 – Schools in North West of England	UK	Operational	0.0[2]	August 2041
Batch 4 – Schools in the Midlands Region	UK	Operational	92.5[2]	December 2041
Batch 5 – Schools in Yorkshire	UK	Operational	0.0[2]	September 2041
OFTOs				
Robin Rigg OFTO	UK	Operational	100.0[2]	March 2031
Gunfleet Sands OFTO	UK	Operational	100.0[2]	July 2031
Barrow OFTO	UK	Operational	100.0[2]	March 2030
Ormonde OFTO	UK	Operational	100.0[2]	July 2032
Lincs OFTO	UK	Operational	100.0	November 2034
Westermost Rough OFTO	UK	Operational	100.0	February 2036
Dudgeon OFTO	UK	Operational	100.0	November 2038
Beatrice OFTO	UK	Operational	100.0	April 2045
Rampion OFTO	UK	Operational	100.0	November 2041
East Anglia OFTO	UK	Operational	100.0	December 2044
Moray East OFTO	UK	Operational	100.0	September 2047
Building Schools for the Future Portfolio				
Minority Shareholdings in 17 Building Schools for the Future Projects	UK	Operational	Various	Various
Blackburn with Darwen Phase One	UK	Operational	100.0	September 2036
Blackburn with Darwen Phase Two	UK	Operational	100.0	September 2039
Integrated Bradford SPV Two Limited	UK	Operational	30.7	September 2037
Derby City	UK	Operational	90.0	August 2037
Durham Schools	UK	Operational	100.0	January 2036
Ealing Schools Phase One	UK	Operational	80.0	March 2038
Essex Phase Two	UK	Operational	100.0	December 2036
Hertfordshire Schools Phase One	UK	Operational	100.0	August 2037
Islington Phase One	UK	Operational	90.0	August 2034
Islington Phase Two	UK	Operational	90.0	March 2039
Lewisham Phase 1	UK	Operational	90.0	December 2034
Lewisham Phase 2	UK	Operational	90.0	August 2037
Lewisham Phase 3	UK	Operational	90.0	August 2037
Lewisham Phase 4	UK	Operational	81.0	March 2038
Oldham Schools	UK	Operational	99.0	August 2037
Tameside Schools One	UK	Operational	46.0	August 2036
Tameside Schools Two	UK	Operational	46.0	August 2037
Nottingham Schools One	UK	Operational	90.0	August 2034
Nottingham Schools Two	UK	Operational	90.0	August 2038
South Tyneside and Gateshead Schools One	UK	Operational	90.1	October 2034
South Tyneside and Gateshead Schools Two	UK	Operational	90.1	September 2036
Southwark Phase One	UK	Operational	90.0	January 2036
Southwark Phase Two	UK	Operational	90.0	December 2036
Wolverhampton Schools Phase One	UK	Operational	100.0	September 2037
Wolverhampton Schools Phase Two	UK	Operational	100.0	August 2040
Kent Schools	UK	Operational	58.0	August 2035
NHS LIFT Portfolio				
Beckenham Hospital	UK	Operational	49.8	December 2033
Garland Road Health Centre	UK	Operational	49.8	December 2031
Alexandra Avenue Primary Care Centre, Monks Park Health Centre (two projects)	UK	Operational	49.8	June 2031
Gem Centre Bentley Bridge, Phoenix Centre (two projects)	UK	Operational	49.8	December 2030
Sudbury Health Centre	UK	Operational	49.8	November 2032
Mt Vernon	UK	Operational	49.8	December 2033
Lakeside	UK	Operational	49.8	November 2032
Fishponds Primary Care Centre, Hampton House Health Centre (two projects)	UK	Operational	33.4	January 2031
Shirehampton Primary Care Centre, Whitchurch Primary Care Centre (two projects)	UK	Operational	33.4	May 2032
Blackbird Leys Health Centre, East Oxford Care Centre (two projects)	UK	Operational	33.4	May 2031
Brierley Hill	UK	Operational	34.5	April 2035
Ridge Hill Learning Disabilities Centre, Stourbridge Health & Social Care Centre (two projects)	UK	Operational	34.3	October 2031
Harrow NRC (three projects)	UK	Operational	49.8	June 2034
Goscote Palliative Care Centre	UK	Operational	49.8	November 2035
South Bristol Community Hospital	UK	Operational	33.4	February 2042
East London LIFT Project One (four projects)	UK	Operational	30.0	October 2030
East London LIFT Project Two (three projects)	UK	Operational	30.0	April 2033
East London LIFT Project Three (Newby Place)	UK	Operational	30.0	May 2037
East London LIFT Project Four (two projects)	UK	Operational	30.0	August 2036
Eltham Community Hospital	UK	Operational	49.8	January 2040

1 Risk Capital includes project-level equity and/or subordinated shareholder debt.
2 Investment contains senior or mezzanine debt in addition to any Risk Capital ownership shown.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

Investment Name	Country	Status at 31 December 2024	Per cent. Risk Capital owned by the Group[1]	Investment end
Other UK				
Angel Trains	UK	Operational	10.0	December 2058
Tideway	UK	Construction	17.9	March 2150
Cadent	UK	Operational	7.25	June 2069
National Digital Infrastructure Fund	UK	Operational	45.0	July 2027
Australia				
Royal Melbourne Showgrounds	Australia	Operational	100.0	August 2031
Long Bay Forensic & Prisons Hospital Project	Australia	Operational	100.0	July 2034
Reliance Rail	Australia	Operational	33.0	February 2044
Royal Children's Hospital	Australia	Operational	100.0	December 2036
Orange Hospital	Australia	Operational	100.0	December 2035
NSW Schools	Australia	Operational	25.0	December 2035
Gold Coast Light Rail	Australia	Operational	30.0	May 2029
Victoria Schools Two	Australia	Operational	100.0	December 2042
Flinders University	Australia	Operational	100.0	March 2049
New Zealand				
NZ Schools 1	New Zealand	Operational	100.0	December 2038
NZ Schools 2	New Zealand	Operational	100.0	December 2042
NZ Schools 3	New Zealand	Operational	100.0	December 2043
Auckland Prison	New Zealand	Operational	100.0	June 2043
ASV	New Zealand	Operational	100.0	October 2093
North America				
Alberta Schools	Canada	Operational	100.0	June 2040
Durham Courts	Canada	Operational	100.0	November 2039
FHSP	US	Operational	100.02	October 2052
Europe (excl. UK)				
Diabolo Rail Link	Belgium	Operational	100.0	June 2047
Dublin Courts	Ireland	Operational	100.0	February 2035
BeNEX	Germany	Operational	100.0	December 2049
Federal German Ministry of Education and Research Headquarters	Germany	Operational	98.0	July 2041
Pforzheim Schools	Germany	Operational	98.0	September 2039
Offenbach Police Centre	Germany	Construction	45.0	June 2050
Hobro Court	Denmark	Operational	66.7	December 2027
Randers Hospital Parking Facility	Denmark	Operational	66.7	April 2041
Ørsted School	Denmark	Operational	66.7	June 2038
Vildbjerg School	Denmark	Operational	66.7	December 2036

1 Risk Capital includes project-level equity and/or subordinated shareholder debt.
2 Investment contains senior or mezzanine debt in addition to any Risk Capital ownership shown.

ALTERNATIVE PERFORMANCE MEASURES

In accordance with ESMA Guidelines on APMs, the Board has considered what APMs are included in the Annual Report and financial statements which require further clarification. An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs included in the Annual Report and financial statements are identified as non-GAAP measures and are defined within the glossary, set out on the next pages.

APM		31 December 2024	31 December 2023
Cash Dividend Cover	Cash dividend payments to investors covered by the net operating cash flow before capital activity. This measure shows the sustainability of the cash dividend payments made by the Company. Net operating cash flows before capital activity include net repayments from investments at fair value through profit and loss and finance costs paid and exclude investment transaction costs when compared to net cash inflows from operations as disclosed in the statutory cash flow statement in the financial statements on page 93	**2.1x (total) / 1.1x (excluding cash from realisation activity)**	1.7x / 1.1x
Cash from Investments	Cash from investments reflects cash distributions received from the investment portfolio. This measure is used to provide investors with information behind the components of net operating cash flows before capital activity, a measure used as part of the cash dividend cover calculations. Reconciliations to the nearest comparable figures presented in the cash flow statement are included on page 93 as part of the reconciliation of net operating cash flows before capital activity	**359.9m**	307.1m
Dividend Growth	Represents the growth in dividend per share paid to shareholders compared to the prior year. This measure provides information on the Company's dividend performance. Dividends paid and number of issued shares can be found disclosed in the financial statements and notes to the financial statements	**3.0%**	5.0%
Dividend per Share	Represents dividends per Ordinary Share issued, as disclosed in the financial statements. This measure provides information on the Company's dividend performance. Dividends paid and number of issued shares can be found disclosed in the financial statements and notes to the financial statements	**8.37p**	8.13p
Net Asset Value ('NAV')	Represents the equity attributable to equity holders of the parent in the Balance Sheet. This terminology is used as it is common investment sector terminology and so is the most understandable to the users of the Annual and Interim Reports. Components of NAV are further discussed throughout this Annual Report, including from page 32	**£2.7bn**	£2.9 bn
Net Asset Value ('NAV') per share	Represents the equity attributable per share to equity holders of the parent in the Balance Sheet. This terminology is used as it is common investment sector terminology and so is the most understandable to the users of the Annual Report	**144.7p**	152.6p
Net operating cash flows before capital activity	Represents the cash flows from the Company's operations before capital activity relating to the acquisition of new investments, issues of new capital or payment of dividends. This approach is used to provide investors with an indication of cash flows generated from operational activity and is used as part of the cash dividend cover calculations. Components of net operating cash flows before capital activity are further discussed throughout this Annual Report, including from page 32	**£322.1m**	£263.5m
Portfolio Inflation-linked return / Inflation-linked cash flows	Calculated by running a 'plus 1.00%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked cash flows is the increase in the portfolio weighted average discount rate. This measure provides an indication of the portfolio's inflation protection. There is no near comparable in the financial statements	**0.7%**	0.7%
Total Shareholder Return ('TSR')	Share price appreciation plus dividends assumed to be reinvested since IPO. The total return based on the NAV appreciation plus dividends paid since the IPO. There is no direct reconciliation to the financial statements, being a calculation instead derived from the Company's share price. However, a nearest comparison where this measure based on a figure in the financial statements is provided in the Strategic Report, Investor Returns, Total Shareholder Return paragraph on page 32	**191.7%**	209.6%

GLOSSARY

INCLUDING ALTERNATIVE PERFORMANCE MEASURES

AGM
The Company's Annual General Meeting

AIC
Association of Investment Companies

AIF
Alternative Investment Fund

AIFMD
Alternative Investment Fund Managers Directive

AFML
Amber Fund Management Limited, a member of the Amber Group

AMBER/AMBER INFRASTRUCTURE
The Company's Investment Adviser (Amber Fund Management Limited and its corporate group)

AMBER GROUP
Amber Infrastructure Group Holdings Limited and its subsidiaries

APMs
In accordance with ESMA Guidelines on Alternative Performance Measures ('APMs') the Board has considered what APMs are included in the Annual Report and financial statements which require further clarification. An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs included in the Annual Report and financial statements are identified as non-GAAP measures and are defined within this glossary

ARC
The Company's Audit and Risk Committee

ASCE
American Society of Civil Engineers

AVERAGE NAV
Average of published NAVs for the relevant periods

BEPS
Base Erosion and Profit Shifting

BESS
British Energy Security Strategy

BSF
Building Schools for Future Projects

CASH DIVIDEND COVER
Non-GAAP measure. Cash dividend payments to investors covered by the Net operating cash flow before capital activity. This measure shows the sustainability of the cash dividend payments made by the Company. Net operating cash flows before capital activity include net repayments from investments at fair value through profit and loss and finance costs paid and exclude investment transaction costs when compared to net cash inflows from operations as disclosed in the statutory cash flow statement in the financial statements

CDF
The Company's corporate debt facility

CEF
Connecting Europe Facility

CMA
Competition and Markets Authority

CSR
Corporate Social Responsibility

CPI
Consumer Price Index

CPIH
CPI (including owner occupied housing costs)

CSRD
Corporate Sustainability Reporting Directive

DIVIDEND GROWTH
Non-GAAP measure. Represents the growth in dividend per share paid to shareholders compared to the prior year. This measure provides information on the Company's dividend performance. Dividends paid and number of issued shares can be found disclosed in the financial statements and notes to the financial statements

DIVIDEND PER SHARE
Non-GAAP measure. Represents dividends paid per Ordinary share issued, as disclosed in the financial statements. This measure provides information on the Company's dividend performance. Dividends paid and number of issued shares can be found disclosed in the financial statements and notes to the financial statements

EFRAG
European Financial Reporting Advisory Group

ESG
Environmental, Social and Governance

EU TAXONOMY
EU Taxonomy for Sustainable Activities

FCA
Financial Conduct Authority

FHSP
The Company's Family Housing for Service Personnel investment

FMP
Financial Market Participant

FP
Financial Project

FRC
The Financial Reporting Council

GAV
Gross asset value

GDNs
Gas distribution networks

GFSC
The Guernsey Financial Services Commission

GHG
Greenhouse gas emissions

GRESB INFRASTRUCTURE
The Infrastructure Asset Assessment assesses ESG performance at the asset level for infrastructure asset operators, fund managers and investors that invest directly in infrastructure

GSLL
Green Sustainability-Linked Loan

HMRB
Flinders University Health and Medical Research Building

IAA
Investment Advisory Agreement

IFRS
International Financial Reporting Standards

IIJA
Infrastructure Investment and Jobs Act

INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED
The 'Company', 'INPP', the 'Group' (where including consolidated entities)

INVESTMENT ADVISER
Amber (see above)

IPA
Infrastructure and Projects Authority

IPO
Initial public offering

IRA
Inflation Reduction Act

IRR
The internal rate of return

ISA
Individual Savings Account

ISSB
International Sustainability Standards Board

HUNT
Amber's long-term investor, US Group, Hunt Companies LLC

KID
The Company's Key Information Document

KPIs
Key performance indicators

LIBOR
The London Inter-Bank Offered Rate is an interest-rate average calculated from estimates submitted by the leading banks in London

NDIF
National Digital Infrastructure Fund

NET ASSET VALUE ('NAV')
Non-GAAP measure. Represents the equity attributable to equity holders of the parent in the Balance Sheet. This terminology is used as it is common investment sector terminology and so is the most understandable to the users of the Annual Report. Components of NAV are further discussed throughout the Annual Report, including from page 30

NET ASSET VALUE ('NAV') PER SHARE
Non-GAAP measure. Represents the equity attributable per share to equity holders of the parent in the Balance Sheet. This terminology is used as it is common investment sector terminology and so is the most understandable to the users of the Annual Report

NET OPERATING CASH FLOWS BEFORE CAPITAL ACTIVITY
Non-GAAP measure. Represents the cash flows from the Company's operations before capital activity relating to the acquisition of new investments, issues of new capital or payment of dividends. This approach is used to provide investors with an indication of cash flows generated from operational activity and is used as part of the cash dividend cover calculations. Components of net operating cash flows before capital activity are further discussed throughout the Annual Report, including from page 30

NET ZERO
Net zero refers to balancing the amount of emitted greenhouse gases with the equivalent emissions that are either offset or sequestered. This should primarily be achieved through a rapid reduction in carbon emissions, but where zero carbon cannot be achieved, offsetting through carbon credits or sequestration through rewilding or carbon capture and storage needs to be utilised

NIS
National Infrastructure Strategy

OECD
Organisation for Economic Co-operation and Development

OFGEM
Office of Gas and Electricity Markets

OFTO
Offshore Electricity Transmission project

Ofwat
Water Services Regulation Authority

GLOSSARY

INCLUDING ALTERNATIVE PERFORMANCE MEASURES CONTINUED

PAI
SFDR Principal Adverse Impacts

PCAF
Partnership for Carbon Accounting Financials

PEPs
Personal Equity Plan account

PFI
Projects and private finance initiative

PORTFOLIO INFLATION-LINKED RETURN / INFLATION-LINKED CASH FLOWS
Non-GAAP measure. Calculated by running a 'plus 1.00%' inflation sensitivity for each investment and solving each investment's discount rate to return the original valuation. The inflation-linked cash flows is the increase in the portfolio weighted average discount rate. This measure provides an indication of the portfolio's inflation protection. There is no near comparable in the financial statements

PPP
Public-private partnerships

PRI
The UN-backed Principles for Responsible Investment

PRIIPs
Packaged Retail and Insurance-based Investment Product

PwC
The Company's auditors PricewaterhouseCoopers CI LLP

RNS
Regulatory news service

ROSCO
Rolling stock leasing company

RPI
UK Retail Price Index

RTS
EU Commission's Regulatory Technical Standards relating to the SFDR

SCOPE 1 EMISSIONS
Direct emissions from owned or controlled sources

SCOPE 2 EMISSIONS
Indirect emissions from the generation of purchased energy

SCOPE 3 EMISSIONS
All indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions

SDGs
Sustainable Development Goals

SDR
The proposed UK Sustainability Disclosure Requirements

SFDR
The EU Sustainable Finance Disclosure Regulation

SID
Senior Independent Director

SIPPs
A self-invested personal pension

SONIA
SONIA is the effective reference for overnight indexed swaps for unsecured transactions in the Sterling market

SPV
Special Purpose Vehicle

TCFD
Task Force on Climate-related Financial Disclosures

THE COMPANY
International Public Partnerships Limited

TOCs
Train operating companies

TOTAL SHAREHOLDER RETURN ('TSR')
Non-GAAP measure. Share price appreciation plus dividends assumed to be reinvested since IPO. The total return based on the NAV appreciation plus dividends paid since the IPO. There is no direct reconciliation to the financial statements, being a calculation instead derived from the Company's share price. However, a nearest comparison where this measure based on a figure in the financial statements is provided in the Strategic Report, Investor Returns, Total Shareholder Return paragraph

TNFD
Taskforce on Nature-related Financial Disclosures

TRANSITION RISK
Transition risks include policy changes, reputational impacts, and shifts in market preferences, norms and technology. Transition opportunities include those driven by resource efficiency and the development of new technologies, products and services, which could capture new markets and sources of funding

UNGC
UN Global Compact

WACI
Weighted Average Carbon Intensity

WTW
Willis Towers Watson

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GY1 4BQ

Product name: International Public Partnerships Ltd (the "Company")
Legal entity identifier: International Public Partnerships Ltd (2138002AJT55TI5M4W30)

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☒ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Through its investments in infrastructure that support a sustainable society, the Company promotes environmental and social characteristics but does not have sustainable investment as its objective and does not invest in sustainable investments, as defined under the SFDR.

The Company has strengthened the alignment of its investment activity with the objectives of the Paris Agreement, the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD") and investments that positively contribute towards the UN Sustainable Development Goals ("SDGs").

In the course of the relevant reporting period, the Company ensured that these environmental and social characteristics were met in accordance with the Company's internal policies and procedures, and in the following ways:

(a) Sustainable Development Goal Alignment

The Company draws on the SDGs to demonstrate the positive environmental and social characteristics of its investments. Please refer to page 44 of this report for more information on the Company's approach to SDG alignment, and contribution during the period. This page highlights the primary SDGs that are supported by the Company's investments, alongside alignment of the full portfolio by fair value.

(b) Alignment with INPP Exclusion criteria

All investments met the Company's exclusion criteria, which are summarised below.

The Company did not invest in infrastructure projects or associated businesses that had not demonstrated the ability or willingness to manage current and future ESG risks effectively, unless as a result of its involvement, the Company determined it would be able to significantly improve its ESG credentials.

This means the Company did not invest in businesses or sectors relating to arms, tobacco, pornography, gambling, alcohol or any other sectors that have the potential to lead to human rights abuses. Equally, the Company did not invest in any infrastructure assets or associated businesses that had an unacceptable impact on the environment. The Company aligned its investment activities with the objectives of the Paris Agreement and did not invest in any infrastructure projects or associated businesses that do not have the potential to support/align with a low-carbon future.

Finally, the Company did not invest in infrastructure or associated businesses that have a track record of;

- *Corrupt practices;*
- *Poor governance and ethics practices; or*
- *Poor safety or environmental management.*

Except for the exclusions stated above, the Company does not typically exclude infrastructure companies, sectors or asset types based on any particular activity or ESG exposure. Instead, the Company prefers to engage with the investments in its portfolio and use its position to influence positive change.

(c) Alignment with INPP's minimum Governance standards

100% of the portfolio aligned with the Company's minimum Governance standards. Please refer to page 45 of this report for more information.

(d) ESG incorporated through the investment process

ESG was considered for all new investments, following the process summarised below.

The consideration of ESG risks and opportunities is a formal element of the investment origination process. Following a review against the Company's exclusion criteria, every investment opportunity underwent a *detailed screening and due diligence process, which considered both potentially negative and positive impacts. In line with international industry practice, potential investments were categorised as follows:*

- *Category A – Investments with the potential to cause adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented in the absence of mitigation;*
- *Category B – Investments with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures; and*
- *Category C – Investments with minimal or no adverse environmental and social risks and/or impacts.*

This categorisation then determined the level of due diligence undertaken.

For further information regarding ESG integration across the investment life cycle, please see page 10 of the Sustainability Report.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Information regarding the performance of the Company's investments against its Sustainable Development Goal alignment and sustainability indicators are provided on pages 37 and 40 of this report and pages 5 and 23 of the Company's Sustainability Report. In addition, 100% of investments met the Company's exclusion criteria, minimum governance standards and ESG incorporation into the investment process.

…and compared to previous periods?

Information regarding the performance of the Company's investments against its sustainability indicators, in comparison to the previous period, is provided on page 47 of this report and page 28 of the Company's Sustainability Report.

Similarly, we confirm that there is no change to meeting the Company's exclusion criteria, minimum governance standards and ESG incorporation into the investment process. Please see a comparison of Sustainable Development Goal alignment below.

	2024	*2023*
Patients treated in healthcare facilities developed and maintained by the Company	*>615,000*	*>610,000*
Students attending schools developed and maintained by the Company	*> 181,000*	*> 180,000*
Estimated equivalent number of homes powered by renewable energy transmitted through offshore transmission investments	*>3,700,000*	*>2,700,000*
Jobs supported across all investments	*>11,000*	*>10,400*
Annual passenger journeys through sustainable transport investments	*> 243,000,000*	*> 212,000,000*
The three components of the London Tideway Improvements will work conjunctively to reduce discharges in a typical year by about 37 million cubic metres	*37,000,000 m3*	*37,000,000 m3*

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Company promotes environmental or social characteristics but does not have as its objective sustainable investment.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

Not applicable.

As detailed in the section entitled "To what extent were the environmental and/or social characteristics promoted by this financial product met?", every investment opportunity undergoes a detailed screening and due diligence process during which the potential negative impacts that an investment may have on an environmental and/or social characteristic are further considered. Those investments with potential to cause environmental and social risks and/or impacts that are diverse, irreversible or unprecedented in the absence of mitigation are subject to a higher level of due diligence to ensure that any risks are sufficiently mitigated and opportunities realised.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January to 31 December 2023

Largest investments	Sector	% Assets	Country
Cadent	***Gas Distribution***	***16.1%***	***UK***
Tideway	***Waste water***	***15.0%***	***UK***
Diabolo	***Transport***	***8.1%***	***Belgium***
Angel Trains	***Transport***	***6.0%***	***UK***
OFTO – East Anglia	***Energy Transmission***	***4.3%***	***UK***
OFTO – Lincs	***Energy Transmission***	***3.6%***	***UK***
OFTO – Moray East	***Energy Transmission***	***3.2%***	***UK***
BeNEX	***Transport***	***3.2%***	***Germany***
Family Housing for Service Personnel	***Other***	***2.7%***	***US***
Reliance Rail	***Transport***	***2.5%***	***Australia***

What was the proportion of sustainability-related investments?

Not applicable – as noted above, the Company promotes environmental and social characteristics but does not have sustainable investment as its objective and therefore did not invest in sustainable investments, as defined under the SFDR.

Asset allocation describes the share of investments in specific assets.

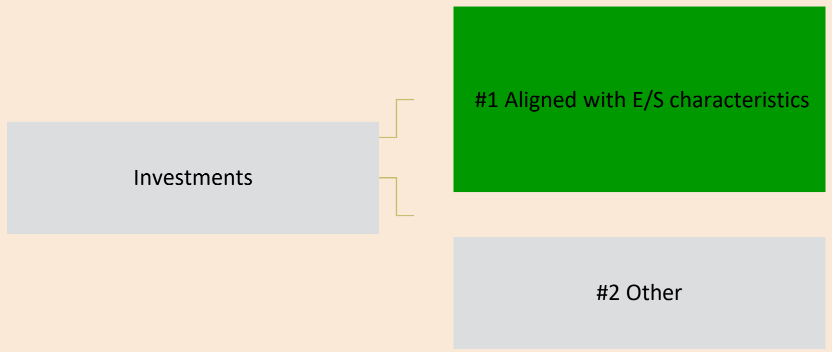
What was the asset allocation?

96% of the Company's investments were used to attain the environmental or social characteristics of the Company. The Company may hold cash reserves and/or enter into derivative transactions for the purposes of ancillary liquidity, ongoing portfolio management and hedging. Given the purpose of these investments, there are no minimum environmental and social safeguards applied to such investments. As noted above, for the reporting period, the value of such "other" assets related to 4% of the Company's investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

In which economic sectors were the investments made?

The Company's investments were in infrastructure assets, in the following sectors: energy, transmission, transport, education, gas distribution, waste water, health, family housing for service personnel, digital, courts and custodial.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

In accordance with the criteria for sustainable investments under the SFDR, the Company does not have a sustainable investment objective, nor has it committed to making sustainable investments. However, this Annual Report includes a summary of an internal assessment of the Company's investments based on the EU Taxonomy technical screening criteria outlined in the Delegated Regulation (EU) 2021/2139 ('Climate Delegated Act') and Delegated Regulation (EU) 2023/2486 ('Environmental Delegated Act'). For more information, please refer to page 27 of the Company's Sustainability Report.

48% of the Company’s investments, by portfolio value, were determined to be aligned with the EU Taxonomy, further to the Company's internal assessment and based on the information provided by the investment companies. Those Taxonomy-aligned investments contributed substantially to two of the environmental objectives under the EU Taxonomy: (i) climate change mitigation and (ii) sustainable use and protection of water and marine resources.

The Investment Adviser has determined that portfolio value is the most relevant indicator for calculating the Taxonomy-alignment of its investments in infrastructure assets. The Company's Investment Adviser has also sought to determine the proportion of Taxonomy-alignment using turnover, Capex and Opex, as required for the purposes of disclosing in accordance with the charts below. For the purpose of these calculations, the proportion of each Taxonomy-aligned investments' turnover, CapEx and OpEx that is Taxonomy-aligned was weighted according to the proportional value of the Company's total investments.

Climate change mitigation-aligned investments meet the following environmentally sustainable economic activities:

- *Transmission and distribution of energy*
- *Passenger interurban rail transport*

Sustainable use and protection of water and marine resources aligned investments meet the following environmentally sustainable economic activities:

- *Urban Waste Water Treatment*

As noted above, the charts below provide details of turnover, CapEx and OpEx for those investments estimated to be aligned with the EU Taxonomy. These investments include OFTOs, Reliance Rail, Diabolo, Gold Coast Light Rail (Climate Change mitigation) and Tideway (Sustainable use and protection of water and marine resources).

For completeness, the Company estimates that 54% of the portfolio is eligible for alignment with the EU Taxonomy. The Company’s Investment Adviser is working to identify those investments that are eligible for alignment with the EU Taxonomy but have not yet been determined to be aligned. They aim to gather greater evidence of policies and procedures in place to ensure that all underlying criteria are met. Therefore, the Investment Adviser has taken a conservative approach and determined that 0% of the Company's remaining investments are Taxonomy-aligned. A contributing factor is that a significant proportion of these investments are in the social infrastructure space, which is not considered under the current iteration of the EU Taxonomy and its technical screening criteria for environmentally sustainable economic activities.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

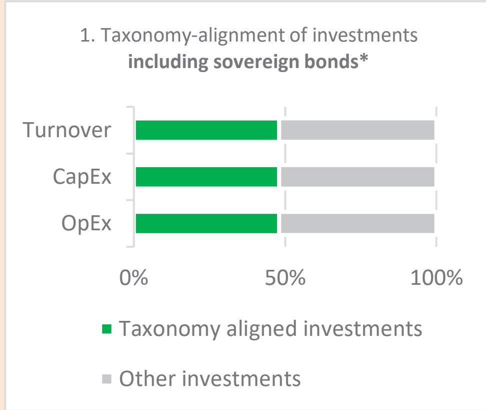
☐ In fossil gas ☐ In nuclear energy

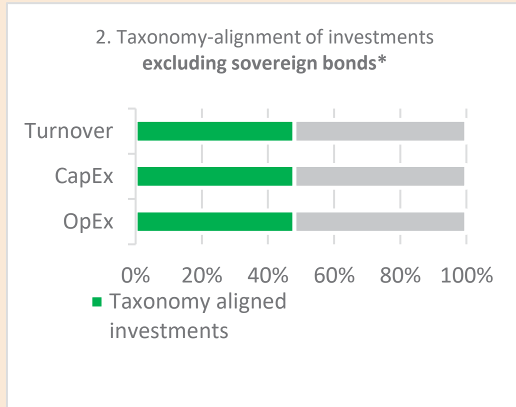
☒ No

Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory not in the left hand margin. The full criteria for fossil gas and nuclear energy economy activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures*

What was the share of investments made in transitional and enabling activities?

48% of investments made in the period were made in Taxonomy-aligned investments, including activities that in and of themselves contribute substantially to one of the six environmental objectives (28.31%) and enabling activities (19.32%).

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not previously monitored

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable

What was the share of socially sustainable investments?

Not applicable

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The Company may hold cash reserves and/or enter into derivative transactions for the purposes of ancillary liquidity, ongoing portfolio management and hedging. Given the purpose of these investments, there are no minimum environmental and social safeguards applied to such investments. As noted above, for the reporting period, the value of such “other” assets related to 3% of the Company’s investments.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

As noted above, the Company ensured that the environmental and social characteristics were met on a continuous basis, through the following mandatory practices and in line with the Company's internal policies and procedures:

(a) Sustainable Development Goal Alignment;

(b) Alignment with INPP Exclusion criteria;

(c) Alignment with INPP's minimum Governance standards; and

(d) ESG incorporated through the investment process.

Please refer to the Company's 2024 Sustainability Report for a full summary of actions taken to attain the environmental and social characteristics of the Company.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

The Company does not use a defined benchmark at this time.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable

- ***How did this financial product perform compared with the broad market index?***

Not applicable

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