

# Long-Term Development Strategy

With global investments in energy generation, transmission and distribution across four continents, Power Assets serves millions of customers with power and heating.

## Grow shareholder value in fields of expertise



The Group aspires to deliver long-term earnings growth through investing in a portfolio of carefully selected companies. Supported by our loyal base of committed shareholders who share this ethos, Power Assets pursues this goal by addressing itself to sectors where it has a natural expertise, within stable, well-structured international markets: namely, renewables, energy-from-waste, electricity, and gas infrastructure businesses.

We actively invest in innovation to increase the value that our operating companies deliver in an evolving energy world. Our research and development focus mirrors our areas of expertise and seeks to improve our performance therein: namely decarbonisation, storage and transmission of renewable energy, support for distributed power generation, smart metering and grid technology, carbon dioxide management and energy efficiency.

**Underpinning our growth and future development are three key principles.**

## Pursue global diversification while minimising risks



Power Assets' approach to expanding its portfolio is active but disciplined. First we identify and rigorously evaluate suitable opportunities that operate in stable, well-regulated energy markets around the world to deliver progress with minimal impact on investor risk. We target enterprises that yield steady revenues under government regulation, or whose income is safeguarded by long-term power purchase agreements. Our due diligence process ensures that the technologies, sources of fuel and customer base of potential investments are proven and sustainable.

The Group is active in Europe, North America, Asia and Australia to minimise exposure to the economic cycles of any one single market.

## Maintain a strong balance sheet as a foundation for agility



Power Assets believes that a strong balance sheet is the foundation of sustainable growth. Since 2018, we have maintained a long-term issuer credit rating of "A" from Standard & Poor's in recognition of our prudent financial management. Our A credit rating and strong cash position give us sufficient financial power to be agile while pursuing appropriate opportunities.