20 November 2020

NEW ENERGY SOLAR (ASX CODE: NEW)

NEW RELEASES 2020 SUSTAINABILITY REPORT

New Energy Solar[1] (NEW) today released its 2020 Sustainability Report which details its work in the following key areas:

- Energy and climate change.
- Community engagement.
- Industry innovation and development.
- Health and safety of people and communities.
- Corporate governance and fiduciary duty to stakeholders.

The 2020 Sustainability Report has been prepared with reference to the Global Reporting Initiative and the Principles for Responsible Investing, internationally recognised reporting guidelines. The 2020 Sustainability Report is attached and is also available online at NEW's website (www.newenergysolar.com.au). As an award-winning sustainable investment business, NEW plans to publish an updated Sustainability Report on an annual basis.

For further information, contact:

Fleur Jouault Investor Relations, New Energy Solar

+61 405 669 632

Authorised for release by New Energy Solar Limited and E&P Investments Limited as responsible entity for New Energy Solar Fund.

About New Energy Solar

New Energy Solar was established in November 2015 to invest in a diversified portfolio of solar assets across the globe and help investors benefit from the global shift to renewable

[1] New Energy Solar Limited (Company), and E&P Investments Limited as responsible entity of New Energy Solar Fund (Trust), together New Energy Solar, the Business or NEW.

energy. The Business acquires large scale solar power plants with long term contracted power purchase agreements. In addition to attractive financial returns, this strategy generates significant positive environmental impacts for investors.

Since establishment, New Energy Solar has raised over A$500 million of equity, acquired a portfolio of world-class solar power plants, and has a deep pipeline of opportunities primarily across the United States and Australia. New Energy Solar's securities trade on the Australian Securities Exchange under the ticker, NEW.

New Energy Solar is a listed stapled entity consisting of New Energy Solar Fund (ARSN 609 154 298) and New Energy Solar Limited (ACN 609 396 983). For more information, visit: www.newenergysolar.com.au

New Energy Solar

Australia
Level 15, 100 Pacific Highway North Sydney NSW 2060
T 1300 454 801 F 1300 883 159

United States
One Liberty Plaza, 3rd Floor, New York NY 10006
T 646 860 9900

E info@newenergysolar.com.au W nes.com.au

New Energy Solar

SUSTAINABILITY REPORT

2020

CONTENTS

Disclaimer:

This Sustainability Report is intended to provide general information only and has been prepared by New Energy Solar Limited (**Company**) and E&P Investments Limited in its capacity as responsible entity (**Responsible Entity**) of New Energy Solar Fund (**Trust**) without taking into account any particular person's objectives, financial situation or needs. Investors should, before acting on this information, consider the appropriateness of this information having regard to their personal objectives, financial situation or needs. We recommend investors obtain financial advice specific to their situation before making any financial investment or insurance decision. Together the Company, the Trust and their controlled entities are referred to as 'New Energy Solar', 'NEW' or the 'Business'. Neither the Company, the Responsible Entity nor the Investment Manager give any warranty, make any representation as to, or accept responsibility for, its accuracy, reliability, timeliness or completeness now or in the future. While the information provided by New Energy Solar is believed to be accurate, New Energy Solar does not accept responsibility for any inaccuracy, or any actions taken in reliance on the information in this Report.

Noted entities:

E&P Investments Limited (ACN 152 367 649, AFSL 410 433) (**Responsible Entity**), New Energy Solar Fund (ARSN 609 154 298), New Energy Solar Limited (ACN 609 396 983), New Energy Solar Manager Pty Limited (ACN 609 166 645, CAR No. 1237667) (**Investment Manager**), E&P Funds Management Pty Limited (ACN 159 902 708, AFSL 450 257).

1. Letter From The CEO

This 2020 report is New Energy Solar's (**NEW** or the **Business**) third Sustainability Report.

Under the United Nations Sustainable Development Goals (**UNSDG**) guidelines "sustainable development has been defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs". New Energy Solar was established to both capitalize on and contribute to the world's increasing awareness of the impact of climate change and the need to better manage the world's resources for present and future generations. We are focused on sustainability both as an investor in the solar industry and also in the way we manage the Business. As an investor in and owner of assets that typically have 30 to 35-year lives, this long-term orientation toward sustainability is critical to our success.

There is no doubt that 2020 has been a very difficult year. In Australia the year began with unprecedented bushfires that resulted in the loss of lives and the widespread destruction of bushland and native flora and fauna. During the northern hemisphere summer, we have unfortunately seen similarly catastrophic bushfires on the west coast of the United States. Throughout the year, we have also experienced the impact of the COVID-19 pandemic which has devastated communities globally and has, thus far, been responsible for over one million deaths. The pandemic continues to disrupt global activity and, while detection and treatment has improved in many countries, deaths from the COVID-19 virus continue to be recorded. We have modified NEW's operations to ensure that the people managing, monitoring and repairing our solar assets are safe and yet remain engaged with each other and with our work. Our thoughts and best wishes extend to all our stakeholders in these fraught times.

NEW AND SUSTAINABILITY IN 2020

As has been the case in previous years, NEW is reporting on the environmental, social and economic impacts of its business with reference to the United Nations Principles for Responsible Investing (**PRI**). This regime requires entities to assess and actively manage the impact of their businesses on the management and preservation of the world's resources. NEW's adherence to the PRI regime is expected to be strengthened as the parent company of the Investment Manager has embarked on the process of becoming a signatory. It is expected this process will be completed in 2021. While NEW is confident that its business has sustainability at its heart, this commitment will reinforce work to establish sustainable supply chains, partner with responsible suppliers, observe and support anti-bribery and anti-slavery legislation and to perform risk assessment and due diligence when assessing contractors, service providers, and other counterparties.

By the beginning of 2020, construction activity in NEW's solar power portfolio was completed and all 16 solar power plants in the portfolio were operating. The clean energy output of the 772MW$_{DC}$[1] portfolio equates to the annual displacement of over 1,000,000 tonnes of CO_2[2], equivalent to removing 279,000 US and Australian cars from the road[3] or powering 224,000 US and Australian homes[4]. This represents a material contribution to the transition to a cleaner energy future and NEW uses its status as a clean energy provider to educate and advocate for the continued deployment of solar and zero-emissions energy technology. Specifically in that role, we have continued our partnership this year with forecasting software developers, trialing programs to enhance the efficiency of utility-scale solar and the accuracy of the information provided to electricity market operators as to the output of our plants.

NEW's operating solar power plants contribute to permanent employment and economic growth in the communities in which they operate. Each plant requires operations, maintenance and asset management personnel to ensure they run smoothly and to seamlessly deliver output to the local electricity utility network for the benefit of our customer offtakers. These roles contribute to the more than 600,000 people employed in the US[5] and the approximately 25,000 Australians[6] employed in zero-emissions energy. The growth of the clean energy sector has driven regional economic and employment growth in the US and in Australia.

Our engagement with the communities in which we operate has been necessarily restricted this year by the measures to contain the spread of the COVID-19 virus, although we have continued to provide community grants and to support our charity partner SolarBuddy to address global energy poverty.

Our team at New Energy Solar Manager, NEW's Investment Manager, has worked consistently throughout the year from their homes and the office, as government recommendations permit. The safety of NEW's investment management team and the personnel maintaining and running the plants and dispatching the output is essential. The health and safety focus during construction has transitioned to the implementation of operations and maintenance Safety and Health Management Plans for the operating plants. We have also worked to maintain regular and remote engagement with our people recognizing that lockdown and safety measures can be isolating.

Also of note this year, NEW has strengthened its governance framework with two new independent directors being appointed to the board of the responsible entity overseeing the Trust, recalling that the structure of NEW comprises a company and a trust stapled together. As a result, the board of the Responsible Entity has an equal number of independent and non-independent directors with an independent chairman and the Company board has a majority of independent directors, including an independent chairman.

1. Total portfolio of 772 MW$_{DC}$ includes plants that are wholly or partly owned by NEW
2. Estimates use the first year of each plant's electricity production once operational or acquired by the Investment Manager. Assumes all plants are owned by NEW on a 100% basis and that all plants are fully operational for the period. US CO_2 emissions displacement is calculated using data from the US Environmental Protection Agency's "AVoided Emissions and geneRation Tool" (**AVERT**). Australian CO_2 emissions displacement is calculated using data from the Australian Government – Department of the Environment and Energy
3. Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics
4. Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator
5. Environmental and Energy Study Institute FactSheet – Jobs in Renewable Energy, Efficiency, and Resilience (2019)
6. Renewable Energy Employment in Australia, University of Technology June 2020 prepared for the Clean Energy Council by UTS Institute for Sustainable Futures

RENEWABLE ENERGY GROWTH RESILIENT DURING COVID-19

As many of you will be aware, before the emergence of COVID-19 the outlook for renewable energy investment was very favourable. As with many industries, the emergence of the COVID-19 virus led industry commentators and forecasters to opine that investment in renewable energy would slow down. Certainly, the severe lockdown measures imposed by governments globally at different stages of the spread of the COVID-19 virus resulted in sharp falls in economic activity and commensurately sharp declines in the demand for electricity. The International Energy Agency estimates that global energy demand declined 3.8% in the first quarter of 2020 and that the declines were as high as 25% when countries went into full lockdowns in the first quarter[7].

A consequence of the sharp declines in demand for energy was that renewables achieved high levels of penetration in electricity systems globally. This was attributed to two main factors: significant levels of new renewable capacity coming online recently; and renewable energy being prioritized in the dispatch of power sources in electricity systems. The relatively low marginal operating costs of renewable generation enabled renewables to outbid fossil fuel generation in dispatch systems. Renewables were, in fact, the only fuel source to exhibit growth over the first quarter of 2020[8]. In contrast, in the US and in Australia, black coal-fired generation declined materially. In the US, low gas prices brought lower again by the pandemic, together with new renewable capacity, resulted in US coal power generation plunging 30% in the first half of 2020 and coal plants becoming increasingly uneconomic[9]. Similarly, in Australia, coal-fired generation reached its lowest level in the second quarter since 2014 due to reduced overall demand and displacement by lower-priced generation[10].

Also contrary to expectations at the outset of the pandemic, the development of new renewable generation appears to have continued without significant interruption. In most jurisdictions, electricity was deemed an essential service and work running, servicing and building generation assets was permitted to continue. In many instances this work was easily able to accommodate social distancing protocols.

Data from industry bodies[11] indicates that new solar energy projects under construction in the US appeared to experience very little disruption during the course of the year. The impending step down in the US federal investment tax credit meant that construction materials and components had been ordered and deployed to construction sites and the relative rapidity with which Chinese manufacturing activity resumed, meant that the world's largest manufacturer of solar panels could continue to supply new projects.

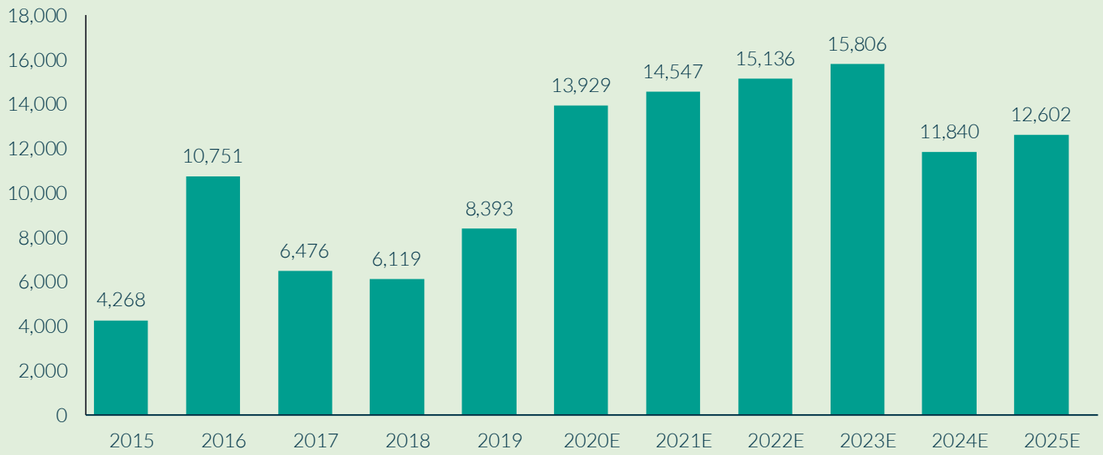
At the outset of the pandemic, market experts Wood Mackenzie and the US Solar Energy Industry Association expected renewable energy development activity to fall 9% below pre-pandemic expectations. In forecasts released at the beginning of September, those expectations were revised to a 6% fall and they follow data showing that the Q1 installation levels of solar represented the highest growth ever for US solar installations[12].

Even at this stage of the year with uncertainty as to the impact of the pandemic, Wood Mackenzie expects solar installations in 2020 to grow 37% year-over-year. In that number, residential installations have declined but the large-scale market has continued to grow[13].

In fact, Wood Mackenzie says that the volume of projects announced in the first six months of 2020 has resulted in the largest development pipeline for solar they have ever seen[14]. In the US, 2020 is expected to result in the installation of an additional 13.9 gigawatts of utility-scale projects compared to 8.4 gigawatts in 2019[15].

7 IEA Global Energy Review 2020, April 2020
8. IEA Global Energy Review 2020, April 2020
9. "US Coal Power Generation Plummets 30% in 2020, Energy Information Administration Says" Karl-Erik Stromsta, Greentech Media August 12, 2020
10. AEMO Quarterly Energy Dynamics Q2 2020
11. SEIA and Wood Mackenzie U.S. Solar Market Insight Full Report Q3 2020, September 2020
12. Greentech Media "US Solar Market Performed Better Than Expected During Pandemic's Worse Months" by Emma Foehringer Merchant September 10 2020
13. Greentech Media "US Solar Market Performed Better Than Expected During Pandemic's Worse Months" by Emma Foehringer Merchant September 10 2020
14. Greentech Media "US Solar Market Performed Better Than Expected During Pandemic's Worse Months" by Emma Foehringer Merchant September 10 2020
15. SEIA and Wood Mackenzie U.S. Solar Market Insight Full Report Q3 2020, September 2020

Figure 1: United States Annual Utility PV Installation Historical Data and Forecast, 2015-2025E



Source: Figure from SEIA and Wood Mackenzie U.S. Solar Market Insight Full Report Q3 2020, September 2020

GROWING GLOBAL POLICY SUPPORT FOR RENEWABLES

In Australia there appears to be little appetite in the Federal government for a comprehensive, forward-looking energy policy. A series of isolated policy initiatives indicates a preference for gas as the primary fuel for Australia's electricity system, with longer-term investment in research to commercialise the production of hydrogen.

Australia's position contrasts with that of many other industrialised nations. In Europe, the EU has recently announced that it will increase its 2030 emission reduction target from 40% to 55% and this is expected to drive growth in the renewables sector. It is also worth noting that the €672.5 billion European coronavirus recovery package requires 37% of the funds to be used for clean-energy objectives[16].

In the UK, The Climate Change Act enacted in 2008 contained the world's first legally binding national commitment to cut greenhouse gas emissions. The primary target in the legislation was amended in 2019 to specify that the UK will achieve net zero emissions by 2050. Under the legislation the government develops five-year carbon budgets that progress the country toward the primary net zero target. The first two budgets specifying emissions reductions below the base year, 2008-12 and 2013-17, have both been achieved[17].

In China, President Xi Jingping recently announced to the UN General Assembly in New York that China will aim to hit peak emissions before 2030 and for carbon neutrality by 2060. This represents a highly significant commitment from the rapidly growing economy that currently accounts for 28% of global emissions[18].

In late October this year, new Japanese Prime Minister Yoshihide Suga committed Japan to achieving net zero carbon emissions by 2050. He stated that a sustainable economy would be a pillar of his growth strategy for Japan and that the need to shift away from fossil fuels to counter climate change was an opportunity rather than a burden[19].

Two days after Japan's net zero commitment, South Korean President Moon Jae-in declared that South Korea would become carbon neutral by 2050. The South Korean leader noted that the commitment was part of its Green New Deal, a multibillion-dollar plan to invest in green infrastructure, clean energy and electric vehicles.[20]

In the US, the Democrats' climate policy proposes the investment of over US$2 trillion with the aim of eliminating carbon emissions from its power grid before 2050.[21]

Work by the International Energy Agency in their World Energy Outlook 2020 on the future development of the energy sector over the next ten years takes into account global policies and targets and suggests a range of scenarios. In all four of the scenarios detailed in the report, renewables see strong growth, with investment in solar comprising the main source of growth. The agency assumes that the current policy intentions and targets of governments globally, combined with cheap access to capital; and the fact that solar is a mature technology, now consistently cheaper than new coal- or gas-fired power plants in most countries; will ensure solar attracts significant investment.

There is no doubt that the energy transition is accelerating, and I am excited at the prospects for new energy technology and for progress in the world's attempts to curb the impact of climate change.

CONCLUSION

While this year has been very disrupted, our team at New Energy Solar has remained safe and has continued to work well and remotely. We remain convinced that solar has a large and fundamental role to play in the world's efforts to decarbonize and combat global warming and are heartily encouraged by the course of the energy sector transition.

Yours faithfully,

JOHN MARTIN
Chief Executive Officer

16. Greentech Media "EU's New 2030 Climate Target Signals Accelerated Renewable Deployment" John Parnell September 17 2020
17. Energy & Climate Intelligence Unit "How is the UK tackling climate change?"
18. BBC News "Climate change: China aims for 'carbon neutrality by 2060" Matt McGrath, 22 September 2020
19. "Japan will become carbon neutral by 2050, PM pledges" Mari Yamaguchi, Sydney Morning Herald, October 27, 2020
20. "South Korea joins Japan in making 2050 carbon-neutral pledge" Kim Jaewon, Nikkei Asia, October 28, 2020
21. "US Election Green New Deal 2.0, Will Biden's Build Back Better plan for US power work?" Dan Shreve, Head of Global Wind Energy Research, Power and Renewables Wood Mackenzie, August 2020

2. Sustainability Philosophy & Framework

SUSTAINABILITY PHILOSOPHY

NEW is aligned with the UNSDG approach to sustainability and believes that "for sustainable development to be achieved, it is crucial to harmonise three core elements: economic growth, social inclusion and environmental protection. These elements are interconnected and all are crucial for the well-being of individuals and societies."[22]

SUSTAINABLE DEVELOPMENT GOALS PROMOTED BY NEW'S BUSINESS PRACTICES

In 2015, the United Nations developed 17 Sustainable Development Goals (**SDG**) to enable individuals, organisations, corporations and government to implement, record and measure their approach to addressing global challenges including poverty, inequality, and climate change. In this Report, NEW uses the SDG symbols to indicate its business activities that contribute to these goals.

SUSTAINABILITY FRAMEWORK

INTRODUCTION

New Energy Solar's primary activity is investing in renewable energy plants that generate emissions-free power, contributing directly to the world's transition to a lower carbon economy. In addition to NEW's patently sustainable character, the Business also seeks to conduct its business in a sustainable way, to ensure that its impact on the communities in which it operates is positive, that its partnerships promote the goals of the UNSDG framework and that its stakeholders can measure its impact.

As an externally managed, stapled investment entity, it is important to note that NEW has a responsible entity board and a company board (**the Boards**) and no employees. NEW's assets are managed by New Energy Solar Manager Pty Limited (**Investment Manager**) which has a team of over 20 people. This team is dedicated to managing two solar investment funds, New Energy Solar and US Solar Fund. We refer to the investment management personnel as NEW's team in this Sustainability Report.

GOVERNANCE

Developing, implementing, managing and reporting on the Business' sustainability activities is undertaken by the Investment Manager, which reports to the Boards on a quarterly basis. The Business' policies, including those pertaining to sustainability, are reviewed by the Boards on an annual basis.

REPORTING

While the UNSDG provides guidance for the way in which NEW is operated and managed, the measurement of the Business' contribution to these goals is through sustainability reporting. NEW's sustainability reporting has been developed with reference to the Global Reporting Initiative (**GRI**) and the Principles for Responsible Investment (**PRI**) to ensure its format is particularly suitable for one of NEW's largest stakeholder groups, investors. This year NEW has investigated becoming a signatory to the PRI. As the Investment Manager is a wholly owned subsidiary of a larger diversified financial services group, it has been determined that the parent entity is best placed to be the PRI signatory for administrative ease. While subject to final determination, compliance is expected to be required by the Investment Manager with respect to NEW's reporting. Adhering to a single reporting regime should promote one of the goals of the PRI framework, namely, to ensure simpler, shorter and more consistent reporting. A program of formal reporting is expected to commence in 2021.

Pending the implementation of the UNPRI program, NEW's reporting is consistent with the goal of the PRI to understand the investment implications of environmental, social and governance (**ESG**) factors. These three criteria provide specific ways of thinking about the Business' initiatives and its impact and help standardise its reporting to align NEW with other groups focused on sustainability.

NEW believes that: it is imperative to develop clear goals; that the governance framework to ensure NEW operates to achieve these goals is also clear; and that the Business must implement a standardized approach to reporting progress against these goals. Reporting in this way will provide investors and counterparties with clarity around what NEW is doing and why.

22. United Nations Sustainable Development Goals

REVIEW

KEY TOPICS	WHAT WAS ACHIEVED THIS YEAR
Energy and climate change	New Energy Solar's portfolio is estimated to generate over 1,600,000 MWh of clean electricity each year[23], representing a material contribution to alleviating the impact of climate change. The portfolio production effectively displaces over 1,000,000 tonnes of CO_2 emissions[24], equivalent to powering over 224,000 US and Australian-equivalent homes[25], or removing 279,000 US and Australian-equivalent cars from the road[26]. Commitment to industry goals of promoting the transition to clean energy and minimising waste through recycling damaged and end-of-useful life solar PV panels.
Social impact	The provision of 1,600,000 MWh of clean energy for rural and metro communities. Employment in local communities to operate, maintain and repair the solar power plants and their sites and to liaise with grid system operators and offtakers to ensure dispatch of electricity from NEW's solar power plants. Engagement with local communities directed to bushfire services in Australia and the hosting of one education forum prior to the COVID-19 pandemic. Continued support of SolarBuddy charity, providing a light source to marginalised communities in developing countries.
Industry innovation and development	Participation in trials of forecasting software to promote the adoption and efficiency of renewable energy technology.
Health and safety of people and communities	New Energy Solar's commitment to the health and safety of its team, partners, and surrounding environment. Preventative and proactive approach when dealing with health and safety hazards. Reporting of site and workplace injury statistics.
Corporate governance and fiduciary duty to stakeholders	Two new independent directors, including chairman, appointed to Responsible Entity board which now has equal numbers of independent and non-independent directors. Company board has majority independent directors and independent chairman. Disclosure measures to meet the interests of stakeholders including investors, customers, financiers, government, and the community enhanced by indication that Investment Manager parent will become a PRI signatory.

ENVIRONMENTAL SOCIAL GOVERNANCE

23. Estimates use the first year of each plant's electricity production once operational or acquired by the Investment Manager. Assumes all plants are owned by NEW on a 100% basis and that all plants are fully operational for the period
24. Estimates use the first year of each plant's electricity production once operational or acquired by the Investment Manager. Assumes all plants are owned by NEW on a 100% basis and that all plants are fully operational for the period. US CO_2 emissions displacement is calculated using data from the US Environmental Protection Agency's "AVoided Emissions and geneRation Tool" (AVERT). Australian CO_2 emissions displacement is calculated using data from the Australian Government – Department of the Environment and Energy
25. Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator
26. Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics

3. About New Energy Solar

OVERVIEW OF NEW ENERGY SOLAR

KEY FEATURES	SUMMARY
New Energy Solar	New Energy Solar is an award-winning sustainable investment business focused on investing in utility-scale solar power plants and associated assets that generate emissions-free power. The Business currently focuses on assets with contracted cash flows primarily in the US and also in Australia.
Revenue generated by the Business	The Business generates revenue through directly or indirectly acquiring and operating utility-scale solar power plants. The solar power plants generate revenue by selling the electricity generated by the plants under long term (10+ years) PPAs with creditworthy electricity buyers (**Offtakers**). The Company and the Trust may acquire, directly or indirectly, project companies which own these power plants through different entity structures including subsidiary companies, sub-trusts and US or other offshore partnerships or companies. The Business may also acquire power plants alongside investment partners.
Investment objective	The Business' objective is to acquire utility-scale solar power plants and associated assets, which have contracted cash flows from creditworthy Offtakers, and to help investors generate positive financial returns and social impacts. Financially, these assets are expected to produce stable long-term cash flows, while from a social perspective, an investment in solar assets results in a significant reduction in emissions (relative to fossil fuel power). The Business' mandate allows investments in other types of renewable energy and related assets, however the current focus is on acquiring solar and associated assets.
Investment strategy	The Business seeks to acquire assets which, over their technical life, are expected to support gross portfolio returns of 7% to 10% p.a. (before taxes, management expenses, administration costs, and external corporate borrowing costs)[27]. It is important to note that the Business' distributions may be less than the actual or target returns of its assets. While the Business is currently focused on US and Australian opportunities, the investment mandate is global and investments will be considered in geographies with: supportive regulatory and legal arrangements; well understood solar resource; creditworthy Offtakers; and supportive foreign investment arrangements.

27. The Business may target assets outside this range where market conditions and other circumstances suggest it may be beneficial

KEY MILESTONES

2015

November
- Establishment of NEW

2016

December
- Second equity raising completed
- Acquisition of Stanford solar plant and TID solar plant

January
- Initial equity raising completed

2017

May
- NEW establishes permanent US office
- Acquisition of NC-47 solar plant

October
- US debt private placement completed
- Committed to acquire 130MW$_{DC}$ Rigel Portfolio

March
- Acquisition of NC-31 solar plant

June
- Announced distribution reinvestment plan
- Announced first distribution

December
- A$202m equity raise and listing on the ASX

2018

February
- Committed to acquire 200MW$_{DC}$ Mount Signal 2 plant
- Acquired interest in 125MW$_{DC}$ Boulder Solar I plant

June
- Agreement to acquire 56MW$_{DC}$ Manildra, NEW's first Australian plant
- NEW and Clean Energy Finance Corporation sign binding agreements for A$50m facility

May
- Committed to acquire minority interests in NC-31 and NC-47

July
- Agreement to acquire 111MW$_{DC}$ Beryl plant, NEW's second Australian plant
- Issuance of 18.5-year US private placement notes

August
- Construction commences at 200MW$_{DC}$ Mount Signal 2 plant

2019

May
- Announcement of a US$23m senior secured term loan

July
- Beryl solar plant executed its second PPA with Kellogg's

December
- Commissioning of the Mount Signal 2 solar plant, transitioning to a fully operational portfolio

February
- Completion of construction and commissioning of the eight Rigel portfolio plants in North Carolina and Oregon

June
- Beryl solar plant commences commercial operations
- Recapitalised existing debt into US$35m senior secured term loan and credit support

November
- Release of NEW's 2019 Sustainability Report

2020

June
- Announcement of the conditional sale of 50% of Mount Signal 2

September
- Announcement of strategic review

NEW:
- 2 offices, over 20 staff members
- Staff working remotely, to transition back to the office in time and having regard to official COVID-19 guidelines
- 772MW$_{DC}$ solar power plant portfolio valued at $1.3bn

KEY PORTFOLIO METRICS

Global portfolio of 16 solar power plants

Total portfolio capacity of over 772MW$_{DC}$[28]

16 sites operational

Capacity weighted average PPA term of 15.2 years[29]

Distributions totaling A$78m to investors since IPO

Generating more than 1,600,000 MWh of electricity annually[30]

Displacing >1,000,000 tonnes of CO_2[30, 31]

Equivalent to removing 279,000 US and Australian cars from the road[30,32]

...or powering 224,000 US and Australian homes[30,33]

28. Total portfolio of 772 MW$_{DC}$ includes plants that are wholly or partly owned by NEW

29. As at 30 September 2020, including all plants in the NEW portfolio and assumes the option to extend the Manildra PPA is exercised

30. Estimates use the first year of each plant's electricity production once operational or acquired by the Investment Manager. Assumes all plants are owned by NEW on a 100% basis

31. US CO_2 emissions displacement is calculated using data from the US Environmental Protection Agency's "AVoided Emissions and geneRation Tool" (AVERT). Australian CO_2 emissions displacement is calculated using data from the Australian Government – Department of the Environment and Energy

32. Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics

33. Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator

4. Industry

THE IMPACT OF COVID-19 ON ENERGY

The COVID-19 pandemic has wrought significant disruption generally, including in the energy sector, but it is unclear whether this period will represent a setback for the clean energy transition or a catalyst that accelerates the pace of change.

What is apparent is that the economic slowdown induced by the pandemic and measures to restrict its spread has led to lower levels of economic activity which have, in turn, impacted the demand for energy commodities and for electricity. The most recent and comprehensive analysis of energy data for 2020 comes from the International Energy Agency (**IEA**) which released its World Energy Outlook 2020 in October and this study has developed forecasts for the impact of the pandemic for the full 2020 year, as follows:

- Global energy demand will show a decline of 5%
- Global electricity demand will show a decline of 2%
- Energy-related CO_2 emissions will show a decline of 7%
- Energy investment will show a decline of 18%
- Demand for oil will show a decline of 8%
- Coal use will show a decline of 7%
- Demand for natural gas will show a decline of 3%
- Contribution from renewables will grow slightly

Contrary to all other fuel sources, the share of renewables in generation has, and is expected for the full 2020 year, to increase. This has come about because most renewable projects have long-term contracts and very low operating costs which facilitates priority access to the grid.

As to the longer term impact on energy commodities, energy majors such as BP are factoring long-term impacts from the pandemic into energy commodity prices, leading to downward revisions of BP's long-term price assumptions for oil and gas of 27% and 31% respectively, for the 30-year period from 2020 to 2050[34].

While the year is drawing to a close and the data that can provide definitive answers as to the scale of the impact of COVID-19 on energy consumption and production is emerging, the larger debate is around what the legacy of this period will be. Will it highlight the inflexibility of aging coal-fired generation? Will it irretrievably damage the risk and economics of fracking and resource extraction? Will it showcase the low cost and environmental advantages of solar and wind? Will the world resume with very little change?

To further the debate on these questions the IEA's World Energy Outlook examines the factors behind the demand for energy, the sources and costs of energy and the trends in energy investment across a range of scenarios. The scenarios depend on the pace with which the global economy emerges from the slowdown precipitated by the COVID-19 pandemic and on the world's determination to reduce emissions and implement clean energy alternatives to the current energy sources.

In a departure from previous annual outlooks, the report notes that the rising number of countries and companies committing to net-zero emissions is "a profoundly important development"[35] and accordingly the report also examines the scale of the change required to get the world to net zero by 2050.

Bloomberg New Energy Finance (**BloombergNEF**) has also released analysis as to the outlook for energy production and use in its New Energy Outlook 2020 looking at essentially two future scenarios. Firstly, the trajectory for energy use and the deployment of commercially available energy technologies on the basis of economic fundamentals, not policy, and secondly, a climate scenario to achieve a "well-below-two-degree emissions budget".

34. BP p.l.c. Group results second quarter and half year 2020

35. IEA World Energy Outlook 2020 Forward from Executive Director Dr. Fatih Birol

THE OUTLOOK FOR RENEWABLES

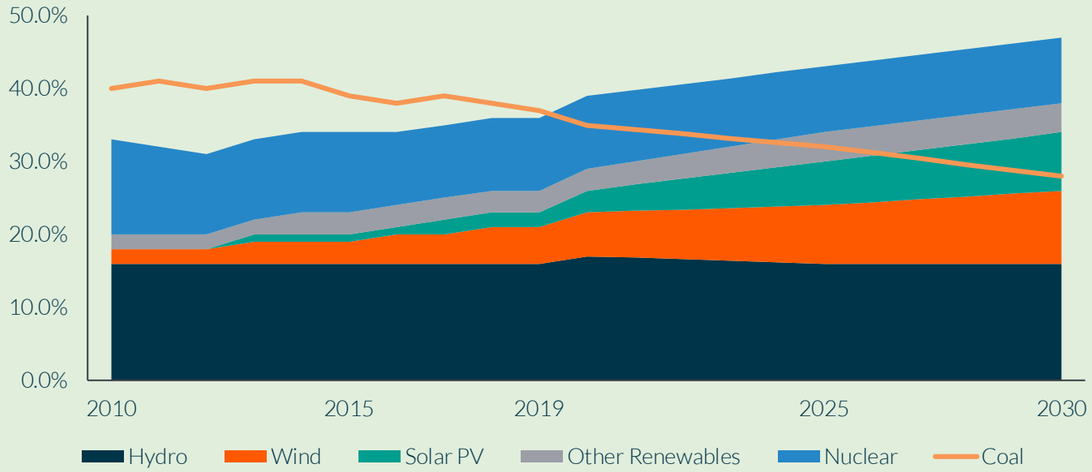
The outlook for renewables in all of the IEA scenarios commences from the position that power generation from renewables is the only major source of energy that has continued to grow in 2020 and that this establishes a pattern for the next decade.

If we look at the IEA scenario that could be viewed as the status quo framework, that is, the scenario that assumes current stated global policy settings and a return to pre-COVID-19 economic activity during 2021, renewables are anticipated to meet about 80% of the growth in global electricity generation over the next decade. Renewables are anticipated to eclipse coal, in terms of contribution to generation by 2025, assisted by falling costs, widespread resource availability and strong policy support – 166 countries now have targets for renewables in power[36].

The IEA report assumes that the growth of renewable electricity is largely unchanged from pre-COVID-19 levels and averages about 5% per year from 2019 to 2030. By 2030, renewables are expected to produce close to 12,500 TWh, which is 25% more than coal-fired generation at its peak in 2018.

Specifically for solar PV, it is assumed that the COVID-19 pandemic improves its uptake and deployment, both as a result of policy support and its status as the cheapest source of new electricity generation in most parts of the world. It is important to recall that average generation costs for solar PV have fallen 80% since 2010. Accordingly, the current policy settings scenario sees solar PV capacity growth of approximately 12-13% per year to 2030, resulting in 4.2 times more solar PV generation by 2030.

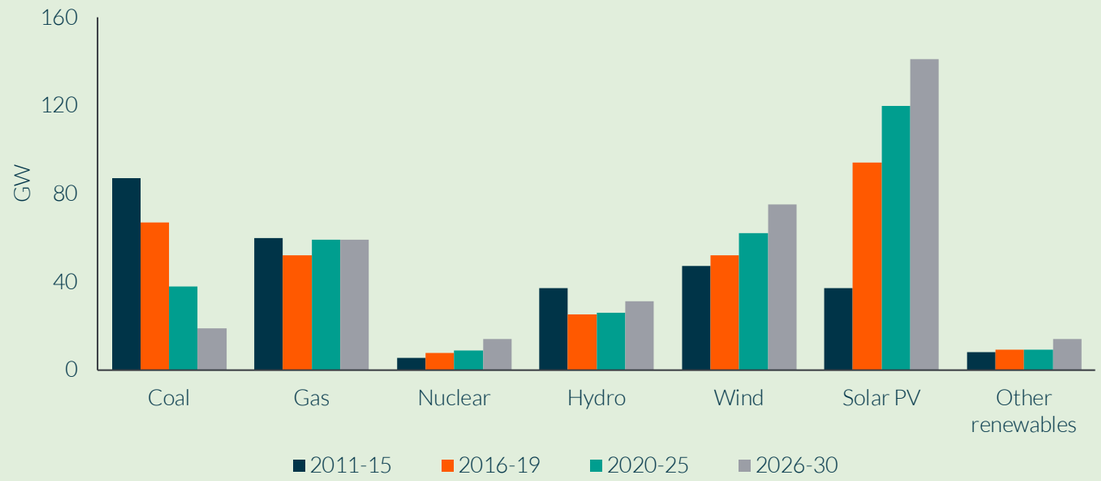
Figure 2: Renewables, nuclear and coal shares of global electricity supply in the stated policies scenario, 2010-2030



Source: Figure 6.7 from International Energy Agency (2020), World Energy Outlook 2020, IEA, Paris

Even in the IEA's analysis that assumes a delayed recovery from the COVID-19 pandemic, solar remains a cost-effective choice for new generation capacity underpinned by short construction times, low costs, ready availability of manufacturing capacity and the scope to materially reduce pollution.

Figure 3: Global average annual power capacity additions in the stated policies scenario



Source: Figure 6.8 from International Energy Agency (2020), World Energy Outlook 2020, IEA, Paris

In BloombergNEF's New Energy Outlook 2020, under the economic fundamentals scenario wind and solar PV supply 56% of electricity globally in 2050 with nuclear, hydro and other renewables providing a further 20%. Driven by the fact that either wind or solar are the cheapest new sources of electricity in countries making up 73% of world GDP: solar, wind and batteries increase renewable generation ten-fold over the next 31 years. BloombergNEF expects that unsubsidised renewables will become cheaper than running existing fossil-fuel power plants, undercutting coal in China in 2023-24 and gas in the US in 2024-25.

With respect to solar deployment, BloombergNEF expects it to grow 5.3% year-on-year, equivalent to an average annual deployment of 246GW. Over the very long-term, BloombergNEF expects wind to have an advantage over solar given it can meet residual evening hours more cheaply than solar and batteries.

SOLAR PV INSTALLATION IN 2020

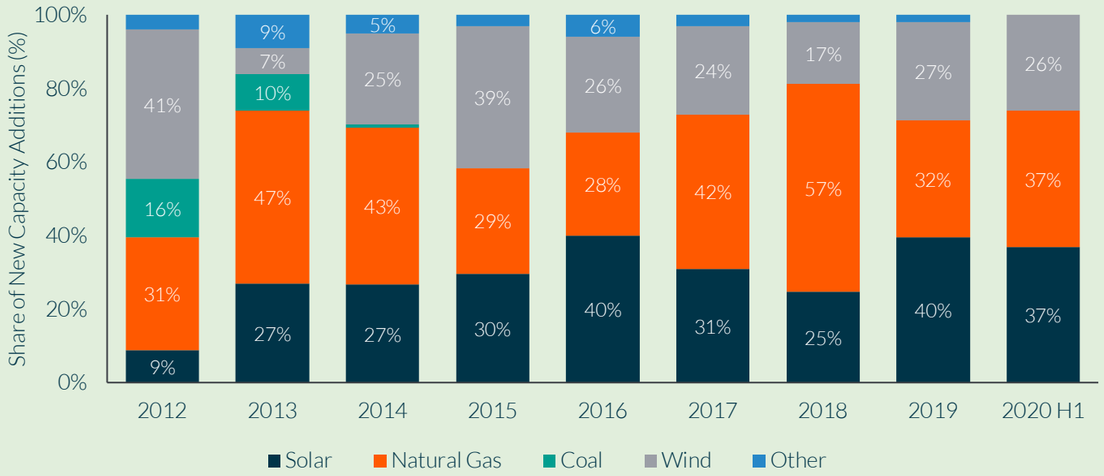
Growth in the deployment of solar in the first quarter of 2020 was largely unimpeded by the COVID-19 pandemic in the United States as only a small number of states had begun to implement shelter-in-place orders by the end of March 2020. The risks precipitated by the pandemic became evident in Q2 of 2020. In Q2, the US solar market installed 3.5 gigawatts-direct current (**GWDC**) of solar PV capacity, a 7% decline quarter-over-quarter but a 52% increase year-over-year and the largest Q2 ever. Of these additions, over 70% of capacity installed came from the utility-scale solar PV, which also broke a Q2 record with 2.5 GW installed. This brings utility-scale solar PV to a new milestone of more than 50 GW now in operation, compared to 1 GW in 2011.

Across all markets in the US, residential, non-residential and utility, solar PV accounted for 37% of all new electricity-generating capacity additions in the first half of 2020, similar to the share of new capacity added in 2019[37].

36. IEA World Energy Outlook 2020 p222

37. Data and chart extracted from Solar Energy Industries Association and Wood Mackenzie U.S. Solar Market Insight Q3 2020, September 2020

Figure 4: New U.S. electricity-generating capacity additions 2012-H1 2020



Source: Figure from SEIA and Wood Mackenzie U.S. Solar Market Insight Full Report Q3 2020, September 2020.

For the balance of the year the pace of installation of solar is not expected to match the Q1 record level of 3.62GWDC achieved in the 2020 first quarter, although year-on-year growth is expected to be high at 37%. Declines have already been evident in the installation of residential solar installation in the US which relies heavily on face-to-face engagement for customer acquisition and this has been restricted by the spread of the COVID-19 pandemic. In addition, in some states, such as New York, authorities instituted 'pause' measures across all construction activity. For the commercial solar sector, both ongoing construction and project development are anticipated to have also slowed down, particularly the permitting and zoning processes. In contrast, utility-scale solar deployment is expected to continue to grow as the high levels of procurement and demand for utility-scale solar PV appear likely to outweigh most of the current market headwinds. Some projects may have been postponed or delayed but the pipeline of contracted projects remains at high levels with over 83 GW of utility-scale solar expected to come online over the next five years[38]. Underpinning this demand are solar procurement targets set by utilities backing aggressive US state renewable targets. Factors resulting from the decline in economic activity and market uncertainty precipitated by COVID-19 which may slow growth include the availability of tax equity partners and the cost of debt in the US, both of which may contribute to increasing the cost of capital for utility solar projects.

In Australia, the Clean Energy Regulator expects 6.3 GW of renewable energy capacity will be delivered in 2020, equivalent to the amount delivered in 2019. Small-scale rooftop solar has continued to grow strongly with installations in the second quarter of 2020 reaching 677 MW, a 41% increase on the installed capacity in the second quarter of 2019. The regulator expects rooftop solar to reach 2.9 GW of installations, exceeding its previous estimate of 2.7 GW.

Unfortunately, the Australian Clean Energy Regulator does not provide equivalent data for utility-scale renewable capacity brought into operation. They do provide an expectation for 2020, stating that projects equivalent to 2 to 3 GW are anticipated to reach "financial close" in 2020 compared to the 3.9 GW of utility-scale renewable generation that was delivered in 2019[39]. It should be noted that to the end of June 2020, total committed utility-scale renewable capacity achieving "financial close" was only 837MW in Australia.

In both the jurisdictions in which NEW operates, the deployment of solar is continuing, although in Australia utility-scale investment in solar is expected to be lower in 2020 than it was in 2019.[40]

38. Solar Energy Industries Association and Wood Mackenzie U.S. Solar Market Insight Q3 2020, September 2020
39. Australian Government Clean Energy Regulator Quarterly Carbon Market Report for June Quarter 2020
40. "Solar, wind, storage investment collapses in Australia as risks on developers grow" Marija Marsh pv magazine August 19, 2020

5. Environmental, Social & Governance Performance

SUSTAINABLE DEVELOPMENT GOALS ADHERED TO IN NEW'S BUSINESS PRACTICES

Sustainability is a global opportunity and NEW's business practices do not exist in isolation.

In 2015, the United Nations created a blueprint to addressing global challenges including poverty, inequality, and climate change, with the 17 Sustainable Development Goals (SDG). Each goal has specific targets to be achieved with a 15-year timeframe (by 2030).

NEW has identified 12 United Nations SDGs that it can best contribute to. In this Report, NEW uses the SDG symbols to demonstrate the business activities that contribute to these specific goals.

New Energy Solar

ENVIRONMENTAL

NEW PORTFOLIO

New Energy Solar is a business facilitating the transition to a low-carbon economy and to the mitigation of the consequences of climate change by generating clean, emission-free energy and promoting maximum efficiency in the Business' operations. As at November 2020, NEW's portfolio comprised 16 operational solar plants.

NEW's 16 assets are responsible for displacing over 1,000,000 tonnes of CO_2 emissions, equivalent to powering approximately 224,000 US and Australian-equivalent homes[41], or removing approximately 279,000 US and Australian-equivalent cars from the road, every year[42]. A description of NEW's plants can be found below.

OPERATING SOLAR POWER PLANTS AS AT 30 SEPTEMBER 2020 – U.S. PLANTS

STANFORD SOLAR POWER PLANT (STANFORD)

1 STANFORD

Stanford is located on a 242-acre leased site in Rosamond, Kern County, California, which is approximately 120 kilometres north of Los Angeles. Stanford is located next to the TID solar power plant and commenced operations in December 2016. NEW acquired its substantial majority interest in Stanford in December 2016.

LOCATION	Rosamond, Kern County, California
GENERATING CAPACITY	67.4 MW_{DC} / 54 MW_{AC}
COD*	December 2016
PPA TERM	25 years from COD
PPA OFFTAKER	Stanford University
O&M SERVICE PROVIDER	NovaSource

157,000^ First Year Generation (MWh)

81,000+ Equivalent CO_2 displaced (tonnes)

23,900◊ Equivalent households powered

17,600° Equivalent cars displaced

*Commercial Operation Date

^ Generation is illustrative of the first 12 months of energy production based on the power plant's P50 forecast.

+ US CO_2 emissions displacement is calculated using data from the US Environmental Protection Agency's "AVoided Emissions and geneRation Tool" (AVERT). Australian CO_2 emissions displacement is calculated using data from the Australian Government – Department of the Environment and Energy.

◊ Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator.

° Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics.

41. Calculated using data from the US Environmental Protection Agency and the Australian Bureau of Statistics
42. Calculated using data from the US Energy Information Administration (principal agency of the US Federal Statistical System) and the Australian Energy Regulator

TURLOCK IRRIGATION DISTRICT POWER PLANT (TID)

2 TID

TID is located on a 265-acre leased site in Rosamond, Kern County, California, approximately 120 kilometres north of Los Angeles. TID is located next to Stanford and commenced operations in December 2016. NEW acquired its substantial majority interest in TID in December 2016.

156,800^ First Year Generation (MWh)

80,900+ Equivalent CO_2 displaced (tonnes)

23,900◊ Equivalent households powered

17,600˚ Equivalent cars displaced

LOCATION	Rosamond, Kern County, California
GENERATING CAPACITY	67.4 MW_{DC} / 54 MW_{AC}
COD	December 2016
PPA TERM	20 years from COD
PPA OFFTAKER	Turlock Irrigation District
O&M SERVICE PROVIDER	NovaSource

NORTH CAROLINA 43MW_{DC} SOLAR POWER PLANT (NC-31)

3 NC-31

NC-31 is located on a 196-acre leased site in Bladenboro, Bladen County, North Carolina, which is approximately 232 kilometres east of Charlotte, North Carolina. The plant commenced commercial operations in March 2017. NEW committed to acquiring a majority interest in NC-31 in August 2016 and acquired its interest in the plant in March 2017. NEW acquired the minority interests in NC-31 in July 2018.

LOCATION	Bladenboro, Bladen County, North Carolina
GENERATING CAPACITY	43.2 MW_{DC} / 34.2 MW_{AC}
COD	March 2017
PPA TERM	10 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc
O&M SERVICE PROVIDER	DEPCOM Power, Inc.

74,800^ First Year Generation (MWh)

52,500+ Equivalent CO_2 displaced (tonnes)

5,500◊ Equivalent households powered

11,400˚ Equivalent cars displaced

NORTH CAROLINA 48MW_{DC} SOLAR POWER PLANT (NC-47)

4 NC-47

NC-47 is located on a 260-acre leased site in Maxton, Robeson County, North Carolina, which is approximately 166 kilometres east of Charlotte. NC-47 commenced commercial operations in May 2017. NEW committed to acquiring a majority interest in the plant in October 2016 and acquired its interest in May 2017. NEW acquired the minority interests in NC-47 in July 2018.

81,000^ First Year Generation (MWh)

56,800+ Equivalent CO_2 displaced (tonnes)

6,000◊ Equivalent households powered

12,300˚ Equivalent cars displaced

LOCATION	Maxton, Robeson County, North Carolina
GENERATING CAPACITY	47.6 MW_{DC} / 33.8 MW_{AC}
COD	May 2017
PPA TERM	10 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	DEPCOM Power, Inc.

BOULDER SOLAR 1 POWER PLANT (BOULDER SOLAR 1)

5 BOULDER SOLAR 1

Boulder Solar 1 is located on a 542-acre leased site in Boulder City, Clark County, Nevada, approximately 50 kilometers south of Las Vegas. The plant commenced commercial operations in December 2016. NEW acquired a 49% minority interest in Boulder Solar 1 in February 2018.

LOCATION	Boulder City, Clarke County, Nevada
GENERATING CAPACITY	124.8 MW_{DC} / 100 MW_{AC}
COD	December 2016
PPA TERM	20 years from 1 Jan 2017
PPA OFFTAKER	NovaSource
O&M SERVICE PROVIDER	SunPower Corp., Systems

282,700^ First Year Generation (MWh)

222,800+ Equivalent CO_2 displaced (tonnes)

24,900◊ Equivalent households powered

48,400˚ Equivalent cars displaced

ARTHUR SOLAR POWER PLANT (ARTHUR)

6 ARTHUR

Arthur is located on a 35-acre leased site in Tabor City, North Carolina. The plant commenced commercial operations in July 2018.

11,400^ First Year Generation (MWh)

8,000+ Equivalent CO_2 displaced (tonnes)

800◊ Equivalent households powered

1,700° Equivalent cars displaced

LOCATION	Tabor City, North Carolina
GENERATING CAPACITY	7.5 MW_{DC} / 5.0 MW_{AC}
COD	July 2018
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	Cypress Creek Renewables O&M (**CCR O&M**)

CHURCH ROAD SOLAR POWER PLANT (CHURCH ROAD)

8 CHURCH ROAD

Church Road is located on a 21-acre leased site in Angier, North Carolina. The plant commenced commercial operations in August 2018.

7,900^ First Year Generation (MWh)

5,500+ Equivalent CO_2 displaced (tonnes)

600◊ Equivalent households powered

1,200° Equivalent cars displaced

LOCATION	Angier, North Carolina
GENERATING CAPACITY	5.2 MW_{DC} / 5.0 MW_{AC}
COD	August 2018
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	CCR O&M

BONANZA SOLAR POWER PLANT (BONANZA)

7 BONANZA

Bonanza is located a 57-acre leased site located 30 kilometres east of Klamath Falls, Oregon. The plant commenced commercial operations in December 2018.

LOCATION	Bonanza, Oregon
GENERATING CAPACITY	6.8 MW_{DC} / 4.8 MW_{AC}
COD	December 2018
PPA TERM	12.9 years from COD
PPA OFFTAKER	PacifiCorp
O&M SERVICE PROVIDER	CCR O&M

12,800^ First Year Generation (MWh)

10,100+ Equivalent CO_2 displaced (tonnes)

1,200◊ Equivalent households powered

2,200° Equivalent cars displaced

COUNTY HOME SOLAR POWER PLANT (COUNTY HOME)

9 COUNTY HOME

County Home is located on a 30-acre leased site located five kilometres southeast of Rockingham, North Carolina. The plant commenced commercial operations in September 2018.

LOCATION	Rockingham, North Carolina
GENERATING CAPACITY	7.5 MW_{DC} / 5.0 MW_{AC}
COD	September 2018
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	CCR O&M

10,800^ First Year Generation (MWh)

7,600+ Equivalent CO_2 displaced (tonnes)

800◊ Equivalent households powered

1,600° Equivalent cars displaced

HANOVER SOLAR POWER PLANT (HANOVER)

10 HANOVER

Hanover is located on a 45-acre leased site in Maysville, North Carolina. The plant commenced commercial operations in April 2018.

11,100^ First Year Generation (MWh)

7,800+ Equivalent CO_2 displaced (tonnes)

800◊ Equivalent households powered

1,700° Equivalent cars displaced

LOCATION	Maysville, North Carolina
GENERATING CAPACITY	7.5 MW_{DC} / 5.0 MW_{AC}
COD	April 2018
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	CCR O&M

HEEDEH SOLAR POWER PLANT (HEEDEH)

11 HEEDEH

Heedeh is located on a 21-acre leased site in Delco, North Carolina. The plant commenced commercial operations in July 2018.

LOCATION	Delco, North Carolina
GENERATING CAPACITY	5.4 MW_{DC} / 4.5 MW_{AC}
COD	July 2018
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	CCR O&M

8,000^ First Year Generation (MWh)

5,600+ Equivalent CO_2 displaced (tonnes)

600◊ Equivalent households powered

1,200° Equivalent cars displaced

ORGAN CHURCH SOLAR POWER PLANT (ORGAN CHURCH)

12 ORGAN CHURCH

Organ Church is located a 45-acre leased site located 15 kilometres northwest of Kannapolis, North Carolina. The plant commenced commercial operations in February 2019.

11,600^ First Year Generation (MWh)

8,100+ Equivalent CO_2 displaced (tonnes)

900◊ Equivalent households powered

1,800° Equivalent cars displaced

LOCATION	Organ Church, North Carolina
GENERATING CAPACITY	7.5 MW_{DC} / 5.0 MW_{AC}
COD	February 2019
PPA TERM	15 years from COD
PPA OFFTAKER	Duke Energy Progress, Inc.
O&M SERVICE PROVIDER	CCR O&M

PENDLETON SOLAR POWER PLANT (PENDLETON)

13 PENDLETON

Pendleton is located on a 44-acre leased site five kilometres west of Pendleton, Oregon. The plant commenced commercial operations in September 2018.

LOCATION	Pendleton, Oregon
GENERATING CAPACITY	8.4 MW_{DC} / 6.0 MW_{AC}
COD	September 2018
PPA TERM	13.2 years from COD
PPA OFFTAKER	PacifiCorp
O&M SERVICE PROVIDER	CCR O&M

11,900^ First Year Generation (MWh)

9,400+ Equivalent CO_2 displaced (tonnes)

1,100◊ Equivalent households powered

2,000° Equivalent cars displaced

MOUNT SIGNAL 2 SOLAR POWER PLANT (MS2)

1 MS2

MS2 is currently under construction in Imperial Valley, California. The plant is expected to reach commercial operations in December 2019. NEW announced its agreement to acquire MS2 in February 2018.

LOCATION	Imperial Valley, California
GENERATING CAPACITY	199.6 MW_{DC} / 153.5 MW_{AC}
COD	Q4 2019
PPA TERM	20 years from COD
PPA OFFTAKER	Southern California Edison
O&M SERVICE PROVIDER	First Solar

464,200^ First Year Generation (MWh)

239,500+ Equivalent CO_2 displaced (tonnes)

70,800◊ Equivalent households powered

52,000° Equivalent cars displaced

OPERATING SOLAR POWER PLANTS AS AT 30 SEPTEMBER 2020 – AUSTRALIAN PLANTS

MANILDRA SOLAR POWER PLANT (MANILDRA)

1 MANILDRA

Manildra is located on a 120-hectare leased site 1.5 kilometres north east of the Manildra town centre. The plant achieved full commercial operations in December 2018. NEW announced its agreement to acquire Manildra in June 2018.

118,300^ First Year Generation (MWh)

95,800+ Equivalent CO_2 displaced (tonnes)

23,000◊ Equivalent households powered

39,500° Equivalent cars displaced

LOCATION	Manildra, NSW
GENERATING CAPACITY	55.9 MW_{DC} / 46.7 MW_{AC}
COD	December 2018
PPA TERM	10 years from COD, with an option to extend to 2030
PPA OFFTAKER	EnergyAustralia
O&M SERVICE PROVIDER	First Solar

AUSTRALIAN PLANTS (CONTINUED)

BERYL SOLAR POWER PLANT (BERYL)

2 BERYL

Beryl is located in Central West NSW, approximately five kilometres west of Gulgong. The plant achieved full commercial operations in June 2019. NEW announced its agreement to acquire Beryl in July 2018.

199,200^
First Year Generation (MWh)

161,300+
Equivalent CO_2 displaced (tonnes)

38,800◊
Equivalent households powered

66,600°
Equivalent cars displaced

LOCATION	Beryl, NSW
GENERATING CAPACITY	110.9 MW_{DC} / 87 MW_{AC}
COD	June 2019
PPA TERM	15 years (Sydney Metro)[43] c. 7.5 years with option to extend to December 2029 (Kellogg's)[44]
PPA OFFTAKER	Sydney Metro (69% of generation) Kellogg's Australia (29% of generation)
O&M SERVICE PROVIDER	First Solar Australia

43. The Sydney Metro PPA represents approximately 69% of Beryl's generation during the 15-year term
44. The Kellogg's Australia PPA represents approximately 29% of Beryl's generation during the ~7.5-year initial term. Kellogg's Australia has an option to extend the term for three years until 31 December 2029

TACKLING SOLAR PANEL RECYCLING

As a sustainably-run business, New Energy Solar is conscious of its obligations to carefully consider and plan for the future disposal of solar panels. Given New Energy Solar's solar plants are relatively new, the Business has not yet had to manage the disposal of large quantities of solar panels. During construction and operation, the solar panels employed in NEW's plants have proven to be very robust and rates of damage and waste have been very low. For panels that have been damaged throughout the course of this year or are in need of replacement, New Energy Solar is in discussions with insurers and other relevant third parties to agree on a feasible disposal plan.

SOCIAL

CLEAN ENERGY

New Energy Solar owns solar power plants in local communities in the United States and in Australia. These solar power plants contribute to the provision of renewable energy in Australia and in the United States and, as a result, contribute to the displacement of carbon dioxide and other greenhouse gases. The contribution of each of our assets to reducing carbon dioxide is detailed on preceding pages 14 to 19 of this report.

In addition, NEW strives to make tangible contributions to the prosperity and development of the communities in which it operates and to progress the development of the renewable energy industry, through education and participation in research.

EMPLOYMENT AND ECONOMIC GROWTH

All of NEW's solar power plants are now operational and each plant offers long-term employment to operations and maintenance (**O&M**) contractors who operate, maintain and repair the plants and the sites on which they are situated and to asset managers who liaise with grid system operators and offtakers to ensure the dispatch of electricity from NEW's solar power plants. These roles offer important and meaningful employment in local communities and form an important part of the more than 600,000 people employed in zero emission technology industries in the US, including renewables and nuclear[45], and the at least 25,000 people employed in Australia in 2019 across renewable energy supply chains[46].

COMMUNITY CONTRIBUTIONS

In addition to New Energy Solar's contribution to employment and economic growth in the communities in which it operates, the Business also provides small grants directly to community organisations including local schools and not-for-profit groups. The Business has also hosted community days at its solar power plants, as well as conducted school group tours and education forums. All of these activities are designed to ensure NEW's plants and operations are well-understood in their communities and also to educate communities on the way in which energy technology and electricity production is advancing.

45. Environmental and Energy Study Institute FactSheet – Jobs in Renewable Energy, Efficiency, and Resilience (2019)
46. Renewable Energy Employment in Australia, University of Technology June 2020 prepared for the Clean Energy Council by UTS Institute for Sustainable Futures

SOCIAL (CONTINUED)

With respect to community grants in 2020, in Australia these grants were made in favour of the Rural Fire Service in light of the extraordinary work done by this service and its volunteers in fighting the catastrophic bushfires in Australia at the beginning of 2020.

In terms of community engagement and education, at the end of 2019 NEW hosted, at the Manildra solar power plant, a group of engineers from an Australian technology and engineering industry body specifically interested in the operational aspects of solar power plants. Unfortunately, this has been the extent of educational and community engagement forums conducted in the last 12 months, as a result of the restrictions and social distancing requirements implemented to contain the spread of the COVID-19 pandemic.

SOLARBUDDY PROGRAM

To make a positive contribution to communities and on significant global social issues through active participation and contributions (beyond NEW's primary operations of solar energy generation) is a goal for the Business. NEW and Australian charity, SolarBuddy, announced a partnership in May 2018 to assist communities suffering energy poverty. Energy poverty describes the lack of access to modern energy services including household electricity. Energy poverty is considered fundamental to fulfilling basic social needs, driving economic growth and fuelling human development. The United Nations and World Health Organization have found that the wealth and development of a nation is closely correlated to the type and extent of access to energy.

SolarBuddy estimates that 1.4 billion people around the world do not have access to modern electricity, with many resorting to burning large amounts of wood and toxic kerosene as their primary light source during the evening. NEW is proud to partner with SolarBuddy to address this problem through their two-pronged approach – education and illumination.

In developed countries, such as Australia, the initiative promotes energy poverty education, providing children in schools with the opportunity to build SolarBuddy solar lights. The SolarBuddy solar light is the world's first and only LED solar light that can be assembled by a child as young as seven years. The light comprises a high UV resistant plastic and a tough rubber encasement designed to prolong usage. Since 2016, over 130,000 students across 500 schools and 21 countries have participated in the SolarBuddy Education Program; building lights and distributing them to marginalized communities around the world.

These solar lights have also been used by Non-Governmental Organisations (**NGOs**) including Australia Aid, Red Cross and the United Nations. To date, over 500,000 lives have been illuminated by SolarBuddy solar lights.

In 2020, the distribution of lights to communities in countries experiencing energy poverty has been significantly curtailed as a result of the COVID-19 pandemic and the consequent travel bans. SolarBuddy has continued to work with their NGO partners to get lights distributed as best they can. The goal this year was to reach the target of distributing 150,000 lights since the inception of SolarBuddy which would have entailed distributing 30,000 lights this year. Achieving this goal by the end of 2020 will be difficult but SolarBuddy has introduced some innovative ideas to ensure lights continue to be assembled and provided to their NGO partners.

SOCIAL (CONTINUED)

A new program called FamilyPack saw light assembly packs delivered to Australian homes in lockdown, enabling parents and children to come together and construct the lights at home while work and schools were closed down. Similarly, some of their corporate programs were conducted virtually, all with a view to getting lights into the hands of the children that need them most. We look forward to SolarBuddy being able to resume their work directly in communities as soon as possible.

INDUSTRY INNOVATION AND DEVELOPMENT

New Energy Solar is also actively involved in developing the renewable energy industry and in promoting innovation in the sector, participating in research trials to test and further advance technology to improve solar energy efficiency and operation.

At NEW's Beryl solar power plant, NEW has been working with Solcast as a trial site for short-term production forecasting using a multi-model forecasting system utilizing the Australian Energy Market Operator (**AEMO**) self-forecasting interface. After an 8-week assessment period, AEMO reviewed the test outcome and confirmed the forecasting system was accurately forecasting production. Beryl now operates with the self-forecasting system which contributes to the stability and management of the electrical system as a whole.

At Manildra, NEW is working with Industrial Monitoring & Control (**IMC**) to implement short-term production forecasting. The 8-week assessment period commenced in September 2020. The configuration of Solcast and IMC are similar in principle, with some difference in the algorithms being applied to predict the project generation. Subject to the outcome of the trial, Manildra is expected to implement the self-forecasting system in the same way as has been successful at Beryl.

HEALTH AND SAFETY

New Energy Solar is committed to protecting the environment, and the health and safety of the Investment Manager's employees (the NEW team) and NEW's contractors, customers, stakeholders, and the communities in which NEW operates. We recognize that by integrating sound environmental, health, and safety management practices into all aspects of our business, we can construct, operate, and maintain our renewable power generation plants responsibly and profitably, while conserving and enhancing resources for future generations.

NEW's solar power plants are generally located in rural areas and the health and safety of the NEW team, NEW's contractors and service providers, as well as the health and safety of the surrounding communities are of pivotal importance to the Business. The solar power plants are often adjacent to farm properties and contain high voltage and transmission equipment, meaning any accident could threaten peoples' well-being and could result in damage to property, environmental issues, endangerment of wildlife, reduced plant availability, and loss and reputational impacts. As such, health and safety are firmly ingrained in all processes of the Business and we strive for continuous improvement in our systems and in the efficacy of our operations, programs and processes. It is NEW's objective to have an injury free workplace, which is achievable via appropriate policies and procedures, and an emphasis on safety culture throughout the Business.

HEALTH AND SAFETY (CONTINUED)

With all of NEW's solar power plants now operating, the focus of health and safety for the Business is on the security and management of, and work done on, the site by each plant's O&M contractor and their sub-contractors. Upon appointment of O&M contractors for a plant, a Safety and Health Management Plan is implemented. These plans provide personnel working at the site with a framework for addressing safety and health in the workplace with the goal of preventing any fatalities, injuries, illnesses and equipment damage. The approach is based on the principle that nearly all worksite fatalities, injuries and illnesses are preventable.

Safety and Health Management Plans specifically designate roles and responsibilities for the O&M contractor personnel to ensure a safety and health committee is put in place comprising contractor management and employees. Specific reporting requirements and the need for consultation with NEW as the plant owner is also set out, together with a general provision enabling reasonable access for NEW to the O&M contractor's health and safety records and reports.

The O&M safety and health committees covering NEW's sites are tasked with developing a system for identifying and correcting hazards; conducting regular workplace inspections; planning for foreseeable emergencies; providing training on safety practices and hazards and the correct use of equipment; and establishing and enforcing disciplinary measures in the event the plan policies are violated or not adhered to.

Of paramount importance in these plans is the requirement to report and investigate all safety incidents. On site, all injuries and incidents must be reported immediately. Reporting is followed by a well-documented investigation process, detailed report, and corrective action. Investigation procedures are designed to identify and control the causes of all incidents in order to prevent their recurrence, and also to identify any shortcomings in the Safety and Health Management Plan applicable to that site. Safety incident procedures must also be consistent with and meet the requirements of the US Department of Labor's OSHA Division for NEW's plants in the United States and the Work Health and Safety Act legislation and practices of SafeWork NSW for NEW's plants in Australia.

Also important are the inspection and training regimes outlined in Safety and Health Management Plans. Recognising and correcting hazards both through intermittent and systematic inspection programs assists to ensure workplaces are safe. Similarly, providing O&M employees with appropriate training to understand hazards and risks and to act and operate carefully and safely is essential.

INJURY REPORTING

In the period 1 July 2019 to 30 June 2020 there were two recordable injuries on NEW sites. In August 2019, there was a personnel safety incident on the Beryl site in New South Wales. A member of the O&M contractor team sustained injuries to his hand and to his head during inverter maintenance. The team member injured was treated and the appropriate investigations were undertaken to ensure strict adherence to the safety practices on that site. The second incident occurred at Mount Signal 2 in October 2019 and involved a vehicle being used by Swinerton, the Engineering, Procurement and Construction partner. The injury sustained was not significant and NEW oversaw an investigation and comprehensive reviews that lead to corrective actions being implemented immediately after the incident.

During this period, there were also three non-injury safety incidents involving grass fires that fortunately, resulted in no personnel injuries. NEW's underlying philosophy is that all injuries and accidents can be prevented. The Business remains committed to providing a safe and healthy environment for the benefit of all personnel working on NEW sites, for proximate communities, and for stakeholders alike.

GOVERNANCE

The NEW Boards recognise the importance of strong corporate governance, particularly with respect to implementing sustainable business practices, and are committed to high standards of governance and compliance. The composition of the Boards reflects this commitment and, in December 2019, the Trust appointed two new independent directors to the board of its Responsible Entity, including to the role of chairman of that board. These appointments mean that the Responsible Entity board comprises two non-independent directors and two independent directors, with the independent chairman having the casting vote. It should be noted that NEW's Company Board has a majority of independent directors, including an independent chairman.

With respect to corporate governance standards, the Boards, where appropriate, benchmark the Business against the 3rd Edition of the Corporate Governance Principles & Recommendations issued by the Australian Stock Exchange Corporate Governance Council (**ASX Recommendations**). The Boards' corporate governance practices have been documented in the Corporate Governance Charter, which is made available to securityholders on the NEW website, and other formal internal policy documents. The Boards have adopted the following governance framework, which has been prepared with regard to the ASX Recommendations. The policies are reviewed and updated at least annually by the Boards and some are reported on in the Corporate Governance Statement, which is included in the annual report each year.

CORPORATE GOVERNANCE POLICIES

- Continuous Disclosure
- Security Trading Policy
- Code of Conduct
- Diversity Policy
- Risk Management System
- Risk Appetite Statement
- Financial Risk Management Policy & Framework
- Capital Management Framework
- Whistleblowing Policy
- Audit & Risk Committee Charter
- Anti-bribery and Fraud Policy
- Risk Assessment Matrix
- Conflicts Management Policy
- Renewable Energy Asset Valuation Policy
- Related Party Disclosure Summary (which includes a conflicts of interest register)
- Board Policy
- Insider Trading Policy
- Work Health & Safety Policy

The Trust and the Company are disclosing entities for the purposes of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and will be required to comply with the continuous disclosure regime under the Corporations Act. As such, the NEW Boards have established internal systems and procedures to ensure that timely disclosure is made to securityholders. In addition to its continuous disclosure obligations, NEW has a policy of keeping all securityholders informed, including providing information on all major developments affecting NEW's activities, releases to the media and despatch of financial reports.

Information relating to NEW's governance and all ASX announcements made to the market, including annual and half-year financial results, are placed on the NEW website.

In addition to the above, NEW looks to enhance its disclosure by adhering to the Australian Securities & Investments Commission (**ASIC**) Regulatory Guide 231 – Infrastructure Entities (**RG231**). RG 231 consists of nine benchmarks and 11 disclosure principles designed to strengthen investor confidence and enable investors to better understand the characteristics of infrastructure entities and the risks associated with them. NEW addresses all nine benchmarks and 11 disclosure principles via its RG 231 disclosure, which can be found on the NEW website.

NEW has also continued its efforts to assess board composition, and actively facilitate a more diverse and representative management structure. The NEW Boards include in the Corporate Governance Statement a summary of NEW's progress towards achieving the measurable objectives set under the Diversity Policy for the year to which the annual report relates and the number of female directors on the Company Board.

The NEW Boards have established a comprehensive compliance framework. This includes the maintenance by the Responsible Entity of a compliance plan (which is externally audited every year) that sets out how the Responsible Entity will ensure compliance with both the Corporations Act and the Trust constitution. A compliance committee has also been established to monitor compliance with the compliance plan. The committee itself is comprised of three members, two of which are external representatives and are independent of the Responsible Entity.

Any breaches of policies and procedures will be reported in accordance with NEW's established reporting procedures. The reporting procedures may involve reporting the breach directly to the NEW Boards or to ASIC, depending on the seriousness of the breach.

TRANSPARENCY AND ANTI-CORRUPTION

The governing values of NEW's culture include integrity, honesty, and professionalism, which are essential to uphold NEW's reputation in the industry and by extension, its success. As such, demonstrating transparency and professional rigour is essential in all of NEW's activities across its office locations and solar plants.

The NEW Boards have adopted a Whistleblowing and an Anti-bribery and Fraud Policy consistent with their obligations under the Corporations Act and ASX Recommendations.

As part of its investment philosophy, NEW places emphasis on environmental and social factors when making investment selection, retention, and disposal decisions. Labour standards and ethical factors, including the impact of the Commonwealth and the New South Wales anti-slavery legislation[47], are also considered when making these decisions. NEW does not use specific criteria or mechanisms for measuring the success of its approach to these factors and standards.

47. The Modern Slavery Act 2018 (NSW) has not yet commenced and so its directions are not in force

6. About This Report

Report Scope: New Energy Solar's Sustainability Report describes its work in the following key areas:

- Energy and climate change
- Community engagement
- Industry innovation and development
- Health and safety of people and communities
- Corporate governance and fiduciary duty to stakeholders

This report is prepared with reference to the GRI, and the PRI, internationally recognised reporting guidelines.

Boundaries: This Sustainability Report focuses on NEW's global operations (encompassing its operations in the US and Australia), except where indicated.

Reporting Year: NEW has reported data relating to the year from 1 July 2019 to 30 June 2020 unless otherwise noted. In some cases, data and information may include programs and activities underway or introduced in the period since 30 June 2020, as indicated.

Currency: All references are to currency are in Australian dollars, unless otherwise indicated.

Reporting History: This is New Energy Solar's third annual Sustainability Report.

Contact: Please direct questions on this Sustainability Report or topics related to NEW's corporate responsibility disclosures to info@newenergysolar.com.au.

Environmental Impact Calculator: Find out what your New Energy Solar Investment could mean for the environment.

newenergysolar.com.au/calculator