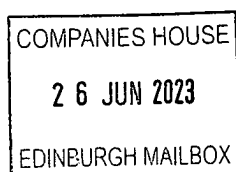




Partnership
Accounts

Partnership
Accounts



SLCP (General Partner Infrastructure I) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Registration number: SC473803



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Company Information

Directors	R J Pim N C Dolby G K W Dunbar D J Helmsley I Walker
Company secretary	abrdn Corporate Secretary Limited
Registered office	1 George Street Edinburgh Scotland EH2 2LL
Auditor	BDO LLP Citypoint, 65 Haymarket Terrace Edinburgh EH12 5HD

Directors' Report for the year ended 31 December 2022

The Directors present their annual report together with the audited financial statements of SLCP (General Partner Infrastructure I) Limited ("the Company") for the year ended 31 December 2022.

The Directors have taken advantage of the small companies exemption provided by Section 414B of the Companies Act 2006 and have not prepared a Strategic Report.

Business review and future developments

The Company's principal activity is to act as a General Partner of SL Capital Infrastructure I GP LP. ("the GP LP"), which is the General Partner of SL Capital Infrastructure I LP, the company is also the General Partner of SLCI I Executive Co Investment Limited Partnership and SLCI Rail Co-invest LP (together with SL Capital Infrastructure I LP, "the Funds"), whose activity is to make infrastructure investments, primarily in Europe. The Company has entered into a management agreement with abrdn Capital Partners LLP ("aCP"), authorising it to manage the business of the Funds.

The Company is part of abrdn plc ("abrdn plc" or, together with its subsidiaries, "the abrdn Group"). There are no plans to change the principal activity of the Company.

Directors of the Company

The Directors, who held office during the year, were as follows:

R J Pim

N C Dolby (appointed 21 March 2022)

G K W Dunbar (appointed 21 March 2022)

D J Helmsley (appointed 21 March 2022)

I Walker (appointed 21 March 2022)

Stewart Hay (resigned 10 March 2022)

The Company's ultimate parent company, abrdn plc maintains directors' and officers' liability insurance on behalf of its directors and officers.

Company secretary

The Company secretary during the year, was as follows:

abrdn Corporate Secretary Limited

Result for the year

The result for the year ended 31 December 2022 is a profit after tax of £nil (2021: £nil).

Directors' Report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks.

The abrdn Group, of which the Company is a part, has an Enterprise Risk Management ("ERM") framework comprising three lines of defence; the first being day-to-day risk management, including identification and mitigation of risks and maintaining appropriate controls; the second being oversight from the abrdn Group Risk and Compliance function, which reports to the Chief Risk Officer; and the third being the Internal Audit function, reporting to the Chief Internal Auditor, which independently verifies systems of control.

The ERM framework underpins risk management throughout the abrdn Group, including the Company, which has evolved to ensure it keeps pace with industry best practice and risk profile of the abrdn Group. In 2022, improvements to the framework included refinements to the risk appetite framework, extending our risk taxonomy, refocusing Risk and Control Self Assessments, reviewing our Conflicts of Interest framework and reviewing our policy register.

The principal risks and uncertainties facing the Company are integrated into the principal risks of the abrdn Group and are therefore not managed separately. The principal risks and uncertainties of abrdn plc, which include those of the Company, are detailed below:

Strategic risk

These are risks that could prevent the achievement of strategic aims and successfully delivering business plans. These could include failing to meet client expectations, poor strategic decision making, poor implementation or failure to adapt. We continued to develop our single global brand during 2022. These risks have been managed through assessing emerging risks so that action can be taken in a timely and proportionate manner to mitigate these, including detailed stakeholder engagement plans to manage the transition to the new brand and ensuring each business unit has a clear organic growth strategy.

Financial risk

This is the risk of having insufficient resources, suffering losses from adverse markets or the failure or default of counterparties. It could be influenced by inflows and outflows, global market trends, as well as margins on investment mandates. Capital is held against identified risks which are reviewed on an ongoing basis.

Directors' Report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties (continued)

Third party management

Activities to suppliers are outsourced with specialist capabilities which means there is exposure to the risk of third parties failing to deliver in line with contractual obligations. The abrdn Group Third Party Risk Management framework is well embedded and continues to evolve in line with external developments, industry practice and regulatory developments.

Going concern

The Company traded during the period but exists to make no profit or loss. This is because all regulated investment management activity pertaining to the vehicle is delegated to another abrdn Group undertaking, aCP. Consequently, any profits or losses in the Company are absorbed by aCP. Amounts payable to aCP are net of operating costs, so these would be reduced should the Company incur additional operating costs. Consideration has also been given to the going concern assessment of the abrdn Group.

Dividends

The Directors recommended and paid dividends of £nil in 2022 (2021: £nil) to the Company's immediate parent, namely abrdn CP (Holdings) Limited.

Political donations

It is the Company's policy not to make donations for political purposes.

Independent auditor

Following the transition from KPMG LLP, BDO LLP was appointed as auditor in accordance with Section 485 of Companies Act 2006.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Modern slavery act

As a global investment company, abrdn plc wants to do all it can to help tackle human trafficking, forced labour, bonded labour and child slavery by focusing on its operations, supply chain and investment process. abrdn plc has published a modern slavery statement, reinforcing its commitment to this important issue. This can be found on the abrdn plc website.

Directors' Report for the year ended 31 December 2022 (continued)

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Approved by the Board on 1st June 2023 and signed on its behalf by:



Dominic Helmsley
Director

Independent Auditor's Report to the Directors of SLCP (General Partner Infrastructure I) Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its nil profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of SLCP (General Partner Infrastructure I) Limited ("the Company") for the year ended 31 December 2022 which comprise Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

Independent Auditor's Report to the Directors of SLCP (General Partner Infrastructure I) Limited (continued)

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report to the Directors of SLCP (General Partner Infrastructure I) Limited (continued)

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

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


We gained an understanding of the legal and regulatory framework applicable to the Company and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These laws and regulations included but were not limited to compliance with the Companies Act 2006 and UK accounting standards.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

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Chris Meyrick (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor

BDO LLP
CityPoint
65 Haymarket Terrace Edinburgh, EH12 5HD U.K.

1 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Profit and Loss Account for the year ended 31 December 2022

	Note	2022 £	2021 £
Revenue	3	4,576,501	4,077,179
Administrative expenses		(4,576,501)	(4,077,179)
Result for the year		-	-

The Company has not recorded any other comprehensive income during the years to 31 December 2022 or 31 December 2021. A separate statement of comprehensive income is therefore not disclosed.

The statutory audit fee of £6,000 (2021: £6,551) has been paid by a fellow abrdn Group undertaking.

The notes on pages 12 to 16 form an integral part of these financial statements.

Balance Sheet as at 31 December 2022

	Notes	2022 £	2021 £
Assets			
Current assets			
Trade and other receivables	4	326,464	129,938
Total current assets		326,464	129,938
Equity and liabilities			
Equity			
Share capital	5	100	100
Equity attributable to equity holders of the parent		100	100
Current liabilities			
Trade and other payables	6	326,364	129,838
Total current liabilities		326,364	129,838
Total equity and liabilities		326,464	129,938

Approved by the Board on 1st June 2023 and signed on its behalf by:



Dominic Helmsley
Director

Registration number: SC473803

The notes on pages 12 to 16 form an integral part of these financial statements.

Statement of Changes in Equity for the year ended 31 December 2022

	Share Capital	Total
	£	£
At 1 January 2021	100	100
At 31 December 2021	100	100

	Share Capital	Total
	£	£
At 1 January 2022	100	100
At 31 December 2022	100	100

The notes on pages 12 to 16 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The following accounting policies have been applied consistently to all years presented when dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The Company meets the definition of a qualifying entity under Application of Financial Reporting requirements 100 as issued by the Financial Reporting Council. Accordingly, the financial statements for year ended 31 December 2022 have been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- International Accounting Standards ("IAS") 1 Presentation of Financial Statements requirement for comparative year reconciliations for share capital;
- IAS 1 Presentation of Financial Statements disclosures in respect of capital management;
- IAS 7 Statement of Cash Flows and related notes;
- IAS 8 Accounting Policies requirement to disclose the effects of new but not yet effective International Financial Reporting Standards ("IFRS");
- IFRS 15 Revenue from Contracts with Customers; and
- IAS 24 Related Party disclosures in respect of transactions with wholly owned subsidiaries.

As the consolidated financial statements of abrdn plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company is a wholly owned subsidiary of abrdn plc which prepares consolidated financial statements and is therefore exempt from the requirement to prepare consolidated accounts by virtue of section 400 of the Companies Act 2006.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)**1 Accounting policies (continued)****Going concern**

The Company's business activities, together with the factors likely to affect its future development and financial position, are set out in the Directors' report.

The Company traded during the period but exists to make no profit or loss. This is because all regulated investment management activity pertaining to the vehicle is delegated to another abrdn Group undertaking, aCP. Consequently, any profits or losses in the Company are absorbed by aCP. Amounts payable to aCP are net of operating costs, so these would be reduced should the Company incur additional operating costs. Consideration has also been given to the going concern assessment of the abrdn Group.

Changes in accounting policy

No new standards, interpretations and amendments effective for the first time from 1 January 2022 have had an impact on the Company.

Revenue recognition

The Company's primary source of revenue is profit sharing from the underlying Limited Partnership. Profit share is generated through the management profit share that is paid by the Funds and the GP LP. Revenue is recognised as the service is provided and when it is probable that the profit share will be received.

Administrative expenses

Administrative expenses are recognised on an accruals basis.

Financial assets**(i) Amortised cost**

These instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These instruments are included in current assets and consist of amounts owed by abrdn Group undertakings. These instruments are initially recognised at fair value, net of any transaction costs, and subsequently at amortised cost using the effective interest rate method.

The Company has adopted trade date accounting. Accordingly, a financial asset is recognised on the date the Company commits to its purchase and derecognised on the date on which the Company commits to its sale.

Financial liabilities**(i) Amortised cost**

These instruments include amounts owed to abrdn Group undertakings. These instruments are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements can necessitate the use of key estimates and judgements. These estimates and judgements can affect the reported amounts of assets and liabilities, contingent or otherwise, at the balance sheet date as well as affecting the reported profit or loss for the year. There are not considered to be any critical estimates, and the critical judgement is disclosed beneath:

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

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

Critical Judgements:

Disclosure of interest in other entities - The Company has interests in unconsolidated structured entities during the year and management's judgement has been exercised when assessing the control relationship with these entities and exposures to variable returns from the performance of that entity. See note 10 for further details.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follow:

	2022	2021
	£	£
Management profit share	4,576,501	4,077,179
Total revenue	4,576,501	4,077,179

4 Trade and other receivables

	2022	2021
	£	£
Current trade and other receivables:		
Amounts owed by abrdn Group undertakings	100	100
Amounts owed by GP LP	81,285	53,167
Amounts owed by SLCI Rail Co-Invest LP	245,079	76,671
Total trade and other receivables	326,464	129,938

Amounts owed by abrdn Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand and as such they have been classified as current based on expected settlement date.

5 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary Share of £1 each	100	100	100	100

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

6 Trade and other payables

	2022	2021
	£	£
Current trade and other payables:		
Amounts owed to abrdn Group undertakings	326,364	129,838
Total current trade and other payables	326,364	129,838

Amounts owed to abrdn Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

7 Related party transactions

In the normal course of business, the Company enters into transactions with related parties in respect of investment management business.

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

The following are details of significant transactions with related parties (excluding fellow wholly owned subsidiaries and key management personnel) during the year and the year end balances arising from such transactions:

	2022	
	Revenue	Receivables
	£	£
GP LP	4,407,093	81,285
SLCI Rail Co-Invest LP	169,408	245,079
	<u>4,576,501</u>	<u>326,364</u>

	2021	
	Revenue	Receivables
	£	£
GP LP	3,933,834	53,167
SLCI Rail Co-Invest LP	143,345	76,671
	<u>4,077,179</u>	<u>129,838</u>

8 Parent and ultimate parent undertaking

The Company's immediate parent is abrdn CP (Holdings) Limited and its ultimate parent is abrdn plc, both of which are incorporated in the United Kingdom and registered in Scotland.

The most senior parent entity producing publicly available financial statements is abrdn plc. Copies of the consolidated Annual Report and Accounts are available to the public from 1 George Street, Edinburgh, EH2 2LL, or to download on the website www.abrdn.com.

Notes to the Financial Statements for the year ended 31 December 2022 (continued)

9 Events after the balance sheet date

To the knowledge of the Directors, there have been no material events after the reporting period.

10 Related undertakings

In line with Companies Act requirements, the Company considers the Funds and the GP LP to be related undertakings as, although the Company has no ownership interest, it acts as General Partner to these entities.

Name of undertaking:

SL Capital Infrastructure I LP;
SLCI I Executive Co Investment Limited Partnership; and
SLCI Rail Co-invest LP.

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh EH2 2LL, United Kingdom

The Company acts as a General Partner of the below Limited Partnership.

Name of undertaking: SL Capital Infrastructure I GP LP

Country of registration: United Kingdom

Registered office: 1 George Street, Edinburgh, EH2 2LL, United Kingdom

Registration Number: SL017012

SL Capital Infrastructure I GP LP

Annual Report for the year ended 31 December 2022

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Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

SL Capital Infrastructure I GP LP

Manager, General Partner and Advisors

Registered Address	1 George Street Edinburgh, EH2 2LL U.K.	Independent Auditor	BDO LLP Citypoint, 65 Haymarket Terrace Edinburgh, EH12 5HD U.K.
Manager and Principal Place of Business	abrdn Capital Partners LLP 1 George Street Edinburgh, EH2 2LL U.K.	Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.
General Partner	SLCP (General Partner Infrastructure I) Limited 1 George Street Edinburgh, EH2 2LL U.K.		
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.		
Tax Advisor	Ernst & Young LLP 25 Churchill Place London, E14 5EY U.K.		

Report of the General Partner

The General Partner, SLCP (General Partner Infrastructure I) Limited, presents the audited financial statements for SL Capital Infrastructure I GP LP ("the Partnership") for the year ended 31 December 2022.

Structure of the Partnership

The Partnership was formed on 18 June 2014 and is registered in Scotland, United Kingdom ("U.K.").

Directors of the General Partner

Stewart Hay resigned as Director on 10 March 2022. Iain Walker, Neil Dolby, Graeme Dunbar and Dominic Helmsley were appointed as Directors on 21 March 2022. Roger Pim remained as Director during the year.

Distributions

Distributions of £4,407,092 (2021: £3,933,836) were made during the year.

Events after the reporting date

There are no significant events identified after the reporting date.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 8. A description of the principal activity of the Partnership is provided in note 1 to the financial statements.

The principal activity of the Partnership is to act as General Partner to SL Capital Infrastructure I LP ("Infrastructure I").

Going concern basis

Notwithstanding net current liabilities of £34,076 at 31 December 2022, the Partnership, along with the ongoing financial support of abrdn Investment Management Limited, a related party, will continue to be in a position to meet liabilities as they fall due and as such the General Partner deems it appropriate to prepare the financial statements of the Partnership on the going concern basis. The General Partner acknowledges that there can be no certainty that this support will continue beyond the 12 months, although, as at the date of approval of these financial statements, has no reason to believe that it will not do so.

The Partnership shall continue until the expiry of 90 days after the termination of Infrastructure I on 7 February 2029.

Report of the General Partner (continued)

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Partnership's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Independent auditor

Following the transition from KPMG LLP, the General Partner has appointed BDO LLP as auditor in accordance with Section 485 of Companies Act 2006.

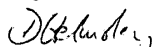
Data protection

abrdn Capital Partners LLP ("the Manager") has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and it is therefore exempt from preparing a strategic report.

Signed on behalf of the General Partner



Dominic Helmsley
Director, SLCP (General Partner Infrastructure I) Limited
30 May 2023

Statement of General Partner's Responsibilities in respect of the Report of the General Partner and the financial statements

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

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law, the General Partner has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (U.K. Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the U.K. and Republic of Ireland.

Under company law, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Qualifying Partnership and of the profit or loss of the Qualifying Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Qualifying Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Qualifying Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Qualifying Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Partnership (Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Qualifying Partnership and to prevent and detect fraud and other irregularities.

Independent auditor's report to the partners of SL Capital Infrastructure I GP LP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements of SL Capital Infrastructure I GP LP ("the Partnership") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Partner, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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 Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

Independent auditor's report to the partners of SL Capital Infrastructure I GP LP (continued)

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships (continued)

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of General Partner's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the General Partner was not entitled to prepare the financial statements in accordance with the small qualifying partnerships regime and take advantage of the small qualifying partnership exemptions in preparing the Report of the General Partner and from the requirement to prepare a Strategic report.

Responsibilities of General Partner

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the Partnership and the industry in which it operates and considered the risk of acts by the Partnership which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with relevant laws and regulations and applicable accounting standards. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Manager that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

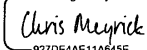
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent auditor's report to the partners of SL Capital Infrastructure I GP LP (continued)

Use of our report

This report is made solely to the Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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Chris Meyrick (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

BDO LLP
Citypoint,
65 Haymarket Terrace
Edinburgh, EH12 5HD
U.K.

1 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

SL Capital Infrastructure I GP LP

Statement of Comprehensive Income

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Turnover		
Income	4,407,092	3,938,875
Expenditure		
Administration and other expenses	(15,628)	(11,252)
Total profit for the year attributable to Partner	4,391,464	3,927,623

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Partnership has no components of other comprehensive income in the current and comparative year.

The notes 1 to 13 form an integral part of these financial statements.

SL Capital Infrastructure I GP LP

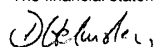
Statement of Financial Position

		At 31 December 2022	At 31 December 2021
	Notes	£	£
Fixed assets			
Financial assets at fair value through profit or loss	5	100	100
Current assets			
Debtors	6	81,385	54,266
		<u>81,385</u>	<u>54,266</u>
Current liabilities			
Creditors due within one year	7	(115,461)	(72,714)
Net current liabilities		<u>(34,076)</u>	<u>(18,448)</u>
Net liabilities attributable to Partner		<u>(33,976)</u>	<u>(18,348)</u>
Represented by:			
Partner's capital account		100	100
Partner's loan account		(22,452,818)	(18,045,726)
Partner's current account		<u>22,418,742</u>	<u>18,027,278</u>
Net liabilities attributable to Partner		<u>(33,976)</u>	<u>(18,348)</u>

The notes 1 to 13 form an integral part of these financial statements.

The General Partner acknowledges its responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

The financial statements set out on pages 8 to 17 were approved by the General Partner on 30 May 2023 and were signed on its behalf by:



Dominic Helmsley
Director, SLCP (General Partner Infrastructure I) Limited

Statement of Changes in Net Assets Attributable to Partner

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Net liabilities attributable to Partner at the start of the year	(18,348)	(12,135)
Distributions to Partner	(4,407,092)	(3,933,836)
Net distributed	(4,407,092)	(3,933,836)
Total profit for the year attributable to Partner	4,391,464	3,927,623
Net liabilities attributable to Partner at the end of the year	(33,976)	(18,348)

The notes 1 to 13 form an integral part of these financial statements.

Statement of Cash Flows

		Year ended 31 December 2022	Year ended 31 December 2021
Notes	£	£	
Cash flows from operating activities			
Profit for the financial year		4,391,464	3,927,623
Increase in debtors	6	(27,119)	(36,483)
Increase in creditors	7	42,747	42,696
Net cash inflow from operating activities		4,407,092	3,933,836
Cash flows from financing activities			
Distributions to Partner		(4,407,092)	(3,933,836)
Net cash outflow from financing activities		(4,407,092)	(3,933,836)
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at the start of the year		-	-
Cash and cash equivalents at the end of the year		-	-

The notes 1 to 13 form an integral part of these financial statements.

Notes to the Financial Statements

1. Partnership background

The Partnership was formed for the purpose of acting as the General Partner of SL Capital Infrastructure I LP. The Partnership is registered in Scotland, U.K. and was established on 18 June 2014 with commitments of £100 from its Limited Partner. The Manager of the Partnership is abrdn Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K.

The Partnership shall continue until the expiry of 90 days after the termination of SL Capital Infrastructure I LP on 7 February 2029. The Partnership has no employees.

2. Statement of compliance

The financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including FRS 102, the Companies Act 2006 and the Regulations.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through profit or loss. The financial statements are presented in Sterling ("£"), which is also the Partnership's functional currency. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 4.

3.2 Going concern

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006, and under the going concern principle on the basis that has sufficient resources from its parent undertaking should it require to meet its liabilities.

The Partnership has net current liabilities and is therefore reliant on support from abrdn Investment Management Limited to meet its liabilities as they fall due within the next 12 months. The General Partner has received a letter of support from the directors of abrdn Investment Management Limited to continue to provide further financial and other support to the Partnership for at least the next 12 months.

As with any entity placing reliance on other group entities for financial support, the General Partner acknowledges that there can be no certainty that this support will continue beyond the 12 months, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Partnership shall continue until the expiry of 90 days after the termination of Infrastructure I on 7 February 2029.

3.3 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accrual basis in the Statement of Comprehensive Income. This includes amounts arising in SL Capital Infrastructure I LP which have been allocated to the Partnership's account in SL Capital Infrastructure I LP.

Management profit share is received from SL Capital Infrastructure I LP as the first charge on net income and net realised gains in any accounting period whether or not there are sufficient net income and net realised gains in that accounting period. The full management profit share received by the Partnership from SL Capital Infrastructure I LP is included in the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

3. Summary of significant accounting policies (continued)

3.4 Financial instruments

a) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost, using the effective interest method.

Other financial assets, such as Investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income.

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

b) Financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

These financial liabilities are subsequently carried at amortised cost, using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.5 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2022 and 31 December 2021, there were no cash equivalents.

3.6 Taxation

No provision has been made in the financial statements for taxation of the Partner. The Partner is individually responsible for reporting their share of the Partnership's income, gains and losses for taxation purposes.

4. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Partnership. Such changes are reflected in the assumptions when they occur.

4.1 Fair value of investments not quoted in an active market

The investment in SL Capital Infrastructure I LP is currently stated at fair value as estimated by the General Partner. The General Partner considers the balance of the Partnership's capital account in SL Capital Infrastructure I LP as being equal to fair value.

Notes to the Financial Statements (continued)

5. Financial assets at fair value through profit or loss

FRS 102 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

Level 1 - The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 - Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of an Investment within the hierarchy is based upon the pricing transparency of that Investment. All of the Partnership's Investments have been classified within Level 3 as they have unobservable inputs and trade infrequently or not at all.

The determination of what constitutes "observable" requires significant estimation by the General Partner. The General Partner considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Partnership's Investments measured at fair value:

At 31 December 2022	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	100	100

At 31 December 2021	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	100	100

There were no transfers between levels during the current and comparative year.

Determining the fair value of the Partnership's Investments requires estimation and considers factors specific to the Investment. The financial statements of SL Capital Infrastructure LP contain detailed information on the valuation policies applied by the General Partner in note 3.1.

The changes in Investments measured at fair value for which the Partnership has used Level 3 inputs to determine fair value are as follows:

	31 December 2022	31 December 2021
	£	£
Balance at the start of the year	100	100
Balance at the end of the year	100	100

Notes to the Financial Statements (continued)

6. Debtors

	At 31 December 2022	At 31 December 2021
	£	£
Current		
Due from SL Capital Infrastructure I LP	81,285	54,166
Due from Limited Partner	100	100
	<u>81,385</u>	<u>54,266</u>

There were no debtors falling due after more than one year at 31 December 2022 and 31 December 2021.

7. Creditors due within one year

	At 31 December 2022	At 31 December 2021
	£	£
Due to General Partner	81,285	54,166
Audit fee accrual	13,000	10,000
Administration fee accrual	8,336	4,168
Due to SL Capital Infrastructure I LP	6,100	100
Professional fee accrual	4,140	2,280
Other accrued expenses	2,600	2,000
	<u>115,461</u>	<u>72,714</u>

Notes to the Financial Statements (continued)

8. Audit fees

Audit fees incurred by the Partnership amounting to £8,000 (2021: £5,000) are presented under 'Administration and other expenses' in the Statement of Comprehensive Income.

9. Allocation of the Partnership's net income, gains and losses

The General Partner shall be allocated its reasonable costs and expenses incurred in relation to its activities as General Partner of the Partnership plus £100 in each accounting period and pro rata in respect of accounting periods of more or less than one year.

The Limited Partner shall be entitled to share equally in the profits / losses of the Partnership and on the termination of the Partnership, the Limited Partner shall be entitled to a repayment of the capital contribution.

10. Related party transactions

The Limited Partnership Agreement provides that SLCP (General Partner Infrastructure I) Limited shall act as General Partner and be entitled to distributions equal to amounts received by the Partnership from SL Capital Infrastructure I LP in respect of management profit share. During the year to 31 December 2022, £4,407,092 (2021: £3,938,875) was received by the Partnership from SL Capital Infrastructure I LP in relation to management profit share and £4,407,092 (2021: £3,933,836) was paid to the General Partner in relation to management profit share net of expenses borne on behalf of the Partnership. SLCP (General Partner Infrastructure I) Limited is a wholly owned subsidiary of abrdn CP (Holdings) Limited, which is a subsidiary of the ultimate parent, abrdn plc. The registered address of abrdn CP (Holdings) Limited and abrdn plc is 1 George Street, Edinburgh, EH2 2LL, United Kingdom.

The Manager of the Partnership receives a management fee, equal to the management profit share allocated to the General Partner, in relation to its activity as Manager of SL Capital Infrastructure I LP.

abrdn CP (Holdings) Limited is the Limited Partner in the Partnership and is entitled to participate in the profits as disclosed in note 9.

At 31 December 2022, the Partnership was owed £100 (2021: £100) from the Limited Partner in respect of capital contribution.

At 31 December 2022, the Partnership owed £100 (2021: £100) to SL Capital Infrastructure I LP in respect of capital contribution. At 31 December 2022, the Partnership owed £6,000 (£Nil) in respect of expenses paid on its behalf.

At 31 December 2022, £81,285 (2021: £54,166) was due to the Partnership by SL Capital Infrastructure I LP in respect of management profit share.

At 31 December 2022, the Partnership owed £81,285 (2021: £54,116) to the General Partner in respect of management profit share.

The General Partner has agreed to take responsibility of the expenses incurred by the Partnership. During the year, £Nil (2021: £5,039) was paid by the General Partner on behalf of the Partnership in respect of expenses.

11. Risk Management

The activities of the Partnership expose it to various types of risks. These risks are mainly associated with the underlying interest that the Partnership has in SL Capital Infrastructure I LP. The most important type of risks to which SL Capital Infrastructure I LP is exposed are market risk, currency risk, credit risk and liquidity risk. The financial statements of SL Capital Infrastructure I LP contain detailed information on the most important risks faced by SL Capital Infrastructure I LP.

11.1 Market risk

Due to the nature of the Partnership's investment in SL Capital Infrastructure I LP, it does not yet include any allocation of realised or unrealised gains on the underlying investments. Consequently, the financial asset at fair value through profit or loss in the Partnership's Statement of Financial Position at 31 December 2022 is not sensitive to valuation movements that occur in the underlying investments in SL Capital Infrastructure I LP. The returns of the Partnership for management profit share are affected by such valuation changes.

11.2 Currency risk

SL Capital Infrastructure I LP is denominated in Sterling (£) and has investments denominated in other currencies. Future returns for the Partnership may be affected by changes in currency rates. However, the Partnership's Statement of Financial Position as at 31 December 2022 is not sensitive to movements in foreign exchange rates.

11.3 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisition or disposal of investments or to repay deposits. The Partnership places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. All of the Partnership's cash was held by Societe Generale which was rated 'A' by Standard & Poor's at the date of the Report of the General Partner. At 31 December 2022, cash held in bank amounting to £Nil (2021: £Nil).

Notes to the Financial Statements (continued)

11. Risk Management (continued)

At the reporting date, the Partnership's financial assets exposed to credit risk amounted to the following:

	At 31 December 2022	At 31 December 2021
	£	£
Financial assets at fair value through profit or loss	100	100
Trade and other receivables	81,385	54,266
	<u>81,485</u>	<u>54,366</u>

11.4 Liquidity risk

The Partnership's investment in SL Capital Infrastructure I LP is an unquoted Limited Partnership interest. This is generally illiquid and cannot be traded in a regulated public market. As a result, this investment may not be able to be disposed in order to meet the Partnership's liquidity requirements. The Partners' commitments are fully drawn and it is not expected that the Partnership will have any significant cash requirements in the future.

During the year ended 31 December 2022, the Partnership generated a profit attributable to its partner of £4,391,464 (2021: £3,927,623). No cash resources are available at the end of the year (2021: £Nil). The net current liabilities of the Partnership amounting to £34,076 (2021: £18,448) are due on demand.

11.5 Operational risk

Operational risk is the potential for loss caused by a deficiency in information, communications, investment due diligence process and accounting systems. The Manager and its service providers maintain controls and procedures for the purpose of mitigating operational risks.

11.6 Legal, tax and regulatory risk

Legal, tax and regulatory changes could occur during the term of the Partnership which may have an adverse effect on its assets or returns. The Manager engages external professional advisors in order to mitigate legal, tax and regulatory risks.

12. Commitments and contingencies

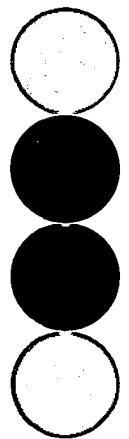
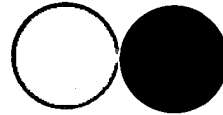
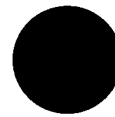
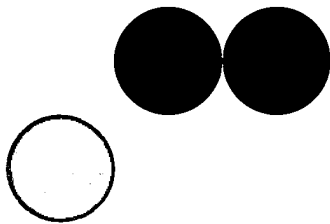
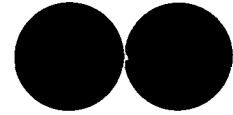
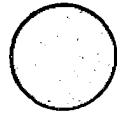
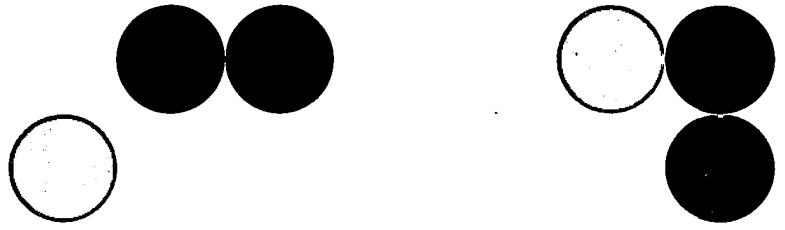
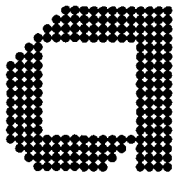
The Partnership has committed an aggregate of £100 (2021: £100) to SL Capital Infrastructure I LP as the General Partner.

There are no contingent assets or liabilities that require disclosure in the financial statements at the year end.

13. Events after the reporting date

Subsequent events have been evaluated up to 30 May 2023.

There are no significant events identified after the reporting date.



SL Capital Infrastructure I LP

Annual Report, 31 December 2022

abrdn.com



SL Capital Infrastructure I LP

Annual Report for the year ended 31 December 2022

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Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Registered Address	1 George Street Edinburgh, EH2 2LL U.K.
Manager and Principal Place of Business	abrdn Capital Partners LLP 1 George Street Edinburgh, EH2 2LL U.K.
General Partner	SL Capital Infrastructure I GP LP 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Tax Advisor	Ernst & Young LLP 25 Churchill Place London, E14 5EY U.K.
Independent Auditor	BDO LLP Citypoint, 65 Haymarket Terrace Edinburgh, EH12 5HD U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside, London, SE1 2AQ U.K.
Depository	IQ EQ Depository Company (UK) Limited 4 th Floor, 3 More London Riverside, London, SE1 2AQ U.K.

Report of the General Partner

The General Partner, SL Capital Infrastructure I GP LP, presents the audited financial statements for SL Capital Infrastructure I LP ("the Fund") for the year ended 31 December 2022.

Structure of the Fund

The Fund is a Limited Partnership, established in Scotland, United Kingdom ("U.K."). The Fund held its final close on 7 February 2017 bringing the aggregate commitments to £516.4 million and Limited Partners to twenty three. The structure of the Fund is detailed further in Note 1 to the financial statements.

Directors of the General Partner

Please refer to the financial statements of SLCP (General Partner Infrastructure I) Limited for the names of the Directors. Stewart Hay resigned as Director on 10 March 2022. Iain Walker, Neil Dolby, Graeme Dunbar and Dominic Helmsley were appointed as Directors on 21 March 2022.

Distributions

Distributions of £12,983,149 (2021: £17,485,137) were made during the year, of which £235,376 (2021: £1,193,655) was temporary return of capital, which is recallable.

Events after the reporting date

On 25 January 2023, the Fund called for contributions from its Limited Partners amounting to £7,600,000.

On 30 January 2023, the Fund provided an interest free loan of EUR 10,370,512 to SLCP Infrastructure I - A S.à r.l. to fund a bolt on investment for Auris Energia Oy in Haminan Kaasuverkko Oy.

The General Partner has identified no other significant events after the reporting date.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 9. A description of the principal activity of the Fund is provided in Note 1 to the financial statements.

The Manager's Report for the Fund, which is issued separately, contains detailed analysis of each of the Fund's Investments, together with commentary on the economic climate and how this impacts the core infrastructure assets in Europe.

Prior year adjustment – change in accounting treatment

In these financial statements, the General Partner has re-classified interest receivable on shareholder loans from Trade and other receivables to Financial assets at fair value through profit or loss. This change in presentation has no impact on Net assets attributable to Partners and presents a single combined fair value figure for the Fund's investments, consistent with quarterly reporting in the Manager's Report and the treatment adopted by abrdn's other Core Infrastructure funds. As required by UK-adopted International Accounting Standards, the period from 1 January 2021 has recorded a prior year adjustment to re-classify interest on the same basis.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Fund's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

Independent auditor

Following the transition from KPMG LLP, the General Partner has appointed BDO LLP as auditor in accordance with Section 485 of Companies Act 2006.

Report of the General Partner (continued)

Data protection

abrdn Capital Partners LLP (the "Manager") has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report

The Fund is considered a small company under Section 382 of The Companies Act 2006 and is therefore exempt from preparing a strategic report required under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Remuneration policy

In line with the Alternative Investment Fund Manager Directive ("the AIFMD"), the Fund's Alternative Investment Fund Manager ("the AIFM") has implemented a remuneration policy for its staff. Details in relation to the AIFM's remuneration policy are included in Appendix I.

Sustainable Finance Disclosure Regulation

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The management of sustainability risk forms an important part of the due diligence and asset management processes implemented by the Manager for the Fund. However, the Fund does not have as its objective ESG or sustainable investment. This Fund does not consider principal adverse impacts.

Signed on behalf of SL Capital Infrastructure I GP LP



Roger Pim
Director, SLCP (General Partner Infrastructure I) Limited
28 March 2023

Statement of General Partner's Responsibilities in respect of the General Partner's Report and the financial statements

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law, the General Partner has elected to prepare financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under company law, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Qualifying Partnership and of the profit or loss of the Qualifying Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- assess the Qualifying Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Qualifying Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Qualifying Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Qualifying Partnership and to prevent and detect fraud and other irregularities.

Depositary Report

Pursuant to the requirements of the AIFMD, IQ EQ Depositary Company (UK) Limited ("IDCL") has been appointed by the Manager to provide the Fund with cash flow monitoring, ownership verification and compliance oversight services ("the Depositary Services").

IDCL's responsibility

IDCL's review and conclusion in respect of the Fund is based on IDCL's review of information and documentation supplied to IDCL by the Manager, or such other person(s) as this function is delegated to from time to time, in addition to such other publicly available resources as IDCL deems appropriate.

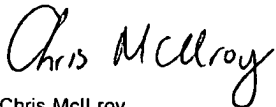
IDCL's Depositary Services and the conclusion reached pursuant to such services is limited to and does not extend beyond the scope of the requirements of a depositary under the AIFMD.

Compliance conclusion

IDCL confirms that during the year ended 31 December 2022, in the performance of its Depositary Services, IDCL detected no material reportable irregularities in respect of the Fund in relation to the AIFMD.

Reliance

The disclosure by IDCL of its findings pursuant to the Depositary Services in relation to the Fund has been provided at the request of the Manager and for information purposes only on a non-reliance basis and as such, such findings shall not be relied on by any other person.



Chris McLroy
for and on behalf of IQ EQ Depositary Company (UK) Limited
17 February 2023

Independent Auditor's Report to the Partners of SL Capital Infrastructure I LP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Fund's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements of SL Capital Infrastructure I LP ("the Fund") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Partners, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Partners of SL Capital Infrastructure I LP (continued)

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Fund and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

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

Responsibilities of General Partner

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the Fund and the industry in which it operates and considered the risk of acts by the Fund which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with relevant laws and regulations and applicable accounting standards. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Manager, in particular around the key accounting estimate, being the valuation of the investment portfolio, that represented a risk of material misstatement due to fraud.


Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the Partners of SL Capital Infrastructure I LP (continued)

Use of our report

This report is made solely to the Fund's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Chris Meyrick (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Citypoint,

65 Haymarket Terrace

Edinburgh, EH12 5HD

U.K.

www.bdo.co.uk

28 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income

For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021 Restated
	Notes	£	£
Income			
Investment income	4	25,147,344	30,684,255
Net unrealised movement on Investments		66,677,409	28,002,397
Net unrealised foreign exchange movement on Investments		11,801,144	(14,035,813)
Net foreign exchange gain / (loss) on non-Investments		629	(35,628)
Net foreign exchange gain on Investments		122,037	172,049
Total net income		103,748,563	44,787,260
Expenses			
Administration and other expenses	5	(779,136)	(677,684)
Management profit share	9	(4,407,092)	(3,938,875)
Total operating expenses		(5,186,228)	(4,616,559)
Operating profit		98,562,335	40,170,701
Finance costs			
Interest expense		(17,063)	(2,280)
Total finance costs		(17,063)	(2,280)
Increase in net assets attributable to Partners		98,545,272	40,168,421

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Fund has no components of other comprehensive income in the current and comparative year.

The notes 1 to 15 form an integral part of these financial statements.

A comparison of all restated amounts compared to the audited financial statements for the year ended 31 December 2021 is presented in note 15.

Statement of Financial Position

As at 31 December 2022

		At 31 December 2022	At 31 December 2021 Restated
	Notes	£	£
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	12	701,073,182	615,426,474
		<u>701,073,182</u>	<u>615,426,474</u>
Current assets			
Trade and other receivables	6	313,282	263,039
		<u>313,282</u>	<u>263,039</u>
Current liabilities			
Bank overdraft	8	(167,417)	(78,509)
Trade and other payables	7	(409,323)	(363,403)
		<u>(576,740)</u>	<u>(441,912)</u>
Net current liabilities		<u>(263,458)</u>	<u>(178,873)</u>
Net assets attributable to Partners		<u>700,809,724</u>	<u>615,247,601</u>
Represented by:			
Partners' capital account		51,739	51,739
Partners' loan account		393,568,914	406,552,063
Partners' current account		307,189,071	208,643,799
Net assets attributable to Partners		<u>700,809,724</u>	<u>615,247,601</u>

The notes 1 to 15 form an integral part of these financial statements.

A comparison of all restated amounts compared to the audited financial statements for the year ended 31 December 2021 is presented in note 15.

The financial statements set out on pages 9 to 34 were authorised for issue by the General Partner on 28 March 2023 and signed on its behalf by:



Roger Pim
Director, SLCP (General Partner Infrastructure I) Limited

Statement of Changes in Net Assets Attributable to Partners
For the year ended 31 December 2022

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Net assets attributable to Partners at the start of the year	615,247,601	592,564,317
Partners' capital drawn	-	4,130,691
Temporary return of capital to Partners	(235,376)	(1,193,655)
Distributions to Partners	(12,747,773)	(20,422,173)
Net distributed	(12,983,149)	(17,485,137)
Increase in net assets attributable to Partners	98,545,272	40,168,421
Net assets attributable to Partners at the end of the year	700,809,724	615,247,601

The notes 1 to 15 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021 Restated
	Notes	£	£
Cash flows from operating activities			
Operating profit		98,562,335	40,170,701
Interest paid		(17,063)	(2,280)
(Increase) / decrease in trade and other receivables	6	(50,243)	426,242
Increase in interest receivable*	12	(9,482,556)	(10,280,030)
Increase in trade and other payables	7	45,920	45,693
Net unrealised movement on Investments		(66,677,409)	(28,002,397)
Net unrealised foreign exchange movement on Investments		(11,801,144)	14,035,813
Proceeds from Investments		2,314,401	8,779,500
Purchase of Investment (see note 13.2)		-	(4,084,717)
Capitalised interest adjustment relating to Nordic Hydro Holdings AS		-	(3,838,009)
Net cash inflow from operating activities		12,894,241	17,250,516
Cash flows from financing activities			
Partners' capital drawn		-	4,130,691
Temporary return of capital to Partners		(235,376)	(1,193,655)
Distributions to Partners		(12,747,773)	(20,422,173)
Net cash outflow from financing activities		(12,983,149)	(17,485,137)
Net decrease in cash and cash equivalents		(88,908)	(234,621)
Cash and cash equivalents at the start of the year		(78,509)	156,112
Cash and cash equivalents at the end of the year		(167,417)	(78,509)

The notes 1 to 15 form an integral part of these financial statements.

A comparison of all restated amounts compared to the audited financial statements for the year ended 31 December 2021 is presented in note 15.

*Increase in interest receivable includes interest received of £13,422,381 (2021: £13,748,870).

Notes to the Financial Statements

1. Fund background

The Fund is a Limited Partnership registered in Scotland, U.K. and was established on 19 June 2014. The Fund held its final close on 7 February 2017 with total commitments of £516.4 million from twenty three Limited Partners. The Limited Partners' capital contributions equal 0.01% of their total commitment. The Fund was formed for the purpose of investing in core infrastructure assets in Europe. The Fund is established for a term of nine years from 7 February 2020, the end of the investment period. The life of the Fund may be extended by an additional five year period upon approval of the Limited Partners in accordance with clauses 19.2 to 19.7 of the Limited Partnership Agreement.

SL Capital Infrastructure I GP LP is the General Partner of the Fund and has contributed £100 to the Fund. The Manager of the Fund is abrdn Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority ("the FCA") and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. The Manager was authorised as an AIFM by the FCA on 22 July 2013. The FCA permitted the Manager to act as the AIFM to the Fund with effect from 20 May 2014. The Fund has no employees.

The structure of the Fund at 31 December 2022 was as follows:

	At 31 December 2022 £
Commitments	516,390,100
Partners' capital drawn	51,739
Partners' loan drawn	702,341,895
Temporary return of capital to Partners	(231,727,104)
Funded	470,666,530
% of Commitments	91.1%
Distributions to Partners:	
Paid to Limited Partners	(77,045,876)
Total distributed	(77,045,876)
Limited Partners' % distributed of Funded Commitments	16.4%
Net drawn from all Partners	393,620,654

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities measured at Fair Value through Profit or Loss ("FVPL"), and in accordance with the Limited Partnership Agreement.

The Fund transitioned to UK-adopted International Accounting Standards ("UK IFRS") in its financial statements on 1 January 2021. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, as applied to qualifying partnerships.

The preparation of the financial statements in conformity with UK IFRSs requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in Note 3.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.2 New and revised accounting standards / amendments effective for the current year

New and revised accounting standards and amendments that are effective for annual periods beginning 1 January 2022, which has been adopted for the first time by the Fund:

Annual Improvements 2018-2020

- Amendments to IFRS 9, Financial Instruments

This amendment clarifies which fees should be included in the '10% test' for derecognition of financial liabilities; an entity should include only fees paid or received between itself and the lender.

- Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards

These amendments simplify the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards.

Reference to the Conceptual Framework – Amendments to IFRS 3

These amendments update references to the new IFRS Conceptual Framework within IFRS 3 Business Combinations and refer a preparer to the new Conceptual Framework definition of assets and liabilities when accounting for assets and liabilities acquired when a company obtains control of a business.

Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

These amendments clearly define what items comprise the cost of fulfilling a contract when determining whether a contract is onerous.

The above standards and amendments have been endorsed by the UK Endorsement Board.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have had a material effect on the Fund's financial statements.

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted

Other standards and amendments that are effective for subsequent reporting periods beginning on or after 1 January 2023 and have not been early adopted by the Fund include:

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current

The narrow-scope amendments to IAS 1 clarify that the classification of liabilities depends on the rights that exist at the end of the reporting period. The expectations of the entity or events after the reporting date will not affect the classification. The amendments also clarify the meaning of 'settlement' of a liability in the context of IAS 1.

The amendments may impact the classification of liabilities as current or non-current, particularly for entities that previously considered management's intentions to determine classification, and for some liabilities that can be converted into equity.

The amendments are to be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Early adoption is permitted.

The amendments are effective for accounting periods beginning on or after 1 January 2023; however, ED/2021/9 Non-current Liabilities with Covenants (Proposed amendments to IAS-1) has proposed a deferral to 1 January 2024.

The amendment has yet to be adopted by the UK. The Fund will adopt this amendment when it becomes effective.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 with regards to the disclosures around accounting policies.

An entity must now disclose its material accounting policies, instead of its significant accounting policies, and new guidance has been added on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for accounting periods beginning on or after 1 January 2023. Early adoption is permitted. The amendment has been endorsed by the UK. The Fund will adopt this amendment when it becomes effective.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 where it replaced the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted (continued)

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (continued)

The Board clarifies:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for accounting periods beginning on or after 1 January 2023, to changes in accounting policies and estimates that occur on or after the beginning of that period. Early adoption is permitted. The amendment has been endorsed by the UK. The Fund will adopt this amendment when it becomes effective.

2.4 Going concern

The General Partner has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for at least 12 months from the date of approval of the financial statements with a specific focus on:

- the level of liquid resources, including cash and cash equivalents. The Manager regularly monitors the Fund's cash position and use of the bank overdraft facility to ensure sufficient cash is available to meet liabilities as they fall due. The investment portfolio is expected to continue to be net cash flow positive, and there are no identified liquidity or solvency issues for the Fund;
- the level of undrawn commitments available from Limited Partners, which are due on demand in accordance with the Limited Partnership Agreement, are sufficient to meet future obligations for working capital requirements;
- the nature of the portfolio company businesses, being core infrastructure assets with limited demand risk and strong downside protection;
- the level of losses on the portfolio that would need to be sustained to cause a concern over solvency is deemed to be remote in the extreme; and
- the effectiveness of the General Partner's operational resilience processes, including the ability of key outsourcers to continue to provide services.

Based on a review of the above, the General Partner is satisfied that the Fund has, and will maintain, sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

Notwithstanding net current liabilities of £263,458, the financial statements have been prepared on a going concern basis which the General Partner considers to be appropriate as the level of undrawn commitment from Limited Partners are sufficient to meet this level of net current liabilities. These financial statements have therefore been prepared on a going concern basis.

2.5 Financial period

The financial statements are prepared from 1 January 2022 to 31 December 2022. The comparatives are presented from 1 January 2021 to 31 December 2021.

2.6 Functional currency

The General Partner considers the Pound Sterling as the Fund's functional and presentational currency as it most faithfully represents the economic effects of the underlying transactions, events and conditions. Further to this, the Pound Sterling is also the currency in which receipts from the Fund's operating activities are usually retained.

Unrealised foreign currency exchange gains and losses on non-Sterling denominated investments arising from changes in foreign currency exchange rates and realised foreign exchange gains and losses on income and expenses are included in the Statement of Comprehensive Income. Non-Sterling denominated assets and liabilities are translated at the exchange rate at the Statement of Financial Position date. Non-Sterling income and expense transactions are translated at the exchange rate prevailing on the date of the transaction.

Exchange rates at 31 December 2022:

£1=	
Euro	€ 1.127102
Norwegian Kroner	Kr 11.849714

Exchange rates at 31 December 2021:

£1=	
Euro	€ 1.191050
Norwegian Kroner	Kr 11.94395

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.7 Income, expenses, gains and losses

All income and expenses, inclusive of gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Fund are allocated under the terms of the Limited Partnership Agreement. Details are set out in Note 2.17.

2.8 Investment entity

The General Partner has determined that the Fund is an investment entity as per IFRS 10, 'Consolidated Financial Statements'. Details are set out in Note 3.2.

2.9 Subsidiaries

An investment entity is required to measure the investments in its controlled subsidiaries at fair value through profit or loss in accordance with IFRS 10, 'Consolidated Financial Statements'. Because an investment entity is not required to consolidate its controlled subsidiaries, intra-group related party transactions and outstanding balances have not been eliminated. The fair value of the controlled subsidiaries investments are determined on a consistent basis to all other investments measured at fair value through profit or loss, and as described in Note 12.

Please also refer to Note 13 for details of the Fund's unconsolidated subsidiaries.

2.10 Financial assets at fair value through profit or loss

Initial recognition

Financial assets have been designated upon initial recognition at FVPL. On the date of making a legal commitment to invest in a fund, such commitment is recorded and disclosed. When funds are drawn in respect of such commitment, the resulting investment is recognised in the financial statements.

Financial assets at FVPL are initially recognised at fair value as detailed in Note 3.1. Transaction costs are expensed and included within gains and losses on investments in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statement of Comprehensive Income.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from underlying instruments have expired or the entity has transferred substantially all risk and rewards of ownership.

2.11 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2022 and 31 December 2021, there were no cash equivalents.

2.12 Trade and other receivables

Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less the appropriate allowances for estimated irrecoverable amounts. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

2.13 Trade and other payables

Payables and accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.14 Bank overdraft

The bank overdraft is initially recognised at fair value and subsequently stated at amortised cost. The facility arrangement fee is recognised in the Statement of Comprehensive Income when incurred due to its immaterial nature.

The bank overdraft is shown as a current liability as the Fund has no unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

2.15 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Partners are individually responsible for reporting their share of the Fund's income, gains and losses for taxation purposes.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.16 Net assets attributable to Partners

The Fund's contributed capital consists of capital and loan contributions. Net assets attributable to Partners is classified as a financial liability, due to the Fund's finite life and contractual payment provisions to each of the Partners.

2.17 Distribution of income proceeds and capital proceeds between Partners

The Fund's net income, gains and losses are allocated in accordance with the distribution provisions of the Limited Partnership Agreement.

Distributions are allocated pro rata in accordance with each Limited Partner's commitments after the payment of the management profit share, expenses and liabilities of the Fund.

2.18 Prior year adjustment – change in accounting treatment

The Fund has re-assessed the previous classification of interest receivable on shareholder loans as financial assets at amortised cost with reference to its business model for managing financial assets. In line with the requirements of IFRS 9 an entity's business model for managing financial assets is determined at a level that reflects how groups of financial assets are managed together and should be determined at a higher level of aggregation than on an individual instrument basis. Interest receivable on shareholder loans is managed together with investments in underlying portfolio companies made by way of equity stakes and shareholder loans on a combined total fair value basis. The combined total fair value basis is how the performance of the portfolio is evaluated and reported to the Fund's management.

After considering that this business model is a matter of fact and is unchanged from previous accounting periods, interest receivable on shareholder loans has been reclassified from financial assets at amortised cost to financial assets at FVPL in both the current and the prior year.

This change has no impact on Net assets attributable to Partners in either the current or the prior year.

The impact of this change in accounting treatment on the prior year comparatives is disclosed in Note 15.

3. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

3.1 Fair value of investments not quoted in an active market

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Fund values its investments using discounted cash flow analysis.

The fair valuation process involves estimates that are unobservable (for which market data is unavailable). A discount rate which is deemed to be considered appropriate by management is applied to assist in determining the fair value of the investments. As such, this is a key area of estimation. Further to this, estimates are used when forecasting the expected future cash flows of the Fund's Investments. Management are required to apply their in depth knowledge and understanding of the Fund's Investments to prepare the forecasts, and this is therefore considered to be a key area of estimation. As the valuation outcomes may differ from the fair value estimates, a sensitivity analysis is provided in Note 12. For each investment, key business drivers have been selected as the most relevant variables for performing this sensitivity analysis. Changes in assumption and judgement used by management about these factors could affect the fair value of the investments.

3.2 Investment entity status

To meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements', the following conditions must exist:

- (i) The Fund has obtained funds for the purpose of providing investors with investment management services;
- (ii) The Fund's business purpose, which was communicated directly to investors via the Limited Partnership Agreement, is providing investors with an overall rate of return from investments by means of both income and capital growth; and
- (iii) The performance of investments made is measured and evaluated on a fair value basis.

The Fund was set up with an intention to have multiple investors and to hold multiple investments. Ownership interests in the Fund are in the form of the Partner's share of capital in the Fund and are exposed to variable returns from changes in the fair value of the Fund's net assets. The General Partner has therefore judged the Fund to meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements'.

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements (continued)

3.3 Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Fund considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- how the Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Fund has determined that it has two business models:

- Held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flows; and
- Other business model: this includes investment in underlying operating portfolio companies. These financial assets are managed, and their performance is evaluated on a fair value basis in accordance with the investment strategy and the Limited Partnership Agreement.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI ("Solely Payments of Principal and Interest").

The investments in underlying operating portfolio companies are made by acquiring the ordinary shares of the investee and through shareholder loans to intermediary companies. In economic substance, the investments made relate to an equity stake in the underlying operating portfolio companies. Although funding is made through both equity and shareholder loans by the Fund, the ultimate objective is the acquisition of the equity stake in the underlying portfolio companies. The shareholder loan in itself does not operate as a basic lending arrangement as the cash flows and principal repayment will depend on the performance of the underlying operating portfolio companies. The total investment made is managed on a fair value basis in accordance with the investment strategy of the Fund and are measured at FVPL. Please refer to note 12 and note 13 for more details.

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

4. Investment income

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Overseas loan stock income	13,917,473	18,109,422
U.K. loan stock income	8,696,028	9,757,487
Distribution income	2,533,843	2,817,346
	25,147,344	30,684,255

Notes to the Financial Statements (continued)

5. Administration and other expenses

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Legal and professional fees	408,833	367,511
Administration fees	225,140	197,460
Audit fees*	97,000	82,000
Other expenses	43,257	23,847
Bank and custody fees	4,906	1,184
Aborted deal fees	-	5,682
	779,136	677,684

*For the year ended 31 December 2022, audit fees include fees for SLCI I Executive Co Investment Limited Partnership, a related party, amounting to £12,000.

6. Trade and other receivables

	At 31 December 2022	At 31 December 2021 Restated
	£	£
Due from related parties	305,559	262,336
Due from General Partner	6,100	100
Prepayments	1,623	603
	313,282	263,039

7. Trade and other payables

	At 31 December 2022	At 31 December 2021
	£	£
Legal and professional fee accrual	210,981	194,025
Audit fee accrual	97,000	82,000
Due to General Partner	81,285	54,166
Other accrued expenses	19,968	16,470
Due to related party	89	84
Administration fee accrual	-	16,658
	409,323	363,403

8. Bank overdraft

The Fund obtained an uncommitted, short term bank overdraft facility of £5 million from Societe Generale in October 2016. The bank overdraft facility can be drawn at any time and can be terminated by the Fund or the bank at any time by a written notice. Interest is paid monthly in arrears at a rate equal to the three month Pound Sterling interbank offered rate plus an applicable margin of 1.15% per annum, calculated on the daily overdrawn balance. Such amount is shown as 'Interest expense' in the Statement of Comprehensive Income.

At 31 December 2022, £167,417 (2021: £78,509) has been drawn from the bank overdraft facility and therefore, the undrawn bank overdraft facility available for future operating activities and to settle capital commitments is £4,832,583 (2021: £4,921,491). There are no restrictions on the use of this facility.

There have been no defaults or breaches related to the facility during the year ended 31 December 2022.

The carrying value of the bank overdraft equals its fair value.

Notes to the Financial Statements (continued)

9. Management profit share

The Fund allocates management profit share to the General Partner in respect of each Accounting Period, calculated at 0.2% per quarter of the MPS NAV at each quarter end and the rate may be reduced subject to certain conditions. MPS NAV is the sum of (i) the Net Asset Value as at the end of the quarter to which the MPS applies, plus (ii) the aggregate amount of income distributed to Investors in the quarter to which the MPS applies.

The management profit share in any Accounting Period shall be reduced by the whole of any Transaction Fees, Investment Related Fees, Abort Fees and Other Fees that have been earned and retained by the General Partner, the Manager or any Associate of either of them during the previous Accounting Period, up to a maximum amount that shall be no greater than the gross amount of the management profit share for the current period.

The management profit share ranks as the first charge on net income and realised gains in any Accounting Period and is paid in full by the Fund whether or not there are sufficient net income and realised gains to cover the amount. Such sums are not recoverable, except against future net income and realised gains of the Fund.

The Fund has a legal obligation to distribute the management profit share to the General Partner, and accordingly the management profit share is accounted for as an operating expense of the Fund.

At 31 December 2022 and 31 December 2021, the total amount of net income and net realised gains exceeded the total amount of management profit share since inception and therefore, no amount has been paid in advance.

10. Related party disclosure

The Limited Partnership Agreement provides that SL Capital Infrastructure I GP LP shall act as General Partner and is entitled to a management profit share as described in Note 9. During the year ended 31 December 2022, the General Partner was allocated management profit share of £4,407,092 (2021: £3,938,875). SL Capital Infrastructure I GP LP is a wholly owned indirect subsidiary of abrdn plc. The General Partner of SL Capital Infrastructure I GP LP is SLCP (General Partner Infrastructure I) Limited, a wholly owned subsidiary of abrdn CP (Holdings) Limited, which is a subsidiary of the ultimate parent, abrdn plc. The registered address of abrdn CP (Holdings) Limited and abrdn plc is 1 George Street, Edinburgh, EH2 2LL, United Kingdom.

The Fund is considered a related undertaking of the abrdn plc group under the Companies Act 2006 by virtue of the fact that its General Partner is controlled by the abrdn plc group.

The Manager of the Fund receives a management fee, equal to the management profit share allocated to the General Partner, in relation to its activity as Manager of the Fund.

abrdn Portfolio Investments Limited, abrdn GPM 2 Designated Activity Company, and SLCI I Executive Co Investment Limited Partnership are related entities sharing the same ultimate parent with the General Partner. They have invested £600,000, £50,000,000, and £410,000.

The table below shows the income and fees for the year:

Name of related party	Relationship	Nature of transactions	Transactions for the year ended 31 December 2022	Transactions for the year ended 31 December 2021
			£	£
SL Capital Infrastructure I GP LP	General Partner	Management profit share	4,407,092	3,938,875
SLCP Infrastructure I (Holdings) S.à.r.l.	Investment	Equity certificates interest income	8,075,500	8,790,843
Viceroy Gas Transport Holdings Limited	Investment	Shareholder loan interest income	5,309,120	5,214,407
Olive Storage Midco Ltd	Sub-Investment	Shareholder loan interest income	5,239,156	5,239,155
Nordic Hydro Holding AS	Investment	Shareholder loan interest income	-	3,838,009
aventron Norway AS	Sub-Investment	Shareholder loan interest income	532,853	266,163
Rock Rail Moorgate (Holdings) Limited	Investment	Shareholder loan interest income	3,456,872	4,518,332

Notes to the Financial Statements (continued)

10. Related party disclosure (continued)

Name of related party	Relationship	Nature of transactions	Transactions for the year ended 31 December 2022	Transactions for the year ended 31 December 2021
			£	£
Mallard Investments LLP	Investment	Distributions received	2,533,843	2,817,346
abrdn GPM 2 Designated Activity Company	Limited Partner	Net distributions paid	1,289,941	1,722,279
abrdn Portfolio Investments Limited	Limited Partner	Net distributions paid	13,912	19,270
SLCI I Executive Co Investment Limited Partnership	Limited Partner	Net distributions paid	13,786	16,981

Please refer to Note 13 for further details on the above mentioned shareholder loans.

The table below analyses the related party balances:

Name of related party	Relationship	Nature of transactions	Amount receivable / (payable) At 31 December 2022	Amount receivable / (payable) At 31 December 2021
			£	£
SL Capital Infrastructure I GP LP	General Partner	Capital contribution	100	100
SL Capital Infrastructure I GP LP	General Partner	Fund expenses	6,000	-
SL Capital Infrastructure I GP LP	General Partner	Management profit share catch up	(81,285)	(54,166)
SLCP Infrastructure I (Holdings) S.à.r.l.	Investment	Equity certificates interest	270,098	330,934
Guillemot Investments LLP	Investment	Expenses paid on behalf	71,021	33,687
Rock Rail Moorgate (Holdings) Limited	Investment	Shareholder loan interest	2,695,977	1,595,186
aventron Norway AS	Sub-Investment	Shareholder loan interest	800,468	264,233
Viceroy Gas Transport Holdings Limited	Investment	Capital contribution	(89)	(84)
Viceroy Gas Transport Holdings Limited	Investment	Shareholder loan interest	24,447,711	17,998,656
Viceroy Gas Transport II Limited	Sub-Investment	Expenses paid on behalf	204,973	204,973
Viceroy Gas Transport III Limited	Sub-Investment	Capital contribution	505	-
Viceroy Gas Transport III Limited	Sub-Investment	Expenses paid on behalf	2,510	1,738
Olive Storage Holdings Ltd	Investment	Expenses paid on behalf	26,551	10,643
Olive Storage Midco Ltd	Sub-Investment	Shareholder loan interest	8,496,108	5,893,693
Olive Storage Ltd	Sub-Investment	Expenses paid on behalf	-	11,296

Notes to the Financial Statements (continued)

11. Financial risk management

The overall strategy for the management of investment risk is driven by the investment policy as set out in the Limited Partnership Agreement. This is reviewed periodically by the Manager and Advisory Committee. Investments are selected by the Manager to achieve the investment objective of generating attractive returns, subject to prudent diversification. As a matter of policy, there are no pre-set sector allocations, however, risk is spread by investing across a range of countries and industries. The Fund's financial assets are predominantly direct investments in infrastructure assets, in which the maximum risk is considered to be the amount invested.

The Fund's activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Fund is exposed are market risk (including price risk, currency risk and interest rate risk), credit risk and liquidity risk. The risk management policies employed by the Fund are detailed overleaf:

11.1 Market risk

a) Price risk

The Fund is at risk of the economic cycle impacting markets and hence potentially the pricing of investment deals, the valuation of underlying investments and the price and timing of exits. The valuation of underlying investments is based on the fair value of expected future cash flows. There is a risk that the fair value of expected future cash flows will fluctuate because of changes in factors such as prevailing tax rates, inflation rates and other factors specific to individual investments.

Price risk is minimised by the Manager constructing a diversified portfolio of Investments. The Manager regularly reviews the performance of portfolio companies and is in regular contact with the management of portfolio companies for business and operational matters. At 31 December 2022, there were 7 Investments (2021: 7 Investments). More detail on the sector and geographic analysis is provided in the Manager's Report, which is issued separately.

b) Currency risk

The Fund makes investments in currencies other than Pound Sterling and accordingly a proportion of its net assets are in currencies other than Pound Sterling. As a result, the Fund's Statement of Financial Position is sensitive to movements in foreign exchange rates. The Fund has not hedged its foreign currency exposure, however, any cash received in a currency other than Pound Sterling is converted into Pound Sterling to minimise the exposure to fluctuations in exchange rates.

The table below sets out the Fund's exposure to foreign currency at the reporting date:

	31 December 2022		31 December 2021	
	Local Currency	£ Equivalent	Local Currency	£ Equivalent
Sterling	376,379,275	376,379,275	336,190,018	336,190,018
Euro	292,131,304	259,187,991	272,738,391	228,989,790
Norwegian Kroner	773,104,475	65,242,458	598,007,211	50,067,793
		700,809,724		615,247,601

If the value of the Pound Sterling strengthened by 10% in relation to all currencies, net assets attributable to Partners would have decreased by £29,493,677 at 31 December 2022 (2021: £25,368,871); a 10% change in the opposite direction would have resulted in an increase of £36,047,828 (2021: £31,006,398). These calculations are based on the assets and liabilities at the respective Statement of Financial Position dates and are not necessarily representative of the period as a whole.

The Fund has no significant exposure to currency risk on monetary items.

c) Interest rate risk

The Fund's main interest rate risk arises from short-term borrowings with variable rates, which expose the Fund to cash flow interest rate risk. The Fund manages its cash flow interest rate risk by actively monitoring the interest expenses from the bank overdraft. The Fund has no set interest rate level at which to cancel the overdraft, however the interest rate is actively monitored and any overdraft balance can be repaid if it is deemed appropriate to do so.

Loan stock income is accrued on a fixed rate basis. Therefore, the General Partner does not believe the impact of interest rate risk to be significant to the Fund.

11.2 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.

Notes to the Financial Statements (continued)

11. Financial risk management (continued)

11.2 Credit risk (continued)

The maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at the year-end (in relation to each class of recognised financial assets), is the carrying amount of those assets in the Statement of Financial Position. At the reporting date, the Fund's financial assets exposed to credit risk amounted to the table below.

	At 31 December 2022	At 31 December 2021 Restated
	£	£
Financial assets at fair value through profit or loss	701,073,182	615,426,474
Trade and other receivables	313,282	263,039
	701,386,464	615,689,513

Financial assets at fair value through the profit and loss constitute amounts due from investments which are subject to credit risk. The underlying amounts exposed to credit risk are detailed in notes 12 and 13.

The Fund places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2022, all of the Fund's cash was held by Societe Generale which was rated "A" (2021: "A") by Standard & Poor's at the date of the Report of the General Partner.

At 31 December 2022 and 31 December 2021, the assets held by the Fund are not past due or impaired.

11.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

During the year ended 31 December 2022, the Fund generated an increase in net assets attributable to Partners of £98,545,272 (2021: £40,168,421) of which £78,478,553 (2021: £13,966,584) was unrealised gains on Investments. At 31 December 2022 and 31 December 2021, there were no cash resources. The liabilities of the Fund, which includes a bank overdraft of £167,417 (2021: £78,509), are due on demand. In addition, the Fund had available to it undrawn commitments of £45,723,570 (2021: £45,488,194) from its Limited Partners, which are also due on demand.

The tables below analyse the Fund's financial liabilities into relevant maturity based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows:

At 31 December 2022

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Bank overdraft	167,417	-	-	-	167,417
Trade and other payables	409,323	-	-	-	409,323
Net assets attributable to Partners	-	-	-	700,809,724	700,809,724
Total liabilities	576,740	-	-	700,809,724	701,386,464

At 31 December 2021

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Bank overdraft	78,509	-	-	-	78,509
Trade and other payables	363,403	-	-	-	363,403
Net assets attributable to Partners*	-	-	-	615,247,601	615,247,601
Total liabilities	441,912	-	-	615,247,601	615,689,513

*Reclassified to 'more than 3 years' to better reflect the underlying nature of the liability.

Notes to the Financial Statements (continued)

11. Financial risk management (continued)

11.4 Capital risk management

The capital of the Fund is represented by the net assets attributable to Partners. The Fund's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of the net assets attributable to Partners.

12. Fair value measurement

IFRS 7 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of an Investment within the hierarchy is based upon the pricing transparency of that Investment. All of the Fund's Investments have been classified within Level 3 as they have unobservable inputs and trade infrequently or not at all.

The determination of what constitutes "observable" requires significant judgement by the General Partner. The General Partner considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Fund's Investments measured at fair value:

At 31 December 2022

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	701,073,182	701,073,182

At 31 December 2021

Restated

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	615,426,474	615,426,474

There were no transfers between levels during the current and comparative year.

Determining the fair value of the Fund's Investments requires judgement and considers factors specific to the Investments. The valuation policies applied by the General Partner are detailed in Note 3.1.

Valuation techniques and processes

The Fund's Investments are carried at fair value. The fair valuation of the Fund's Investments are influenced by the estimates and judgements outlined in Note 3.1. Quarterly, each Investment's value is adjusted for any unrealised appreciation or depreciation, as determined by the Manager. In addition, the fair value of each Investment is subject to review, at least annually by an independent valuer.

Notes to the Financial Statements (continued)

12. Fair value measurement (continued)

Valuation techniques and processes (continued)

The following tables summarise the valuation methodology used for the Fund's Investments that are categorised within Level 3 of the fair value hierarchy, along with the key unobservable inputs to the valuation:

Investment	Valuation technique	Significant unobservable input
Mallard Investments LLP	Discounted cash flow	Discount rate (9%), inflation (2.0% long term assumption)
Nordic Hydro Holding AS	Discounted cash flow	Discount rate (9%), power prices
Rock Rail Moorgate (Holdings) Limited	Discounted cash flow	Discount rate (8.5%), inflation (2.0% long term assumption)
SLCP Infrastructure I (Holdings) S.à r.l.	Discounted cash flow	Discount rate (9.1%), inflation (2.0% long term assumption), risk free rate (0.6 - 3.0% in the medium to long term), exit multiple (1.55x regulated asset value)
Guillemot Investments LLP	Discounted cash flow	Discount rate (9%), inflation (2.0% long term assumption)
Viceroy Gas Transport Holdings Limited	Discounted cash flow	Forecast production volumes, inflation (2.0% long term assumption)
Olive Storage Holdings Ltd	Discounted cash flow	Discount rate (9%), exit multiple (12x earnings)

Sensitivity analysis has been performed on the investments as at 31 December 2022 and 31 December 2021. The discounted cash flow valuation methodology has been used for each investment, therefore, each valuation is sensitive to the discount rate which has been applied. A variety of other business drivers have also been identified for each investment as appropriate variables upon which to perform the sensitivity analysis. The rationale for the selection is set out below:

- **Inflation:** Significant increase in the short to medium term inflation expectation pushes up inflation linked tariffs and therefore revenue streams in Mallard Investments LLP, Nordic Hydro Holding AS, Rock Rail Moorgate (Holdings) Limited, SLCP Infrastructure I (Holdings) S.à r.l., Guillemot Investments LLP and Viceroy Gas Transport Holdings Limited.
- **Power Price:** This has been chosen as the key business driver for Nordic Hydro Holding AS, as a change in price would have a direct and significant impact on the revenues and consequently the value of the investments.
- **Risk Free Rate and Exit Multiple:** Aligning implied growth rate in terminal value to the long term investor demand expectations will impact the asset valuation of SLCP Infrastructure I (Holdings) S.à r.l..
- **Production Volumes:** This has been selected as the key business driver for Viceroy Gas Transport Holdings Limited due to its revenue structure i.e. production volume multiplied by tariff. Long term bookings (i.e. production volumes) are underpinned by the underlying volume expectations from the respective natural gas production fields.
- **Terminal Value:** This has been selected as the key business driver for Olive Storage Holdings Ltd given the contracted nature of the revenue and cashflows. It is deemed appropriate as the key business driver due to its subjectivity and impact on valuation.

Notes to the Financial Statements (continued)

12. Fair value measurement (continued)

Valuation techniques and processes (continued)

Investments	Fair Value at 31 December 2022 £	Change in Variable £	+ / - %	Variable
Mallard Investments LLP	84,670,022	(9.4 million) / 11.2 million	10%	Discount Rate
		2.4 million / (2.3 million)	10%	Inflation
Nordic Hydro Holding AS	65,242,458	7.2 million / (7.3 million)	10%	Power Prices
		(4.6 million) / 5.3 million	10%	Discount Rate
Rock Rail Moorgate (Holdings) Limited	60,644,802	(5.7 million) / 6.7 million	10%	Discount Rate
		0.8 million / (0.8 million)	10%	Inflation
SLCP Infrastructure I (Holdings) S.à r.l.	137,699,254	33.4 million / (20.4 million)	1%	Inflation
		(5.9 million) / 6.3 million	0.5%	Discount Rate
		3.0 million / (2.0 million)	10%	Risk Free Rate
		1.5 million / (1.5 million)	10%	Exit multiple
Guillemot Investments LLP	118,445,578	(10.6 million) / 12.7 million	10%	Discount Rate
		2.4 million / (2.3 million)	10%	Inflation
Viceroy Gas Transport Holdings Limited	121,488,364	15.7 million / (16.2 million)	10%	Volumes
		4.3 million / (4.3 million)	1%	Inflation
Olive Storage Holdings Ltd	112,882,704	(7.8 million) / 8.7 million	10%	Discount Rate
		5.2 million / (5.5 million)	10%	Terminal Value

Notes to the Financial Statements (continued)

12. Fair value measurement (continued)

Valuation techniques and processes (continued)

Investments	Fair Value at 31 December 2021 £	Change in Variable £	+ / - %	Variable
Mallard Investments LLP	74,753,473	(8.6 million) / 10.3 million	10%	Discount rate
		16.7 million / (17.1 million)	10%	Re-lease rate
Nordic Hydro Holding AS	50,067,793	(4.6 million) / 5.3 million	10%	Discount rate
		5.7 million / (5.9 million)	10%	Power prices
Rock Rail Moorgate (Holdings) Limited	53,043,612	(5.3 million) / 6.3 million	10%	Discount rate
		15.1 million / (16.6 million)	10%	Re-lease rate
SLCP Infrastructure I (Holdings) S.à r.l.	120,598,546	(9.2 million) / 10.6 million	10%	Discount rate
		2.6 million / (2.5 million)	10%	Consumer Price Index
Guillemot Investments LLP	99,450,307	(9.8 million) / 11.8 million	10%	Discount rate
		22.2 million / (22.9 million)	10%	Re-lease rate
Viceroy Gas Transport Holdings Limited	108,390,849	(4.2 million) / 4.5 million	10%	Discount rate
		13.7 million / (13.8 million)	10%	Production volumes
Olive Storage Holdings Ltd	109,121,895	(7.9 million) / 8.8 million	10%	Discount rate
		4.6 million / (4.6 million)	10%	Terminal value

Total valuation as at 31 December 2022 is £701,073,812 (2021: £615,426,474) of which £36,710,362 (2021: £26,082,701) relates to interest receivable on loan investments.

The changes in Investments measured at fair value for which the Fund has used Level 3 inputs to determine fair value are as follows:

	31 December 2022 £	31 December 2021 Restated £
Balance at the start of the year	615,426,474	592,036,634
Investment proceeds reinvested (see note 13.2)	-	4,084,717
Sales	(2,314,401)	(8,779,500)
Unrealised gains	78,478,553	13,966,584
Capitalised interest adjustment relating to Nordic Hydro Holding AS	-	3,838,009
Accrued interest on financial assets	9,482,556	10,280,030
Balance at the end of the year	701,073,182	615,426,474
Unrealised movement included in profit or loss related to Investments still held at the reporting date:		
- Net unrealised movement on Investments (excluding transaction costs)	66,677,409	28,002,397
- Net unrealised foreign exchange movement on Investments	11,801,144	(14,035,813)
	78,478,553	13,966,584

Notes to the Financial Statements (continued)

13. Unconsolidated subsidiaries

As a result of the adoption of IFRS 10 and its amendments, the Fund has been deemed as an investment entity, which is exempt from consolidating its subsidiaries in the audited financial statements. The Fund has wholly and partially owned subsidiaries through the investment structure.

13.1 Investment in SLCP Infrastructure I (Holdings) S.à r.l.

The Fund holds 100% ownership interest in SLCP Infrastructure I (Holdings) S.à r.l., a parent company holding 100% ownership interest in SLCP Infrastructure I - A S.à r.l.. These subsidiaries are all incorporated in Luxembourg.

SLCP Infrastructure I - A S.à r.l. has a 100% indirect ownership interest in Auris Kaasuenergia Oy, Auris Energia Holding Oy, Auris Kaasunjakelu Oy and Auris Energiapalvelut Oy through Auris Energia Oy and has a 27.3% indirect ownership interest in Quantitative Heat Oy. These subsidiaries are all incorporated in Finland.

At 31 December 2022, SLCP Infrastructure I (Holdings) S.à r.l. had issued the Fund with share capital of €40,470 (2021: €40,470), share premium of €13,753,280 (2021: €13,753,280), tracking preferred equity certificates ("TPECs") of €78,093,750 (2021: €78,093,750) and preferred equity certificates ("PECs") of €10,400,000 (2021: €10,400,000). The maturity date of the TPECs is 29 years from the issue date of 26 June 2015 and the maturity date of the PECs is 29 years from the issue date of 21 February 2017. The Fund is entitled to receive a fixed yield (equal to 1% per annum computed on its Par Value) and variable yield (equal to the Net Eligible Income earned by SLCP Infrastructure I (Holdings) S.à r.l.) in each June and December on each TPEC and PEC issued. TPECs and PECs shall be redeemed at the option of SLCP Infrastructure I (Holdings) S.à r.l. at the liquidation date or at the maturity date. Before the maturity date, the Fund does not have any right or privilege to demand for redemption of the TPECs or PECs.

13.2 Investment in Nordic Hydro Holding AS

During the year ended 31 December 2021, aventron Norway AS and Nordic Hydro Holding AS carried out a transaction with an effective date of 2 July 2021 to merge their portfolio of hydro and wind power assets. In order to give effect to the merger, aventron Norway AS obtained ownership of Nordic Hydro AS and Mygland Kraft AS (previously subsidiaries of Nordic Hydro Holding AS) while maintaining ownership of numerous aventron Norway subsidiaries, thus representing the combined businesses. The loan utilised under the loan agreement between Nordic Hydro Holding AS and the Fund was partially converted to equity (NOK 83,539,378) and the remainder was transferred to aventron Norway AS in two different tranches. The first tranche consisted of a principal loan amount totalling NOK 201,375,331 and the second tranche consisted of a principal loan amount totalling NOK 99,433,655. On 14 July 2021, aventron Norway AS settled the principal amount relating to the second tranche and upon receipt, the Fund immediately re-invested a portion of the proceeds into Nordic Hydro Holdings AS, increasing its equity by a total of NOK 49,433,655 on 15 July 2021. The loan in place with aventron Norway AS bears an interest rate of 3.10% per annum over a 360 day period. The outstanding principal amount of the loan together with accrued and unpaid interest is due and payable on the earlier of 30 June 2036 and the date insolvency or similar proceedings have been initiated in respect of aventron Norway AS.

At 31 December 2022, the total principal debt between the Fund and aventron Norway AS amounted to NOK 201,375,331 (2021: NOK 201,375,331) and the total equity in Nordic Hydro Holding AS amounted to NOK 274,289,552 (2021: NOK 331,732,398). At 31 December 2022, the total accrued interest on the loan between the Fund and aventron Norway AS amounted to NOK 9,485,337 (2021: NOK 3,155,999).

Following the transaction, the Fund continues to hold a 100% ownership interest in Nordic Hydro Holding AS, a parent company holding 100% direct interest in MidCo 1 AS (established as part of the merger transaction). MidCo 1 AS is a company holding 100% direct interest in MidCo 2 AS (established as part of the merger transaction). MidCo 2 AS is a company holding 33.5% direct interest in aventron Norway AS. aventron Norway AS holds a number of direct and indirect interests, as detailed in the table overleaf.

13.3 Investment in Mallard Investments LLP

The Fund holds 51% ownership interest in Mallard Investments LLP, a parent company holding 94% ownership interest in Rock Rail East Anglia (Holdings) 1 Limited, a sub parent company holding 100% ownership interest in Rock Rail East Anglia (Holdings) 2 Limited and 100% indirect ownership interest in Rock Rail East Anglia PLC. These subsidiaries are all incorporated in United Kingdom.

At 31 December 2022, total subscriptions made by the Fund to Mallard Investments LLP amounted to £49,527,595 (2021: £49,527,595).

13.4 Investment in Rock Rail Moorgate (Holdings) Limited

The Fund also holds 94% ownership interest in Rock Rail Moorgate (Holdings) Limited, a parent company holding 100% equity interest in Rock Rail Moorgate PLC. These subsidiaries are all incorporated in United Kingdom.

At 31 December 2022, total subscriptions made by the Fund to Rock Rail Moorgate (Holdings) Limited amounted to £38,610,551 (2021: £38,610,551).

Notes to the Financial Statements (continued)

13. Unconsolidated subsidiaries (continued)

13.5 Investment in Guillemot Investments LLP

The Fund holds 48% ownership interest in Guillemot Investments LLP, a parent company holding 94% ownership interest in Rock Rail South Western (Holdings) 1 Limited, a sub parent company holding 100% ownership interest in Rock Rail South Western (Holdings) 2 Limited and 100% indirect ownership interest in Rock Rail South Western PLC. These subsidiaries are all incorporated in United Kingdom.

At 31 December 2022, total subscriptions made by the Fund to Guillemot Investments LLP amounted to £65,500,423 (2021: £65,500,423).

13.6 Investment in Viceroy Gas Transport Holdings Limited

The Fund holds 100% ownership interest in Viceroy Gas Transport Holdings Limited, a parent company holding 100% ownership interest in Viceroy Gas Transport Finco Limited, a sub parent company holding 100% ownership interest in Viceroy Gas Transport Midco Limited and 100% indirect ownership interest in Viceroy Gas Transport Limited. These subsidiaries are all incorporated in Guernsey. Viceroy Gas Transport Limited has an 18% direct ownership interest in Noordgastransport Unincorporated Joint Venture domiciled in the Netherlands.

Viceroy Gas Transport Finco Limited also holds a 100% ownership interest in Viceroy Gas Transport II Limited, a sub parent company holding 100% ownership interest in Viceroy Gas Transport III Limited and SLCP Infrastructure I B Sàrl and 100% indirect ownership interest in Viceroy Gas Transport II Lux Sarl. SLCP Infrastructure I B Sàrl and Viceroy Gas Transport II Lux Sarl are incorporated in Luxembourg. Viceroy Gas Transport II Lux Sarl has a 20% direct ownership interest in Noordgastransport B.V domiciled in the Netherlands.

At 31 December 2022, Viceroy Gas Transport Holdings Limited had issued the Fund with share capital of €22,378,333 (2021: €22,378,333), share premium of €14,254,429 (2021: €14,254,429) and unsecured loan notes ("the Loan") of €76,472,020 (2021: €76,472,020). The maturity date of the Loan is 40 years from the issue date on 22 December 2017 and the Fund is entitled to receive an interest on the Loan (the Loan shall accrue interest in favour of the Lender at the rate of 8% per annum) in each June and December.

13.7 Investment in Olive Storage Holdings Ltd

The Fund holds 100% ownership interest in Olive Storage Holdings Ltd, a parent company holding 100% ownership interest in Olive Storage Midco Ltd, a sub parent company holding 100% ownership interest in Olive Storage Ltd and a 100% indirect ownership interest in Oikos Storage Limited. These subsidiaries are all incorporated in the United Kingdom.

At 31 December 2022, total share subscriptions made by the Fund to Olive Storage Holdings Ltd amounted to £31,684,429 (2021: £31,684,429).

At 31 December 2022, total loan subscriptions made by the Fund to Olive Storage Midco Ltd amounted to £74,845,077 (2021: £74,845,077).

13.8 Related undertakings

There were no capital commitment obligations and no amounts due to these subsidiaries for unsettled purchases.

Movements in the fair value of these subsidiaries may expose the Fund to a gain / loss.

The following table below summarises the Fund's related undertakings:

Investments	Country of Domicile	Ownership Interest	Direct / Indirect Holdings	Share Class	Other Financial Instruments
SLCP Infrastructure I (Holdings) S.à r.l.	Luxembourg	100%	Direct	Ordinary Shares	TPECs, PECs
SLCP Infrastructure I - A S.à r.l.	Luxembourg	100%	Indirect	Ordinary Shares	TPECs, PECs
Auris Energia Oy	Finland	100%	Indirect	Ordinary Shares	-
Auris Kaasuenergia Oy	Finland	100%	Indirect	Ordinary Shares	-
Auris Energia Holding Oy	Finland	100%	Indirect	Ordinary Shares	-
Auris Kaasanjaku Oy	Finland	100%	Indirect	Ordinary Shares	Shareholder Loans
Auris Energiapalvelut Oy	Finland	100%	Indirect	Ordinary Shares	-
Quantitative Heat Oy	Finland	27%	Indirect	Ordinary Shares	-
Nordic Hydro Holding AS	Norway	100%	Direct	Ordinary Shares	-
MidCo 1 AS	Norway	100%	Indirect	Ordinary Shares	-
MidCo 2 AS	Norway	100%	Indirect	Ordinary Shares	-
aventron Norway AS	Norway	34%	Indirect	Ordinary Shares	Shareholder Loans
Nordic Hydro AS	Norway	34%	Indirect	Ordinary Shares	-
Nordic Power AS	Norway	34%	Indirect	Ordinary Shares	-
Nordic Power Torsnes AS	Norway	34%	Indirect	Ordinary Shares	-
Mygland Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Boge Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Botnen Kraftverk AS	Norway	13%	Indirect	Ordinary Shares	-

Notes to the Financial Statements (continued)

13. Unconsolidated subsidiaries (continued)

Investments	Country of Domicile	Ownership Interest	Direct / Indirect Holdings	Share Class	Other Financial Instruments
Geitåni Kraftverk AS	Norway	30%	Indirect	B-shares with 100% of economic interest	-
Kupe Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Madland Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Storforshei Naturkraft AS	Norway	34%	Indirect	Ordinary Shares	-
Sevre Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Skorga Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Snefjellåkraft AS	Norway	26%	Indirect	Ordinary Shares	-
Steindal Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Storøy Vindpark AS	Norway	34%	Indirect	Ordinary Shares	-
Syversætre Foss Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Todøla Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Ytre Oppedal Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Markåni Kraftverk AS	Norway	34%	Indirect	Ordinary Shares	-
Sirdal Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Kjerringnes Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Kvannvatn Kraft AS	Norway	34%	Indirect	Ordinary Shares	-
Skolten Kraft AS	Norway	18%	Indirect	Ordinary Shares	-
Gismarvik Vindkraft AS	Norway	34%	Indirect	Ordinary Shares	-
Mallard Investments LLP	United Kingdom	51%	Direct	LLP units	-
Rock Rail East Anglia (Holdings) 1 Limited	United Kingdom	48%	Indirect	Ordinary Shares	-
Rock Rail East Anglia (Holdings) 2 Limited	United Kingdom	48%	Indirect	Ordinary Shares	Shareholder Loans
Rock Rail East Anglia PLC	United Kingdom	48%	Indirect	Ordinary Shares	Shareholder Loans
Rock Rail Moorgate (Holdings) Limited	United Kingdom	94%	Direct	Ordinary Shares	Shareholder Loans
Rock Rail Moorgate PLC	United Kingdom	94%	Indirect	Ordinary Shares	Shareholder Loans
Guillemot Investments LLP	United Kingdom	48%	Direct	LLP units	-
Rock Rail South Western (Holdings) 1 Limited	United Kingdom	45%	Indirect	Ordinary Shares	-
Rock Rail South Western (Holdings) 2 Limited	United Kingdom	45%	Indirect	Ordinary Shares	Shareholder Loans
Rock Rail South Western PLC	United Kingdom	45%	Indirect	Ordinary Shares	Shareholder Loans
Viceroy Gas Transport Holdings Limited	Guernsey	100%	Direct	Ordinary Shares	Shareholder Loans
Viceroy Gas Transport Limited	Guernsey	100%	Indirect	Ordinary Shares	Shareholder Loans
Noordgastransport Unincorporated JV	Netherlands	18%	Indirect	Ordinary Shares	-
Noordgastransport BV	Netherlands	20%	Indirect	Ordinary Shares	-
Viceroy Gas Transport II Limited	Guernsey	100%	Indirect	Ordinary Shares	Shareholder Loans
Viceroy Gas Transport II Lux S.à r.l.	Luxembourg	100%	Indirect	Ordinary Shares	Shareholder Loans
SLCP Infrastructure I - B S.à r.l.	Luxembourg	100%	Indirect	Ordinary Shares	Shareholder Loans
Viceroy Gas Transport III Limited	Guernsey	100%	Indirect	Ordinary Shares	-
Viceroy Gas Transport Finco Limited	Guernsey	100%	Indirect	Ordinary Shares	Shareholder Loans
Viceroy Gas Transport Midco Limited	Guernsey	100%	Indirect	Ordinary Shares	Shareholder Loans
Olive Storage Holdings Ltd	United Kingdom	100%	Direct	Ordinary Shares	-
Olive Storage Midco Ltd	United Kingdom	100%	Indirect	Ordinary Shares	Shareholder Loans
Olive Storage Ltd	United Kingdom	100%	Indirect	Ordinary Shares	Shareholder Loans
Oikos Storage Limited	United Kingdom	100%	Indirect	Ordinary Shares	-
Investments	Registered Address				
SLCP Infrastructure I (Holdings) S.à r.l.	412F, Route d'Esch, L - 1471 Luxembourg				
SLCP Infrastructure I - A S.à r.l.	412F, Route d'Esch, L - 1471 Luxembourg				
Auris Energia Oy	Pulttikatu 1, KOTKA, 48770, Finland				
Auris Kaasuenergia Oy	Pulttikatu 1, KOTKA, 48770, Finland				
Auris Energia Holding Oy	Pulttikatu 1, KOTKA, 48770, Finland				
Auris Kaasanjakelu Oy	Pulttikatu 1, KOTKA, 48770, Finland				
Auris Energiapalvelut Oy	Pulttikatu 1, KOTKA, 48770, Finland				

Notes to the Financial Statements (continued)

13. Unconsolidated subsidiaries (continued)

Investments	Registered Address
Quantitative Heat Oy	Kappelikuja 6 02200 Espoo Finland
Nordic Hydro Holding AS	Teknologiveien 2B, 8517, Narvik, Norway
MidCo 1 AS	Teknologiveien 2B, 8517, Narvik, Norway
MidCo 2 AS	Teknologiveien 2B, 8517, Narvik, Norway
aventron Norway AS	c/o Captiva Asset Management AS, Maridalsveien 91, 0461 Oslo, Norway
Nordic Hydro AS	Teknologiveien 2B, 8517, Narvik, Norway
Nordic Power AS	Teknologiveien 2B, 8517, Narvik, Norway
Nordic Power Torsnes AS	Teknologiveien 2B, 8517, Narvik, Norway
Mygland Kraft AS	Teknologiveien 2B, 8517, Narvik, Norway
Boge Kraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Botnen Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Geitåni Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Kupe Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Madland Kraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Storforshel Naturkraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Sevre Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Skorga Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Sneffjellåkraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Steindal Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Storøy Vindpark AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Syversætre Foss Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Todøla Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Ytre Oppedal Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Markåni Kraftverk AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Sirdal Kraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Kjerringnes Kraft AS	c/o Captiva Asset Management AS, Frøyas gate 15, 0273 Oslo, Norway
Kvannvatn Kraft AS	Kvannvatn power plant Ørtfjell, 8630 STORFORSHEIA, Norway
Skolten Kraft AS	Svardal, 6940 EIKEFJORD, Norway
Gismarvik Vindkraft AS	Ullandhaugveien 150, 4021 STAVANGER, Norway
Mallard Investments LLP	1 George Street, Edinburgh, United Kingdom, EH2 2LL
Rock Rail East Anglia (Holdings) 1 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail East Anglia (Holdings) 2 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail East Anglia PLC	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail Moorgate (Holdings) Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail Moorgate PLC	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Guillemot Investments LLP	1 George Street, Edinburgh, United Kingdom, EH2 2LL
Rock Rail South Western (Holdings) 1 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail South Western (Holdings) 2 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail South Western PLC	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Viceroy Gas Transport Holdings Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Viceroy Gas Transport Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Noordgastransport Unincorporated JV	Einsteinlaan 10, 2719 EP, Zoetermeer
Noordgastransport BV	Einsteinlaan 10, 2719 EP, Zoetermeer
Viceroy Gas Transport II Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Viceroy Gas Transport II Lux S.à r.l.	412F, Route d'Esch, L - 1471 Luxembourg
SLCP Infrastructure I - B S.à r.l.	412F, Route d'Esch, L - 1471 Luxembourg
Viceroy Gas Transport III Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Viceroy Gas Transport Finco Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Viceroy Gas Transport Midco Limited	Ground Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 4BF
Olive Storage Holdings Ltd	4th Floor, 3 More London Riverside, London, United Kingdom, SE1 2AQ
Olive Storage Midco Ltd	4th Floor, 3 More London Riverside, London, United Kingdom, SE1 2AQ
Olive Storage Ltd	4th Floor, 3 More London Riverside, London, United Kingdom, SE1 2AQ
Oikos Storage Limited	Haven Road, Hole Haven Wharf, Canvey Island, SS8 0NR

Notes to the Financial Statements (continued)

14. Subsequent events

Subsequent events have been evaluated up to 28 March 2023.

On 25 January 2023, the Fund called for contributions from its Limited Partners amounting to £7,600,000.

On 30 January 2023, the Fund provided an interest free loan of EUR 10,370,512 to SLCP Infrastructure I - A S.à r.l. to fund a bolt on investment for Auris Energia Oy in Haminan Kaasuverkko Oy.

The General Partner has identified no other significant events after the reporting date.

15. Restatement of comparatives

As described in Note 2.18, there has been a restatement of the prior year comparatives due to the reclassification of interest receivable on shareholder loans to financial assets at FVPL from financial assets at amortised cost ("PYA").

The opening investments balance as at 1 January 2021 disclosed in note 12 has been restated to reflect this reclassification to include interest receivable on shareholder loans from £575,303,301 to £592,036,634.

Where a financial line item has changed, the impacts of the restatements on the prior year comparatives are as follows:

Statement of Comprehensive Income

	Year ended 31 December 2021 (Audited) £	Restatement (PYA) £	Year ended 31 December 2021 (Restated) £
Income			
Investment income	30,684,255	-	30,684,255
Net unrealised movement on Investments	28,002,397	-	28,002,397
Net unrealised foreign exchange movement on Investments	(13,105,151)	(930,662)	(14,035,813)
Net foreign exchange gain / (loss) on non-Investments	(966,290)	930,662	(35,628)
Net foreign exchange gain on Investments	172,049	-	172,049
Total net income	44,787,260	-	44,787,260
Expenses			
Administration and other expenses	(677,684)	-	(677,684)
Management profit share	(3,938,875)	-	(3,938,875)
Total operating expenses	(4,616,559)	-	(4,616,559)
Operating Profit	40,170,701	-	40,170,701
Finance costs			
Interest expense	(2,280)	-	(2,280)
Total finance costs	(2,280)	-	(2,280)
Increase in net assets attributable to Partners	40,168,421	-	40,168,421

Notes to the Financial Statements (continued)

15. Restatement of comparatives (continued)

Statement of Financial Position

	At 31 December 2021 (Audited) £	Restatement (PYA) £	At 31 December 2021 (Restated) £
Non-current assets			
Financial assets at fair value through profit or loss	589,343,773	26,082,701	615,426,474
Trade and other receivables	4,952,821	(4,952,821)	-
	<u>594,296,594</u>	<u>21,129,880</u>	<u>615,426,474</u>
Current assets			
Trade and other receivables	21,392,919	(21,129,880)	263,039
	<u>21,392,919</u>	<u>(21,129,880)</u>	<u>263,039</u>
Current liabilities			
Bank overdraft	(78,509)	-	(78,509)
Trade and other payables	(363,403)	-	(363,403)
	<u>(441,912)</u>	<u>-</u>	<u>(441,912)</u>
Net current (liabilities) / assets	<u>20,951,007</u>	<u>(21,129,880)</u>	<u>(178,873)</u>
Net assets attributable to Partners	<u>615,247,601</u>	<u>-</u>	<u>615,247,601</u>

Statement of Cash Flows

	Year ended 31 December 2021 (Audited) £	Restatement (PYA) £	Year ended 31 December 2021 (Restated) £
Cash flows from operating activities			
Operating profit	40,170,701	-	40,170,701
Interest paid	(2,280)	-	(2,280)
(Increase) / decrease in trade and other receivables	(8,923,126)	9,349,368	426,242
Increase in interest receivable	-	(10,280,030)	(10,280,030)
Increase in trade and other payables	45,693	-	45,693
Net unrealised movement on Investments	(28,002,397)	-	(28,002,397)
Net unrealised foreign exchange movement on Investments	13,105,151	930,662	14,035,813
Proceeds from Investments	8,779,500	-	8,779,500
Purchase of Investment (see note 13.2)	(4,084,717)	-	(4,084,717)
Capitalised interest adjustment relating to Nordic Hydro Holdings AS	(3,838,009)	-	(3,838,009)
Net cash inflow from operating activities	<u>17,250,516</u>	<u>-</u>	<u>17,250,516</u>

Appendix I (unaudited)

Risk Management function

abrdn is committed to building and continuously improving a sound and effective system of internal control and a Risk Management framework that is embedded within its operations; this is the first line of defence.

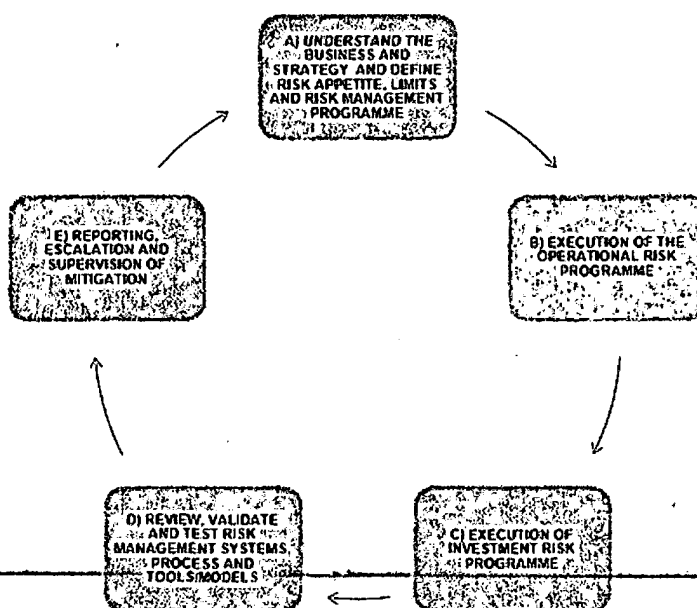
abrdn's Risk Division, as the second line of defence, exists to support management in the identification and mitigation of risks and provides independent monitoring of the business. The Risk Division includes vector-aligned CRO teams providing operational risk and compliance activities, along with centralised specialist teams covering Investment Risk, Anti-Financial Crime and Enterprise Risk. The team is headed by the abrdn's Chief Risk Officer, who reports to the Chief Executive Officer. The Risk Division achieves its objective through embedding the Risk Management framework throughout the organisation using abrdn's operational Risk Management system (SHIELD).

abrdn's Internal Audit Department is independent of the Risk Division and reports to the CEO and the Chair of the Audit Committee of the Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the control environment; it is abrdn's third line of defence.

abrdn's corporate governance structure is supported by several committees that bring together subject matter experts from different departments, to assist abrdn's Board of Directors, its subsidiaries and the funds to fulfil their roles and responsibilities. The Risk Division is represented on all committees, with the exception of those that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described in their respective terms of reference.

Risk Management programme

The Risk Management programme is typically aligned with the valuation and reporting cycle of the funds and can be summarised broadly in five steps, see the chart below.



The first step of the programme allows the risk teams to identify, assess and understand the inherent risks of the fund and to define the Risk Management programme. This step allows the Risk Management team to understand potential changes in the risk profile of the fund and to focus and adapt their level of analysis to the most significant risks. The operational risk programme execution allows the risk teams to assess whether the internal controls mitigating those risks are sufficient and effective. Further, the execution of the investment risk programme relates to the identification and measurement of risks embedded in the investments of the fund. The review of the Risk Management systems allows the risk team to confirm whether the processes are operating as described in the procedures and whether they are still fit for purpose.

The review of the Risk Management systems, processes and tools results of the independent risk assessment are escalated to the relevant committees and boards which are responsible for overseeing how the business implements the necessary mitigating actions.

Appendix I (continued)

Description of the process of identifying, assessing and managing risks

- **Market risk:** Means the risk that economic, market or idiosyncratic events cause a change in the market value of a fund's assets. The market risk is monitored through various techniques including, but not limited to, computation of the level of leverage by both the gross and net approach (where applicable), scenario analysis and concentration analysis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.
- **Liquidity risk:** abrdn has a Liquidity Risk Management Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity risk is monitored on both the asset and liability sides. abrdn employs a number of methods to estimate the time to liquidate the underlying assets under both normal and stressed market conditions. On the liability side, the Risk Management team monitors whether the fund has enough liquidity to cover its short term liabilities and whether the maturity of the remaining fund liabilities are aligned with the asset liquidity profile.
- **Valuation risk:** abrdn's Pricing Committee is responsible for the review and monitoring of asset pricing, in addition to the approval of pricing methodologies and fair value approaches. abrdn has implemented a Pricing Policy which details the operational responsibilities for pricing assets.
- **Sustainability Risk:** abrdn investment process embeds the assessment of sustainability risks from the due diligence stage throughout the ownership period. During the ownership period of an asset, ESG risks, opportunities and objectives are part of the asset's ESG Value Creation Plans. The Risk Management team monitors the risk & opportunities and the implementation & execution of objectives in the ESG Value Creation Plans.
- **Credit and counterparty risk:** Credit and counterparty risk arises mainly from cash and cash equivalent accounts or derivative transactions. abrdn has a Global Counterparty Credit Risk Policy (GCCP) in place to ensure appropriate management of credit risk and standards for approving trading counterparties. The policy is reviewed and approved by the Counterparty and Credit Risk Forum on at least an annual basis. Transactions involving derivatives are only entered with approved counterparties and if the terms of the bilateral agreements and collateral terms are in line with abrdn Derivative Management Policy. This process is overseen by the Derivative Management Forum.
- **Legal risk:** All key contractual arrangements entered into by the funds are reviewed by the internal Legal team and, where required, by external legal counsel. If these contracts refer to delegation arrangements, where applicable, there is an operating memorandum defining information flows between the parties, frequency of services and deadlines, a clear attribution of rights and responsibilities of each party and, when applicable, the key performance indicators to measure performance. Any litigation issues are also handled by the internal Legal team, which would provide updates to the Risk Management team on any existing litigation, status of the litigation and the extent of any impact to the funds.
- **Tax risk:** The internal Tax team is supported by external tax consultants to advise on tax structuring, transactions and tax reporting.
- **Operational risk:** The Operational Risk Management Framework ensures that the operational risks taken and their contribution to the overall risk profile are accurately measured on the basis of sound and reliable data and that the risk measurement arrangements, processes and techniques are adequately documented. The identification, measurement, management and monitoring of operational risk within abrdn are achieved through the use of the Operational Risk Management Framework System, SHIELD. This system provides the following key Risk Management Modules:
 - **Event & Losses Management:** This module serves as a historical loss database, in which any operational failures, loss and damage experience (Events) will be recorded. The records include professional liability damages. The process for recording, investigation and mitigation of Events aims to ensure that they are not repeated.
 - **Issues and Actions:** The issues and actions module provides a standardised mechanism for identifying, prioritising, classifying, escalating and reporting internal audit findings and other on-going/unresolved matters impacting abrdn from a risk or regulatory perspective (Issues).
 - **Risk and Control Self-Assessment (RCSA):** The RCSA process is to ensure key risks and key controls are identified and managed effectively in order to satisfy, where applicable, Internal Capital Adequacy (ICAAP) requirements. The RCSA also provides a systematic and holistic means of identifying risk and control gaps that could impact business or process objectives which are agreed by Senior Management to complete.

Appendix I (continued)

Measuring risk

Where appropriate abrdn applies the following measurements for each fund:

- **Leverage and debt related measurements:** Measures, where applicable, the effect of gearing a fund's expected performance by allowing a fund to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss). The measurements are also designed to capture limitation on the capacity of managing the funds' assets due to restrictions or banking covenants which come associated with debt and the risk of not be able to re-finance debt upon maturity. Other secondary risks measured relate to whether the cost of gearing is too high and whether the length of the gearing is appropriate.
- **Stress test and scenario analysis:** Captures how much the current portfolio will lose if certain market conditions occur.
- **Concentration:** By grouping the portfolio through various different exposures: country, sector, asset, etc., to identify where concentration risk exists.
- **Alignment of asset/liability liquidity terms:** Assesses whether the fund has enough liquidity to cover its short term liabilities and whether the maturity of the remaining fund liabilities are aligned with the asset liquidity profile under both normal and stressed market conditions. Additionally, it measures assesses the risk that market conditions are not such that a fund cannot execute its preferred exit strategy or cannot exit at the expected price.
- **Activities to measure sustainability risks:** Monitoring adherence to any sustainability risk restrictions / guidelines, monitoring the level of execution of sustainability related objectives (fund and / or asset level) and ESG performance (e.g. with the help of industry rating scores such as GRESB), where applicable.
- **Activities to measure operational risks:** Inquires to legal and tax teams on litigations and tax developments impacting the funds.
- **Assessments of investor satisfaction.** Understanding processes related to NAV production, investing and monitoring of investments. Analysis of SHIELD Events and Issues, etc.

For some of the risk measurements above, the Board of Directors and Risk Management team will determine and set specific risk limits, which will be appropriate for each fund.

Escalation and reporting

abrdn recognises timely and adequate reporting measures as well as escalation channels to be key components of the control process and management of risk.

The Risk Management team provides regular updates to the Board/Senior Management on the adequacy and effectiveness of the Risk Management Process indicating, where applicable, actual or anticipated deficiencies and the remedial measures.

Risks identified at the level of the funds are reported to the Board of each fund, to the Board of the Manager and to the relevant Committee.

In addition, all issues and events impacting any abrdn entity or the funds are logged in SHIELD, by the relevant area within the prescribed time limits.

Appendix II (unaudited)

Remuneration Policy

The abrdn plc Remuneration Policy applies with effect from 1 January 2022. The purpose of the abrdn plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of abrdn as approved by the abrdn plc Remuneration Committee (the "Committee"). The Policy is available on request.

The Policy applies to employees of the abrdn group of companies ("Group" or "abrdn") including AIFMD Management Companies ("ManCos") and the AIFMD funds that the ManCo manages.

Remuneration Principles

abrdn applies Group wide principles for remuneration policies, procedures and practices ensuring that:

- Remuneration within the Group is simple, transparent and fair.
- Our Policy supports our long-term strategy by reinforcing a performance-driven culture. It aligns the interests of our employees, shareholders and, importantly, our clients/customers.
- Our remuneration structure recognises the different challenges and priorities of roles and Vectors and Functions across the organisation as appropriate.
- Remuneration policies, procedures and practices promote good conduct, including sound and effective risk management and do not encourage risk taking that exceeds the level of tolerated risk appetite.
- Remuneration extends beyond the provision of fixed and variable pay, with a focus on the retirement provision and the wellbeing needs of our employees, as part of our remuneration philosophy.

Total remuneration delivered is affordable for the Group.

Remuneration Framework

Employee remuneration is composed of fixed and variable elements of reward as follows:

- Fixed reward (fixed remuneration: salary and cash allowances, if appropriate); and Benefits (including pension).
- Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

- Fixed and variable components of total remuneration are appropriately balanced; and
- The fixed component is a sufficiently high proportion of total remuneration to allow abrdn to operate a fully flexible policy on variable remuneration components, including having the ability to award no variable remuneration component in certain circumstances where either individual and/or Group performance does not support such award.

Base salary	Base salary provides a core reward for undertaking the role and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration. Periodic reviews take into account the employee's role, scope of responsibilities, skills and experience, salary benchmarks (where available) and, where relevant, any local legislative or regulatory requirements.
Benefits (including retirement benefit where appropriate)	Benefits are made up of core benefits which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees which may require contribution through salary sacrifice or other arrangements. Retirement benefits are managed in line with the relevant legislative requirements and governance structures. In certain, very limited circumstances, a cash allowance may be offered in lieu of a retirement arrangement.

Appendix II (continued)

Remuneration Framework (continued)

Annual Performance Bonus Awards	<p>Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year.</p> <p>Annual bonuses are based upon Group, Vector, Function, Team and Individual performance (with individual performance assessed against agreed goals and behaviours). The variable remuneration pool for all eligible employees, including Identified Staff or Material Risk Takers ("MRTs"), is determined initially by reference to profitability and other quantitative and qualitative financial and non-financial factors including risk considerations (on an ex-post and ex-ante basis). In reaching its final funding decision, the Committee exercises its judgement to ensure that the outcome reflects holistic Company performance considerations.</p> <p>abrdn Capital Partners LLP has specific obligations to act in the best interests of the AIFMD funds it manages and its investors. Accordingly, the performance of the underlying funds and the interests of investors (including, where relevant, investment risk) are also taken into account as appropriate. The Risk and Capital Committee and the Audit Committee formally advise the Committee as part of this process.</p> <p>The overall bonus pool is allocated to vectors and functions based on absolute and relative performance for each vector and function, and their alignment with strategic priorities and risk considerations. Allocation by region and subdivision/team is determined on a discretionary basis by the vector, regional and functional heads based on the absolute and relative performance of the constituent teams and alignment with strategic priorities.</p> <p>Individual annual bonus awards are determined at the end of the 12-month performance period with performance assessed against financial and nonfinancial individual objectives, including behaviour and conduct. Individual awards for Identified Staff are reviewed and approved by the Committee (with some individual award approvals delegated, as appropriate, to the Group's Compensation Committee, over which the Committee retains oversight). In carrying out these approvals, the Committee seeks to ensure that outcomes are fair in the context of overall Group performance measures and adjusted, where appropriate, reflect input from the Risk and Capital Committee and the Audit Committee. Variable remuneration awards are subject to deferral for a period of up to three years. A retention period may also be applied as required by the relevant regulatory requirements. Deferral rates and periods comply, at a minimum, with regulatory requirements and may exceed these. In addition to the application of ex-ante adjustments described above, variable remuneration is subject to ex-post adjustment (malus / clawback arrangements).</p>
Other elements of remuneration – selected employees	<p>The following remuneration arrangements may be awarded in certain very limited circumstances:</p> <p>Carried Interest Plans – These arrangements are designed to reward performance in roles where a carried interest plan is appropriate. Selected employees are granted carried interest shares in private market funds established by the Group.</p> <p>Buy-Out Awards/Guaranteed Bonuses – These are intended to facilitate/support the recruitment of new employees. Buy-outs are not awarded, paid or provided unless they are in the context of hiring new employees. Guaranteed bonuses are not awarded, paid or provided unless they are exceptional and in the context of hiring new employees and limited to the first year of service. These awards are only made where such a payment or award is permitted under any relevant remuneration regulations and are designed to compensate for actual or expected remuneration foregone from previous employers by virtue of their recruitment.</p> <p>Retention and Special Performance Awards / LTIP - Supports retention and/or the delivery of specific performance outcomes. The Company may determine that it is appropriate to grant an exceptional award in limited circumstances. Awards are structured to deliver specific retention and/or performance outcomes. Retention and/or special performance awards comply with all relevant regulatory requirements.</p> <p>Severance Pay - Payment made to support an employee whose role is considered to be redundant. Severance payments comply with any legislative and regulatory requirements and any payments are inclusive of any statutory entitlement. In the event of severance, the treatment of any individual elements of an employee's remuneration is governed, as appropriate, by relevant plan or scheme rules.</p>

Appendix II (continued)

Control Functions

The Group ensures that, as appropriate, senior employees engaged in a control function are independent from the business units they oversee and have appropriate authority to undertake their roles and duties. These include, but are not necessarily limited to, Risk, Compliance and Internal Audit function roles. Senior employees engaged in a control function are remunerated in a way that ensures they are independent from the business areas they oversee, have appropriate authority, and have their remuneration directly overseen by the Remuneration Committee.

Conflicts of interest

The Remuneration Policy is designed to avoid conflicts of interest between the Group and its clients and is designed to adhere to local legislation, regulations or other provisions. In circumstances or jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions then the latter prevail. Where the Committee receives input from members of management on the remuneration arrangements in operation across the Group this never relates to their own remuneration.

Personal Investment Strategies

The Company adheres to the regulatory principles and industry best practice on the use of personal hedging strategies which act in restricting the risk alignment embedded in employee remuneration arrangements.

AIFMD Identified Staff / MRTs

The 'Identified Staff' or MRTs of abrdn Capital Partners LLP are those employees who could have a material impact on the risk profile of abrdn Capital Partners LLP or the AIFMD Funds it manages. This broadly includes senior management, decision makers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Quantitative remuneration disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by abrdn Capital Partners LLP to its entire staff; and
- Aggregate total remuneration paid by abrdn Capital Partners LLP to its AIFMD 'Identified Staff'.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from 1 January 2022 to 31 December 2022 inclusive.

	Headcount	Total Remuneration £'000
abrdn Capital Partners LLP ¹	117	48,853
of which		
Fixed remuneration		23,368
Variable remuneration		25,485
abrdn Capital Partners LLP ²	64	43,238
of which		
Senior Management ³	42	35,277
Other 'Identified Staff'	22	21,974

¹ As there are a number of individuals indirectly and directly employed by abrdn Capital Partners LLP this figure represents an apportioned amount of abrdn's total remuneration fixed and variable pay, apportioned to the Management Company on an AUM basis, plus any carried interest paid. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.

² The Identified Staff disclosure relates to AIFMD MRTs and represents total compensation of those staff of the Management Company who are fully or partly involved in the activities of the Management Company.

³ Senior management are defined in this table as Management Company Directors and members of the abrdn plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.

abrdn Investment Management Limited (SC123321), abrdn Capital Partners LLP (S0301408) and abrdn Private Equity (Europe) Limited (SC184076), are all registered in Scotland at 1 George Street, Edinburgh EH2 2LL and are authorised and regulated by the Financial Conduct Authority. Calls may be monitored and/or recorded to protect both you and us and help with our training.

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SLCI I Executive Co Investment Limited Partnership

Annual Report for the year ended 31 December 2022

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Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Registered Address	1 George Street Edinburgh, EH2 2LL U.K.
Manager and Principal Place of Business	abrdn Capital Partners LLP 1 George Street Edinburgh, EH2 2LL U.K.
General Partner (and Founder Partner)	SLCP (General Partner Infrastructure I) Limited 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Independent Auditor	BDO LLP Citypoint, 65 Haymarket Terrace Edinburgh, EH12 5HD U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside London, SE1 2AQ U.K.

Report of the General Partner

The General Partner, SLCP (General Partner Infrastructure I) Limited, presents the audited financial statements for SLCI I Executive Co Investment Limited Partnership ("the Partnership") for the year ended 31 December 2022.

Structure of the Partnership

The Partnership is a Limited Partnership, established in Scotland, United Kingdom ("U.K."). The Partnership held a first and final close on 7 February 2017 with total commitments of £410,000 from twelve Limited Partners.

SLCP (General Partner Infrastructure I) Limited is the General and Founder Partner of the Partnership and has contributed £1 to the Partnership as a Founder Partner. The Founder Partner, General Partner and Limited Partners are collectively referred to "the Partners" in these financial statements.

The structure of the Partnership is detailed further in note 1 to the financial statements.

Directors of the General Partner

Please refer to the financial statements of SLCP (General Partner Infrastructure I) Limited for the names of the Directors. Stewart Hay resigned as Director on 10 March 2022. Iain Walker, Neil Dolby, Graeme Dunbar and Dominic Helmsley were appointed as Directors on 21 March 2022.

Distributions

Distributions of £13,786 (2021: £20,261) were made during the year of which £187 (2021: £948) was temporary return of capital, which is recallable.

Events after the reporting date

On 25 January 2023, the Partnership called for loan contributions from its Limited Partners amounting to £6,034.

On 26 January 2023 and 31 January 2023, the Partnership paid for contributions to the Fund of £5,666 and £368 respectively.

The General Partner has identified no other significant events after the reporting date.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 8. A description of the principal activity of the Partnership is provided in note 1 to the financial statements.

The Manager's Report for the Fund, which is issued separately, contains detailed analysis of each of the Fund's Investments, together with commentary on the economic climate and how this impacts the core infrastructure assets in Europe.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Partnership's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

Independent auditor

Following the transition from KPMG LLP, the General Partner has appointed BDO LLP as auditor in accordance with Section 485 of Companies Act 2006.

Report of the General Partner (continued)

Data protection

abrdn Capital Partners LLP ("the Manager") has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report

The Partnership is considered a small company under Section 382 of The Companies Act 2006 and is therefore exempt from preparing a strategic report required under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Sustainable Finance Disclosure Regulation

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The management of sustainability risk forms an important part of the due diligence and asset management processes implemented by the Manager for the Partnership. However, the Partnership does not have as its objective ESG or sustainable investment. This Partnership does not consider principal adverse impacts.

Signed on behalf of SLCP (General Partner Infrastructure I) Limited



Dominic Helmsley
Director, SLCP (General Partner Infrastructure I) Limited
30 May 2023

Statement of General Partner's Responsibilities in respect of the General Partner's Report and the financial statements

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law, the General Partner has elected to prepare financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

Under company law, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Qualifying Partnership and of the profit or loss of the Qualifying Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- assess the Qualifying Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Qualifying Partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Qualifying Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Qualifying Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Qualifying Partnership and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Partners of SLCI I Executive Co Investment Limited Partnership

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements of SLCI I Executive Co Investment Limited Partnership ("the Partnership") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Partners, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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 Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Partners of SLCI I Executive Co Investment Limited Partnership (continued)

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

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

Responsibilities of General Partner

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the Partnership and the industry in which it operates and considered the risk of acts by the Partnership which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with relevant laws and regulations and applicable accounting standards. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Manager, in particular around the key accounting estimate that represented a risk of material misstatement due to fraud.

Independent Auditor's Report to the Partners of SLCI I Executive Co Investment Limited Partnership (continued)

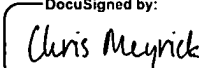
Auditor's responsibilities for the audit of the financial statements

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Chris Meyrick (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

BDO LLP
Citypoint,
65 Haymarket Terrace
Edinburgh, EH12 5HD
U.K.

1 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income

		Year ended 31 December 2022*	Year ended 31 December 2021*
	Note	£	£
Income			
Investment income	4	9,588	12,790
Net unrealised movement on Investment		71,953	22,230
Net realised movement on Investment		200	-
Total net income		81,741	35,020
Operating profit		81,741	35,020
Increase in net assets attributable to Partners		81,741	35,020

*The audit fees of £12,000 for the year ended 31 December 2022 (2021: £15,000) are borne by SL Capital Infrastructure I LP.

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Partnership has no components of other comprehensive income in the current and comparative year.

The notes 1 to 10 form an integral part of these financial statements.

Statement of Financial Position

		At 31 December 2022	At 31 December 2021
	Notes	£	£
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	8	556,759	488,804
Current assets			
Trade and other receivables	5	1	1
Cash and cash equivalents		20	20
		<u>21</u>	<u>21</u>
Net assets attributable to Partners		<u>556,780</u>	<u>488,825</u>
Represented by:			
General Partner's capital account classified as a liability		1	1
Limited Partners' capital account classified as a liability		41	41
Limited Partners' loan account classified as a liability		294,965	308,751
Limited Partners' current account classified as a liability		261,773	180,032
Net assets attributable to Partners		<u>556,780</u>	<u>488,825</u>

The notes 1 to 10 form an integral part of these financial statements.

The financial statements set out on pages 8 to 21 were approved by the General Partner on 30 May 2023 and signed on its behalf by:



Dominic Helmsley
Director, SLCP (General Partner Infrastructure I) Limited

Statement of Changes in Net Assets Attributable to Partners

	Year ended 31 December 2022		
	General Partner	Limited Partners	Total
	£	£	£
Net assets attributable to Partners at the start of the year	1	488,824	488,825
Temporary return of capital to Partners	-	(187)	(187)
Distributions to Partners	-	(13,599)	(13,599)
Net distributed	-	(13,786)	(13,786)
Increase in net assets attributable to Partners	-	81,741	81,741
Net assets attributable to Partners at the end of the year	1	556,779	556,780

	Year ended 31 December 2021		
	General Partner	Limited Partners	Total
	£	£	£
Net assets attributable to Partners at the start of the year	1	470,785	470,786
Partners' loan drawn	-	3,280	3,280
Temporary return of capital to Partners	-	(948)	(948)
Distributions to Partners	-	(19,313)	(19,313)
Net distributed	-	(16,981)	(16,981)
Increase in net assets attributable to Partners	-	35,020	35,020
Net assets attributable to Partners at the end of the year	1	488,824	488,825

The notes 1 to 10 form an integral part of these financial statements.

Statement of Cash Flows

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Cash flows from operating activities		
Operating profit	81,741	35,020
Net unrealised movement on Investment	(71,953)	(22,230)
Distributions from the Fund	3,998	6,523
Contributions to the Fund	-	(2,332)
Net cash inflow from operating activities	13,786	16,981
Cash flows from financing activities		
Partners' loan drawn	-	3,280
Temporary return of capital to Partners	(187)	(948)
Distributions to Partners	(13,599)	(19,313)
Net cash outflow from financing activities	(13,786)	(16,981)
Change in cash and cash equivalents	-	-
Cash and cash equivalents at the start of the year	20	20
Cash and cash equivalents at the end of the year	20	20

The notes 1 to 10 form an integral part of these financial statements.

Notes to the Financial Statements

1. Partnership background

The Partnership consists of one Limited Partnership registered in Scotland, U.K. and was established on 27 January 2017. The Partnership held its first and final close on 7 February 2017 with total commitments of £410,000 from twelve Limited Partners. The Limited Partners' capital contributions equal 0.01% of their total commitment.

SLCP (General Partner Infrastructure I) Limited is the General and Founder Partner of the Partnership and has contributed £1 to the Partnership. The Manager of the Partnership is abrdn Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. The Partnership has no employees.

The Partnership was formed for the purpose of co-investing in SL Capital Infrastructure I LP ("the Fund").

The Fund is established for a term of nine years from 7 February 2020, the end of the investment period. The life of the Fund may be extended by an additional five year period upon approval of the Limited Partners in accordance with clauses 19.2 to 19.7 of the Fund's Limited Partnership Agreement. The Partnership shall continue until the expiry of 90 days after the termination of the Fund.

The structure of the Partnership at 31 December 2022 was as follows:

	At 31 December 2022		
	General Partner	Limited Partners	Total
	£	£	£
Commitments	1	410,000	410,001
Partners' capital drawn	1	41	42
Partners' loan drawn	-	425,985	425,985
Temporary return of capital to Partners	-	(52,330)	(52,330)
Funded	1	373,696	373,697
% of Commitments			91.1%
Distributions to Partners:			
Paid to Limited Partners	-	(78,691)	(78,691)
Total distributed	-	(78,691)	(78,691)
Limited Partners' % distributed of Funded Commitments			21.1%
Net drawn from all Partners	1	295,005	295,006

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities measured at Fair Value through Profit or Loss ("FVPL"), and in accordance with the Limited Partnership Agreement. The Partnership is denominated in Pound Sterling (£).

The Partnership transitioned to UK-adopted International Accounting Standards in its financial statements on 1 January 2021. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, as applied to qualifying partnerships.

The preparation of the financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 3.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.2 New and revised accounting standards / amendments effective for the current year

New and revised accounting standards and amendments that are effective for annual periods beginning 1 January 2022, which has been adopted for the first time by the Partnership:

Annual Improvements 2018-2020

- Amendments to IFRS 9, Financial Instruments

This amendment clarifies which fees should be included in the '10% test' for derecognition of financial liabilities; an entity should include only fees paid or received between itself and the lender.

- Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards

These amendments simplify the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards.

Reference to the Conceptual Framework – Amendments to IFRS 3

These amendments update references to the new IFRS Conceptual Framework within IFRS 3 Business Combinations and refer a preparer to the new Conceptual Framework definition of assets and liabilities when accounting for assets and liabilities acquired when a company obtains control of a business.

Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

These amendments clearly define what items comprise the cost of fulfilling a contract when determining whether a contract is onerous.

The above standards and amendments have been endorsed by the UK Endorsement Board.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have had a material effect on the Partnership's financial statements.

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted

Other standards and amendments that are effective for subsequent reporting periods beginning on or after 1 January 2023 and have not been early adopted by the Partnership include:

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current

The narrow-scope amendments to IAS 1 clarify that the classification of liabilities depends on the rights that exist at the end of the reporting period. The expectations of the entity or events after the reporting date will not affect the classification. The amendments also clarify the meaning of 'settlement' of a liability in the context of IAS 1.

The amendments may impact the classification of liabilities as current or non-current, particularly for entities that previously considered management's intentions to determine classification, and for some liabilities that can be converted into equity.

The amendments are to be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Early adoption is permitted.

The amendments are effective for accounting periods beginning on or after 1 January 2023; however, ED/2021/9 Non-current Liabilities with Covenants (Proposed amendments to IAS 1) has proposed a deferral to 1 January 2024.

The amendment has yet to be adopted by the UK. The Partnership will adopt this amendment when it becomes effective.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 with regards to the disclosures around accounting policies.

An entity must now disclose its material accounting policies, instead of its significant accounting policies, and new guidance has been added on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for accounting periods beginning on or after 1 January 2023. Early adoption is permitted. The amendment has been endorsed by the UK. The Partnership will adopt this amendment when it becomes effective.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted (continued)

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 where it replaced the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'.

The Board clarifies:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for accounting periods beginning on or after 1 January 2023, to changes in accounting policies and estimates that occur on or after the beginning of that period. Early adoption is permitted. The amendment has been endorsed by the UK. The Partnership will adopt this amendment when it becomes effective.

2.4 Going concern

The General Partner has made an assessment of the Partnership's ability to continue as a going concern and is satisfied that the Partnership has the resources to continue in business for at least 12 months from the date of approval of the financial statements with a specific focus on:

- the level of liquid resources, including cash and cash equivalents, which exceed the level of creditors. The Manager regularly monitors the Partnership's cash position to ensure sufficient cash is held to meet liabilities as they fall due. The investment portfolio is expected to continue to be net cash flow positive, and there are no identified liquidity or solvency issues for the Partnership;
- the level of undrawn commitments available from Limited Partners, which are due on demand in accordance with the Limited Partnership Agreement, are sufficient to meet future obligations for working capital requirements;
- all expenses are borne by the Fund, cash outflows from the Partnership are only made following receipt of either distributions from the Fund or drawdowns from the Limited Partners;
- the nature of the Fund's portfolio company businesses, being core infrastructure assets with limited demand risk and strong downside protection;
- the level of losses on the portfolio that would need to be sustained to cause a concern over solvency is deemed to be remote in the extreme;
- the effectiveness of the General Partner's operational resilience processes, including the ability of key outsourcers to continue to provide services; and
- the Directors of the General Partner are comfortable the Partnership doesn't have any of its own expenses to pay under a side letter agreement.

Based on a review of the above, the General Partner is satisfied that the Partnership has, and will maintain, sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements.

2.5 Financial period

The financial statements are prepared from 1 January 2022 to 31 December 2022. The comparatives are presented from 1 January 2021 to 31 December 2021.

2.6 Functional currency

The General Partner considers Pound Sterling as the Partnership's functional and presentational currency as it most faithfully represents the economic effects of the underlying transactions, events and conditions. Further to this, the Pound Sterling is also the currency in which receipts from the Partnership's operating activities are usually retained.

2.7 Income, expenses, gains and losses

All income and expenses, inclusive of gains and losses, are accounted for on an accrual basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Partnership are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 2.16.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.8 Investment entity

The General Partner has determined that the Partnership is an investment entity as per IFRS 10, 'Consolidated Financial Statements'. Details are set out in note 3.2.

2.9 Investment in the Fund

The Partnership records its investment in the Fund at fair value. Accordingly, the Partnership's share of the Fund's net investment income, realised and movement in unrealised gains and losses are recognised in the Statement of Comprehensive Income as net unrealised movement on Investment. Further details are set out in note 3.1.

2.10 Financial assets at fair value through profit or loss

Initial recognition

Financial assets have been designated upon initial recognition at FVPL. On the date of making a legal commitment to invest in a fund, such commitment is recorded and disclosed. When funds are drawn in respect of such commitment, the resulting investment is recognised in the financial statements.

Financial assets at FVPL are initially recognised at fair value as detailed in note 3.1. Transaction costs are expensed and included within gains and losses on investments in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statement of Comprehensive Income.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from underlying instruments have expired or the entity has transferred substantially all risk and rewards of ownership.

2.11 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2022 and 31 December 2021, there were no cash equivalents.

2.12 Trade and other receivables

Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less the appropriate allowances for estimated irrecoverable amounts. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

When calculating the effective interest rate, the Partnership estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

2.13 Trade and other payables

Payables and accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.14 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Partners are individually responsible for reporting their share of the Partnership's income, gains and losses for taxation purposes.

2.15 Net assets attributable to Partners

The Partnership's contributed capital consists of capital and loan contributions. Net assets attributable to Partners is classified as a financial liability, due to the Partnership's finite life and contractual payment provisions to each of the Partners.

2.16 Distribution of income proceeds and capital proceeds between Partners

The Partnership's net income, gains and losses are allocated in accordance with the distribution provisions of the Limited Partnership Agreement.

Distributions are allocated pro rata in accordance with each Limited Partner's commitment.

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Partnership based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Partnership. Such changes are reflected in the assumptions when they occur.

3.1 Fair value of investments not quoted in an active market

The investment in the Fund is valued at the balance of its share of net assets in that partnership, which the General Partner considers to equal fair value.

The Partnership's investment is valued by the Partnership's General Partner with reference to the 'International Private Equity and Venture Capital Valuation Guidelines' ("the Guidelines"). They are stated at the Fund's General Partner's estimate of fair value and will follow the recommendations of the Guidelines. The estimate of fair value is based on the latest valuation placed on a fund by its manager.

The fair valuation process involves estimates that are unobservable (for which market data is unavailable). Notwithstanding this basis of valuation, the eventual realisation proceeds will inevitably differ from the valuation and those differences could be significant.

3.2 Investment entity status

To meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements', the following conditions must exist:

- (i) The Partnership has obtained funds for the purpose of providing investors with investment management services;
- (ii) The Partnership's business purpose, which was communicated directly to investors via the Limited Partnership Agreement, is providing investors with an overall rate of return from investments by means of both income and capital growth; and
- (iii) The performance of investments made is measured and evaluated on a fair value basis.

The Partnership was set up with an intention to have multiple investors and indirectly hold multiple investments. Ownership interests in the Partnership are in the form of the Partner's share of capital and are exposed to variable returns from changes in the fair value of the Partnership's net assets. The General Partner has therefore judged the Partnership to meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements'.

Note 9 sets out the interest held by the Partnership in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

4. Investment income

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Income distributions from the Fund	9,588	12,790
	<u>9,588</u>	<u>12,790</u>

5. Trade and other receivables

	At 31 December 2022	At 31 December 2021
	£	£
Due from General Partner	1	1
	<u>1</u>	<u>1</u>

Notes to the Financial Statements (continued)

6. Related party disclosure

The Limited Partnership Agreement provides that SLCP (General Partner Infrastructure I) Limited shall act as General Partner for the Partnership. The Partnership does not pay any management profit share to the General Partner. SLCP (General Partner Infrastructure I) Limited is a wholly owned subsidiary of abrdn CP (Holdings) Limited, which is a subsidiary of the ultimate parent, abrdn plc. The registered address of abrdn CP (Holdings) Limited and abrdn plc is 1 George Street, Edinburgh, EH2 2LL, United Kingdom.

The Partnership does not pay any management profit share to the Manager.

Certain employees of abrdn plc are Limited Partners in the Partnership and are entitled to participate in the profits as disclosed in note 2.16. The Partnership invests pro rata in every asset that the Fund invests in, on the same terms and at the same price in all investments. In the case of Dominic Helmsley, Graeme Dunbar and Roger Pim, they also serve as Directors of the General Partner. Potential conflicts of interest are declared at the commencement of Board meetings and managed accordingly. During the year ended 31 December 2022, they cumulatively received distributions of £7,565 (2021: £11,119) from the Partnership.

The table below shows the related party balances and transactions for the year:

Name of related party	Relationship	Nature of transactions	Transactions for the year ended 31 December 2022	Transactions for the year ended 31 December 2021
			£	£
SL Capital Infrastructure I LP	Investment	Contributions	-	3,280
SL Capital Infrastructure I LP	Investment	Distributions	13,786	20,261
SL Capital Infrastructure I LP	Investment	Expenses paid on behalf	12,000	15,000

Name of related party	Relationship	Amount receivable At 31 December 2022	Amount receivable At 31 December 2021
		£	£
SLCP (General Partner Infrastructure I) Limited	General Partner	1	1

7. Financial risk management

The overall strategy for the management of investment risk is driven by the investment policy as set out in the Limited Partnership Agreement of the Fund. This is reviewed periodically by the Manager and the Advisory Committee. Investments are selected by the Manager to achieve the investment objective of generating attractive returns, subject to prudent diversification. As a matter of policy, there are no pre-set sector allocations, however, risk is spread by investing across a range of countries and industrial sectors. The Partnership's financial asset is a predominantly unsecured investment in a limited partnership, in which the maximum risk is considered to be the amount committed.

The Partnership's activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Partnership is exposed are market risk (including price risk and currency risk), credit risk and liquidity risk. The risk management policies employed by the Partnership are detailed below.

Notes to the Financial Statements (continued)

7. Financial risk management (continued)

7.1 Market risk

a) Price risk

The Partnership is at risk of the economic cycle impacting markets and hence potentially the pricing of investment deals, the valuation of underlying investments and the price and timing of exits. Price risk is managed at the Fund level.

Price risk is minimised by the Manager constructing a diversified portfolio of Investments. The Manager regularly reviews the performance of portfolio companies and is in regular contact with the management of portfolio companies for business and operational matters. At 31 December 2022, the Fund had 7 Investments (2021: 7 Investments). More detail on the sector and geographic analysis is provided in the Manager's Report of the Fund, which is issued separately.

A 10% increase in the 31 December 2022 valuation of the Partnership's investment would have increased net assets attributable to Partners by £55,676 (2021: £48,883). A 10% change in the opposite direction would have decreased net assets attributable to Partners by an equivalent amount.

b) Currency risk

The Fund makes commitments in currencies other than Pound Sterling and accordingly a proportion of its net assets are in currencies other than Pound Sterling. As a result, the Fund's statement of financial position is sensitive to movements in foreign exchange rates. The Fund has not hedged its foreign currency exposure, however, any cash received in a currency other than Pound Sterling is converted into Pound Sterling to minimise the exposure to fluctuations in exchange rates. The currency risk is managed in the Fund, hence the Partnership has no significant exposure to currency risk on monetary items.

7.2 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.

The maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at the year end (in relation to each class of recognised financial assets), is the carrying amount of those assets in the Statement of Financial Position. At the reporting date, the Partnership's financial assets exposed to credit risk amounted to the following:

	At 31 December 2022	At 31 December 2021
	£	£
Financial assets at fair value through profit or loss	556,759	488,804
Cash and cash equivalents	20	20
Trade and other receivables	1	1
	<u>556,780</u>	<u>488,825</u>

Financial assets at fair value through profit or loss constitute amounts due from the investment which is subject to credit risk. The underlying amounts exposed to credit risk are detailed in notes 8 and 9.

The Partnership places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2022, all of the Partnership's cash was held by Societe Generale which was rated "A" (2021: "A") by Standard & Poor's at the date of the Report of the General Partner.

At 31 December 2022 and 31 December 2021, the assets held by the Partnership were not past due or impaired.

7.3 Liquidity risk

The Partnership's Investment is in an unquoted fund investment which is not traded in a regulated public market and is generally illiquid. As a result, the Partnership may not be able to liquidate quickly this portfolio investment at an amount equal to its fair value, in order to meet its liquidity requirements. The Manager mitigates this risk by regularly monitoring its cash position to ensure sufficient cash is held to meet liabilities as they fall due.

Notes to the Financial Statements (continued)

7. Financial risk management (continued)

7.3 Liquidity risk (continued)

During the year ended 31 December 2022, the Partnership generated an operating profit of £81,741 (2021: £35,020) of which £71,953 (2021: £22,230) was unrealised gains on its Investment. Cash resources at the end of the year amounted to £20 (2021: £20). The liabilities of the Partnership are due on demand. In addition, the Partnership has unfunded commitments to the Fund amounting £36,303 (2021: £36,116), which are also due on demand.

As at 31 December 2022, the Partnership had available to it undrawn commitments of £36,303 (2021: £36,116) from its Limited Partners, which are also due on demand.

The tables below analyses the Partnership's financial liabilities into relevant maturity based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

At 31 December 2022

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Net assets attributable to Partners	-	-	-	556,780	556,780
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>556,780</u>	<u>556,780</u>

At 31 December 2021

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Net assets attributable to Partners*	-	-	-	488,825	488,825
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>488,825</u>	<u>488,825</u>

*Reclassified to 'more than 3 years' to better reflect the underlying nature of the liability.

7.4 Capital risk management

The capital of the Partnership is represented by the net assets attributable to Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call undrawn commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of the net assets attributable to Partners.

8. Fair value measurement

IFRS 7 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Financial Statements (continued)

8. Fair value Measurement (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of an Investment within the hierarchy is based upon the pricing transparency of that Investment. The Partnership's Investment has been classified within Level 3 as it has unobservable inputs and trades infrequently or not at all.

The determination of what constitutes "observable" requires significant judgement by the General Partner. The General Partner considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Partnership's Investment measured at fair value:

At 31 December 2022

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	556,759	556,759

At 31 December 2021

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	488,804	488,804

There were no transfers between levels during the current and comparative year.

Determining the fair value of the Partnership's Investment requires judgement and considers factors specific to the investment. The valuation policies applied by the General Partner are detailed in note 3.1.

The changes in the Investment measured at fair value for which the Partnership has used Level 3 inputs to determine fair value are as follows:

	31 December 2022	31 December 2021
	£	£
Balance at the start of the year	488,804	470,765
Distributions from the Fund	(3,998)	(6,523)
Contributions to the Fund	-	2,332
Unrealised gains	71,953	22,230
Balance at the end of the year	556,759	488,804
<i>Unrealised movement included in profit or loss related to the Investment still held at the reporting date:</i>		
- Net unrealised movement on Investment	71,953	22,230
	71,953	22,230

Notes to the Financial Statements (continued)

9. Unconsolidated collective investment vehicles and limited partnerships

The Partnership's interests in unconsolidated structured entities comprises of the Partnership's investment in the Fund with a total carrying value of £556,759 at 31 December 2022 (2021: £488,804), included within financial assets at FVPL (see note 8).

At 31 December 2022, the total size of SL Capital Infrastructure I LP, including the portion in which the Partnership has no interest, was £516 million (2021: £516 million).

The Partnership's maximum exposure to loss is equal to the carrying value of the investment. The collective investment vehicles are primarily financed by contributions from investors in the vehicles.

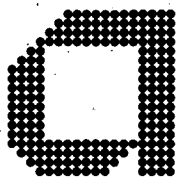
10. Subsequent events

Subsequent events have been evaluated up to 30 May 2023.

On 25 January 2023, the Partnership called for loan contributions from its Limited Partners amounting to £6,034.

On 26 January 2023 and 31 January 2023, the Partnership paid for contributions to the Fund of £5,666 and £368 respectively.

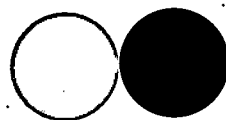
The General Partner has identified no other significant events after the reporting date.



SLCI Rail Co-Invest LP

Annual Report, 31 December 2022

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SLCI Rail Co-Invest LP

Annual report for the year ended 31 December 2022

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Important Note

The contents of this report do not constitute advice and no person should make any investment decisions in reliance on the contents of this report.

Manager, General Partner and Advisors

Registered Address	1 George Street Edinburgh, EH2 2LL U.K.
Manager and Principal Place of Business	abrdn Capital Partners LLP 1 George Street Edinburgh, EH2 2LL U.K.
General Partner	SLCP (General Partner Infrastructure I) Limited 1 George Street Edinburgh, EH2 2LL U.K.
Legal Advisor	Goodwin Procter (UK) LLP 100 Cheapside London, EC2V 6DY U.K.
Independent Auditor	BDO LLP Citypoint, 65 Haymarket Terrace Edinburgh, EH12 5HD U.K.
Administrator	IQ EQ Administration Services (UK) Ltd 4 th Floor, 3 More London Riverside, London, SE1 2AQ U.K.
Depository	IQ EQ Depository Company (UK) Limited 4 th Floor, 3 More London Riverside, London, SE1 2AQ U.K.

Report of the General Partner

The General Partner, SLCP (General Partner Infrastructure I) Limited, presents the audited financial statements for SLCI Rail Co-Invest LP ("the Fund") for the year ended 31 December 2022.

Structure of the Fund

The Fund is a Limited Partnership, established in Scotland, United Kingdom ("U.K."). The Fund held a first and final close on 16 May 2017 admitting three Limited Partners with aggregate commitments of £30 million. The structure of the Fund is detailed further in note 1 to the financial statements.

Directors of the General Partner

Please refer to the financial statements of SLCP (General Partner Infrastructure I) Limited for the names of the Directors. Stewart Hay resigned as Director on 10 March 2022. Iain Walker, Neil Dolby, Graeme Dunbar and Dominic Helmsley were appointed as Directors on 21 March 2022.

Distributions

There were no distributions made during the year ended 31 December 2022 (2021: £Nil).

Events after the reporting date

The General Partner has identified no significant events after the reporting date.

Results, activities and future developments

The results for the year are set out in the Statement of Comprehensive Income on page 9. A description of the principal activity of the Fund is provided in note 1 to the financial statements.

The Manager's Report for the Fund, which is issued separately, contains detailed analysis of the Fund's Investment, together with commentary on the economic climate and how this impacts the core infrastructure assets in Europe.

Disclosure of information to auditor

At the date of this report, the General Partner confirms that:

- As far as the General Partner is aware, there is no relevant information of which the Fund's auditor is unaware; and
- The General Partner has taken all the steps that it ought to have taken as a General Partner in order to make it aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

Independent auditor

Following the transition from KPMG LLP, the General Partner has appointed BDO LLP as an auditor in accordance with Section 485 of the Companies Act 2006.

Data protection

abrdn Capital Partners LLP ("the Manager") has implemented measures that it believes are necessary in order to comply with the General Data Protection Regulation.

Strategic report.

The Fund is considered a small company under Section 382 of The Companies Act 2006 and is therefore exempt from preparing a strategic report required under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Report of the General Partner (continued)

Remuneration policy

In line with the Alternative Investment Fund Manager Directive ("the AIFMD"), the Fund's Alternative Investment Fund Manager ("the AIFM") has implemented a remuneration policy for its staff. Details in relation to the AIFM's remuneration policy are included in Appendix I.

Sustainable Finance Disclosure Regulation

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The management of sustainability risk forms an important part of the due diligence and asset management processes implemented by the Manager for the Fund. However, the Fund does not have as its objective ESG or sustainable investment. This Fund does not consider principal adverse impacts.

Signed on behalf of SLCP (General Partner Infrastructure I) Limited



Roger Pim
Director, SLCP (General Partner Infrastructure I) Limited
28 March 2023

Statement of General Partner's Responsibilities in respect of the General Partner's Report and the financial statements

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnerships (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year in accordance with Part 15 and Chapter 1 of Part 16 of the Companies Act 2006. Under that law, the General Partner has elected to prepare the financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Qualifying Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the qualifying partnership or to cease operations, or have no realistic alternative but to do so.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Qualifying Partnership and to prevent and detect fraud and other irregularities.

Depository Report

Pursuant to the requirements of the AIFMD, IQ EQ Depository Company (UK) Limited ("IDCL") has been appointed by the Manager to provide the Fund with cash flow monitoring, ownership verification and compliance oversight services ("the Depository Services").

IDCL's responsibility

IDCL's review and conclusion in respect of the Fund is based on IDCL's review of information and documentation supplied to IDCL by the Manager, or such other person(s) as this function is delegated to from time to time, in addition to such other publicly available resources as IDCL deems appropriate.

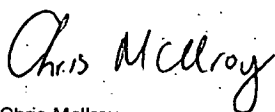
IDCL's Depository Services and the conclusion reached pursuant to such services is limited to and does not extend beyond the scope of the requirements of a depository under the AIFMD.

Compliance conclusion

IDCL confirms that during the year ended 31 December 2022, in the performance of its Depository Services, IDCL detected no material reportable irregularities in respect of the Fund in relation to the AIFMD.

Reliance

The disclosure by IDCL of its findings pursuant to the Depository Services in relation to the Fund has been provided at the request of the Manager and for information purposes only on a non-reliance basis and as such, such findings shall not be relied on by any other person.



Chris McIlroy
for and on behalf of IQ EQ Depository Company (UK) Limited
17 February 2023

Independent Auditor's Report to the Partners of SLCI Rail Co-Invest LP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Fund's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements of SLCI Rail Co-Invest LP ("the Fund") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Partners, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Partners of SLCI Rail Co-Invest LP (continued)

Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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

- the information given in the Report of the General Partner for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the General Partner has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Fund and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the General Partner.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion:

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

Responsibilities of General Partner

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We gained an understanding of the legal and regulatory framework applicable to the Fund and the industry in which it operates and considered the risk of acts by the Fund which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with relevant laws and regulations and applicable accounting standards. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Manager, in particular around the key accounting estimate, being the valuation of the investment portfolio, that represented a risk of material misstatement due to fraud.


Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the Partners of SLCI Rail Co-Invest LP (continued)

Use of our report

This report is made solely to the Fund's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Fund's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Chris Meyrick (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Citypoint,

65 Haymarket Terrace

Edinburgh, EH12 5HD

U.K.

www.bdo.co.uk

28 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income

For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021
	Notes	£	£
Income			
Net unrealised movement on Investment		8,682,668	5,196,360
Total net income		8,682,668	5,196,360
Expenses			
Administration and other expenses	4	(51,042)	(27,905)
Priority profit share	6	(169,408)	(143,345)
Total operating expenses		(220,450)	(171,250)
Operating profit		8,462,218	5,025,110
Increase in net assets attributable to Partners		8,462,218	5,025,110

All results shown in the Statement of Comprehensive Income are from continuing operations.

The Fund has no components of other comprehensive income in the current and comparative year.

The notes 1 to 11 form an integral part of these financial statements.

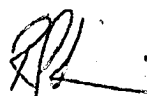
Statement of Financial Position

As at 31 December 2022

	Notes	At 31 December 2022 £	At 31 December 2021 £
Assets			
Non-current assets			
Financial assets at fair value through profit or loss	9	54,141,035	45,458,367
Current assets			
Cash and cash equivalents		255,210	304,664
		<u>255,210</u>	<u>304,664</u>
Current liabilities			
Trade and other payables	5	(266,199)	(95,203)
Net current (liabilities) / assets		<u>(10,989)</u>	<u>209,461</u>
Net assets attributable to Partners		<u>54,130,046</u>	<u>45,667,828</u>
Represented by:			
Partners' capital account		300	300
Partners' loan account		25,505,556	25,505,556
Partners' current account		28,624,190	20,161,972
Net assets attributable to Partners		<u>54,130,046</u>	<u>45,667,828</u>

The notes 1 to 11 form an integral part of these financial statements.

The financial statements set out on pages 9 to 25 were authorised for issue by the General Partner on 28 March 2023 and signed on its behalf by:



Roger Pim
Director, SLCP (General Partner Infrastructure I) Limited

Statement of Changes in Net Assets Attributable to Partners
For the year ended 31 December 2022

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Net assets attributable to Partners at the start of the year	45,667,828	40,642,718
Increase in net assets attributable to Partners	8,462,218	5,025,110
Net assets attributable to Partners at the end of the year	<u>54,130,046</u>	<u>45,667,828</u>

The notes 1 to 11 form an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021
	Notes	£	£
Cash flows from operating activities			
Operating profit		8,462,218	5,025,110
Decrease in trade and other receivables		-	3,321
Increase in trade and other payables	5	170,996	61,421
Net unrealised movement on Investment	9	(8,682,668)	(5,196,360)
Proceeds from Investment	9	-	336,111
Net cash (outflow) / inflow from operating activities		(49,454)	229,603
Net (decrease) / increase in cash and cash equivalents		(49,454)	229,603
Cash and cash equivalents at the start of the year		304,664	75,061
Cash and cash equivalents at the end of the year		255,210	304,664

The notes 1 to 11 form an integral part of these financial statements.

Notes to the Financial Statements

1. Fund background

The Fund is a Limited Partnership registered in Scotland, U.K. and was established on 18 January 2017. The Fund held a first and final close on 16 May 2017 admitting three Limited Partners with aggregate commitments of £30 million. The Limited Partners' capital contributions equal 0.001% of their total commitment. The initial term of the Fund shall continue until the date of initial termination of the Main Fund on 7 February 2029. The term of the Fund can be extended by up to five additional years with the consent of the Limited Partners.

SLCP (General Partner Infrastructure I) Limited is the General Partner of the Fund. The Manager of the Fund is abrdn Capital Partners LLP, which is authorised and regulated by the Financial Conduct Authority ("the FCA") and is a U.S. Securities and Exchange Commission registered investment advisor based in Edinburgh, U.K. The Manager was authorised as an AIFM by the FCA on 22 July 2013. The FCA permitted the Manager to act as the AIFM to the Fund with effect from 9 February 2017. The Fund has no employees.

The Fund was formed for the purpose of investing alongside the SL Capital Infrastructure I LP ("the Main Fund") in core infrastructure assets in Europe.

The structure of the Fund at 31 December 2022 was as follows:

	At 31 December 2022 £
Commitments	30,000,000
Partners' capital drawn	300
Partners' loan drawn	29,999,700
Temporary return of capital to Partners	(59,700)
Funded	29,940,300
% of Commitments	99.8%
Distribution to Partners:	
Paid to Limited Partners	(4,434,444)
Total distributed	(4,434,444)
Limited Partners' % distributed of Funded Commitments	14.8%
Net drawn from all Partners	25,505,856

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities measured at Fair Value through Profit or Loss ("FVPL"), and in accordance with the Limited Partnership Agreement. The Fund is denominated in Pound Sterling.

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, as applied to qualifying partnerships.

The preparation of the financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant, are disclosed in note 3.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.2 New and revised accounting standards / amendments effective for the current year

New and revised accounting standards and amendments that are effective for annual periods beginning 1 January 2022 which have been adopted for the first time by the Fund:

Annual Improvements 2018-2020

- Amendments to IFRS 9, Financial Instruments

This amendment clarifies which fees should be included in the '10% test' for derecognition of financial liabilities; an entity should include only fees paid or received between itself and the lender.

- Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards

These amendments simplify the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards.

Reference to the Conceptual Framework – Amendments to IFRS 3

These amendments update references to the new IFRS Conceptual Framework within IFRS 3 Business Combinations and refer a preparer to the new Conceptual Framework definition of assets and liabilities when accounting for assets and liabilities acquired when a company obtains control of a business.

Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

These amendments clearly define what items comprise the cost of fulfilling a contract when determining whether a contract is onerous.

The above standards and amendments have been endorsed by the UK Endorsement Board.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have had a material effect on the Fund's financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have had a material effect on the Fund's financial statements.

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted

Other standards and amendments that are effective for subsequent reporting periods beginning on or after 1 January 2023 and have not been early adopted by the Fund include:

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current

The narrow-scope amendments to IAS 1 clarify that the classification of liabilities depends on the rights that exist at the end of the reporting period. The expectations of the entity or events after the reporting date will not affect the classification. The amendments also clarify the meaning of 'settlement' of a liability in the context of IAS 1.

The amendments may impact the classification of liabilities as current or non-current, particularly for entities that previously considered management's intentions to determine classification, and for some liabilities that can be converted into equity.

The amendments are to be applied retrospectively in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Early adoption is permitted.

The amendments are effective for accounting periods beginning on or after 1 January 2023; however, ED/2021/9 Non-current Liabilities with Covenants (Proposed amendments to IAS 1) has proposed a deferral to 1 January 2024.

The amendment has yet to be adopted by the U.K. The Fund will adopt this amendment when it becomes effective.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.3 New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted (continued)

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 with regards to the disclosures around accounting policies.

An entity must now disclose its material accounting policies, instead of its significant accounting policies, and new guidance has been added on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for accounting periods beginning on or after 1 January 2023. Early adoption is permitted. The amendment has been endorsed by the U.K. The Fund will adopt this amendment when it becomes effective.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 where it replaced the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'.

The Board clarifies:

- a change in accounting estimate that results from new information or new developments is not the correction of an error; and
- the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The amendments are effective for accounting periods beginning on or after 1 January 2023, to changes in accounting policies and estimates that occur on or after the beginning of that period. Early adoption is permitted. The amendment has been endorsed by the U.K. The Fund will adopt this amendment when it becomes effective.

2.4 Going concern

The General Partner has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for at least 12 months from the date of approval of the financial statements with a specific focus on:

- the level of liquid resources, including cash and cash equivalents. The Manager regularly monitors the Fund's cash position to ensure sufficient cash is held to meet liabilities as they fall due. There were no identified liquidity and solvency issues for the Fund;
- the level of undrawn commitments available from Limited Partners, which are due on demand in accordance with the Limited Partnership Agreement, are sufficient to meet future obligations for working capital requirements;
- the General Partner has confirmed that it will not seek payment of Priority Profit Share from the Fund unless the Fund has sufficient funds to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements;
- the nature of the portfolio company business, being a core infrastructure asset with limited demand risk and strong downside protection;
- the level of losses on the portfolio that would need to be sustained to cause a concern over solvency is deemed to be remote in the extreme; and
- the effectiveness of the General Partner's operational resilience processes, including the ability of key outsourcers to continue to provide services.

Based on a review of the above, the General Partner is satisfied that the Fund has, and will maintain, sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements

The financial statements have been prepared on a going concern basis which the General Partner considers to be appropriate. The level of undrawn commitment available from Limited Partners, in conjunction with the cash held and confirmation from the General Partner in the third bullet point above, are sufficient to meet net current liabilities of £10,989. These financial statements have therefore been prepared on a going concern basis.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.5 Financial period

The financial statements are prepared from 1 January 2022 to 31 December 2022. The comparatives are presented from 1 January 2021 to 31 December 2021.

2.6 Functional currency

The General Partner considers the Pound Sterling (£) as the Fund's functional and presentational currency as it most faithfully represents the economic effects of the underlying transactions, events and conditions.

Non-Sterling income and expense transactions are translated at the exchange rate prevailing on the date of the transaction.

2.7 Income, expenses, gains and losses

All income and expenses, inclusive of realised gains and losses, are accounted for on an accruals basis in the Statement of Comprehensive Income.

Net income, gains and losses of the Fund are allocated under the terms of the Limited Partnership Agreement. Details are set out in note 2.15.

2.8 Investment entity

The General Partner has determined that the Fund is an investment entity as per IFRS 10, 'Consolidated Financial Statements'. Details are set out in note 3.2.

2.9 Financial assets at fair value through profit or loss

Initial recognition

Financial assets have been designated upon initial recognition at FVPL. On the date of making a legal commitment to invest in a fund, such commitment is recorded and disclosed. When funds are drawn in respect of such commitment, the resulting investment is recognised in the financial statements.

Measurement

Financial assets at FVPL are initially recognised at fair value as detailed in note 3.1. Transaction costs are expensed and included within gains and losses on investments in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are recognised in the Statement of Comprehensive Income.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from underlying instruments have expired or the Fund has transferred substantially all risk and rewards of ownership.

2.10 Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value. At 31 December 2022 and 31 December 2021, there were no cash equivalents.

2.11 Trade and other receivables

Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, less the appropriate allowances for estimated irrecoverable amounts. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

Notes to the Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.12 Trade and other payables

Payables and accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.13 Taxation

No provision has been made in the financial statements for taxation of the General Partner and the Limited Partners. All Partners are individually responsible for reporting their share of the Fund's income, gains and losses for taxation purposes.

2.14 Net assets attributable to Partners

The Fund's contributed capital consists of capital and loan contributions. Net assets attributable to Partners is classified as a financial liability, due to the Fund's finite life and contractual payment provisions to each of the Partners.

2.15 Distribution of income proceeds and capital proceeds between Partners

The Fund's net income, gains and losses are allocated in accordance with the distribution provisions of the Limited Partnership Agreement.

Distributions are allocated pro rata in accordance with each Limited Partners' commitments after the payment of the priority profit share, expenses and liabilities of the Fund.

3. Critical accounting estimates and judgements

There are key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

3.1 Fair value of investments not quoted in an active market

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Fund values its Investment using discounted cash flow analysis.

The fair valuation process involves estimates that are unobservable (for which market data is unavailable). A discount rate which is deemed to be considered appropriate by management is applied to assist in determining the fair value of the investment. As such, this is key area of estimation. Further to this, estimates are used when forecasting the expected future cash flows of the Fund's Investment. Management are required to apply their in depth knowledge and understanding of the Fund's Investment to prepare the forecasts, and this is therefore considered to be a key area of estimation. As the valuation outcomes may differ from the fair value estimates, a sensitivity analysis is provided in note 9. Key business drivers have been selected as the most relevant variables for performing this sensitivity analysis. Changes in assumption and judgement used by management about these factors could affect the fair value of the Investment.

3.2 Investment entity status

To meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements' the following conditions must exist:

- (i) The Fund has obtained funds for the purpose of providing investors with investment management services;
- (ii) The Fund's business purpose, which was communicated directly to investors via the Limited Partnership Agreement, is providing investors with an overall rate of return from investments by means of both income and capital growth; and
- (iii) The performance of investments made is measured and evaluated on a fair value basis.

The Fund was set up with an intention to have multiple investors and to hold a single investment. Ownership interests in the Fund are in the form of the Partner's share of capital in the Fund and are exposed to variable returns from changes in the fair value of the Fund's net assets. The General Partner has therefore judged the Fund to meet the definition of an investment entity per IFRS 10, 'Consolidated Financial Statements'.

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements (continued)

3.3 Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Fund considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- how the Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

The Fund has determined that it has two business models:

- Held-to-collect business model: this includes cash and cash equivalents and other receivables. These financial assets are held to collect contractual cash flows.
- Other business model: this includes investment in underlying operating portfolio companies. These financial assets are managed and their performance is evaluated on a fair value basis in accordance with the investment strategy and the Limited Partnership Agreement.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI ("Solely Payments of Principal and Interest").

The investments in underlying operating portfolio companies are made by acquiring the ordinary shares of the investee and through shareholder loans provided by intermediary companies. In economic substance, the investments made relate to an equity stake in the underlying operating portfolio companies. Although funding is made through both equity and shareholder loans, the ultimate objective is the acquisition of the equity stake in the underlying portfolio companies. The shareholder loan in itself does not operate as a basic lending arrangement as the cash flows and principal repayment will depend on the performance of the underlying operating portfolio companies. The total investment made is managed on a fair value basis in accordance with the investment strategy of the Fund and are measured at FVPL. Please refer to note 9 and note 10 for more details.

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

Notes to the Financial Statements (continued)

4. Administration and other expenses

	Year ended 31 December 2022	Year ended 31 December 2021
	Total	Total
	£	£
Legal and professional fees	20,252	572
Administration fees	16,238	15,194
Audit fees	12,000	10,000
Other expenses	2,400	2,000
Bank and custody fees	152	139
	<u>51,042</u>	<u>27,905</u>

5. Trade and other payables

	At 31 December 2022	At 31 December 2021
	£	£
Due to General Partner	245,079	75,671
Audit fee accrual	12,000	10,000
Legal and professional fee accrual	6,720	6,240
Other accrued expenses	2,400	2,000
Administration fee accrual	-	1,292
	<u>266,199</u>	<u>95,203</u>

6. Priority Profit Share

The Fund allocates Priority Profit Share to the General Partner in respect of each Accounting Period, calculated at 0.125% per quarter of the PPS Net Asset Value at each quarter end and the rate may be reduced subject to certain conditions. As defined in the Limited Partnership Agreement, PPS NAV is the sum of (i) the aggregate amount, calculated at the end of the relevant Quarter Date to which the Priority Profit Share applies, of its Proportionate Share of the Net Asset Value; and (ii) the aggregate amount of income distributed to such PPS Investor in the Quarter to which the Priority Profit Share applies.

The Priority Profit Share is allocated to PPS Investors. A PPS Investor is any Investor which, at its Admission Date, is not a limited partner in the Main Fund.

The Priority Profit Share in any Accounting Period shall be reduced by the whole of any Transaction Fees, Investment Related Fees, Abort Fees and Other Fees that have been earned and retained by the General Partner, the Manager or any Associate of either of them during the previous Accounting Period, up to a maximum amount that shall be no greater than the gross amount of the Priority Profit Share for the current period. Where the Priority Profit Share is reduced to zero in any Accounting Period, any Transaction Fees, Investment Related Fees, Abort Fees and Other Fees not applied in reduction of the Priority Profit Share in such Accounting Period shall be carried forward and shall reduce the Priority Profit Share in the next Accounting Period.

Notes to the Financial Statements (continued)

6. Priority Profit Share (continued)

The Priority Profit Share ranks as the first charge on net income and realised gains in any Accounting Period and is paid in full by the Fund whether or not there are sufficient net income and realised gains to cover the amount. Such sums are not recoverable, except against future net income and realised gains of the Fund.

The Fund has a legal obligation to distribute the Priority Profit Share to the General Partner, and accordingly the Priority Profit Share is accounted for as an operating expense of the Fund.

At 31 December 2022 and 31 December 2021, the total amount of net income and net realised gains exceeded the total amount of Priority Profit Share since inception and therefore no amount has been paid in advance.

7. Related party disclosure

The Limited Partnership Agreement provides that SLCP (General Partner Infrastructure I) Limited shall act as General Partner and is entitled to a Priority Profit Share as described in note 6. During the year ended 31 December 2022, the General Partner was allocated Priority Profit Share of £169,408 (2021: £143,345). SLCP (General Partner Infrastructure I) Limited is a wholly owned subsidiary of abrdn CP (Holdings) Limited, which is a subsidiary of the ultimate parent, abrdn plc. The registered address of abrdn CP (Holdings) Limited and abrdn plc is 1 George Street, Edinburgh, EH2 2LL, United Kingdom.

The Fund is considered a related undertaking of the abrdn plc group under the Companies Act 2006 by virtue of the fact that its General Partner is controlled by the abrdn plc group.

The Manager of the Fund receives a management fee, equal to the Priority Profit Share allocated to the General Partner, in relation to its activity as Manager of the Fund.

The table below shows the income and fees for the current year and comparative year:

Name of related party	Relationship	Nature of transactions	Transactions for the year ended 31 December 2022	Transactions for the year ended 31 December 2021
			£	£
SLCP (General Partner Infrastructure I) Limited	General Partner	Priority profit share	169,408	143,345
Guillemot Investments LLP	Investment	Distributions	-	336,111

The table below analyses the related party transactions:

Name of related party	Relationship	Amount receivable / (payable) at 31 December 2022	Amount receivable / (payable) at 31 December 2021
		£	£
SLCP (General Partner Infrastructure I) Limited	General Partner	(245,079)	(75,671)

Notes to the Financial Statements (continued)

8. Financial risk management

The overall strategy for the management of investment risk is driven by the investment policy as set out in the Limited Partnership Agreement. This is reviewed periodically by the Manager and the Advisory Committee. Investments are selected by the Manager to achieve the investment objective of generating attractive returns. The Fund's financial asset is a direct investment, in which the maximum risk is considered to be the amount invested.

The Fund's activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risks to which the Fund is exposed are market risk (price risk), credit risk, and liquidity risk. The risk management policies employed by the Fund are detailed below:

8.1 Market risk

Price risk

The Fund is at risk of the economic cycle impacting markets and hence potentially the pricing of investment deals, the valuation of underlying investments and the price and timing of exits.

A 10% increase in the 31 December 2022 valuation of the Fund's Investment would have increased net assets attributable to Partners by £5,414,104 (2021: £4,545,837); a 10% change in the opposite direction would have decreased net assets attributable to Partners by an equivalent amount.

8.2 Credit risk

Credit risk is the exposure to loss arising from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits.

The maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at the year end (in relation to each class of recognised financial assets), is the carrying amount of those assets in the Statement of Financial Position. At the reporting date, the Fund's financial assets exposed to credit risk amounted to the following:

	At 31 December 2022 £	At 31 December 2021 £
Financial assets at fair value through profit or loss	54,141,035	45,458,367
Cash and cash equivalents	255,210	304,664
	<u>54,396,245</u>	<u>45,763,031</u>

Financial assets at fair value through the profit and loss constitute amounts due from investments which are subject to credit risk. The underlying amounts exposed to credit risk are detailed in notes 9 and 10.

The Fund places cash with authorised deposit takers and, therefore, is potentially at risk from the failure of any such institution. At 31 December 2022, all of the Fund's cash was held by Societe Generale which was rated "A" (2021: "A") by Standard & Poor's at the date of the Report of the General Partner.

At 31 December 2022, the assets held by the Fund are not past due or impaired (2021: £Nil).

Notes to the Financial Statements (continued)

8. Financial risk management (continued)

8.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

During the year ended 31 December 2022, the Fund generated an increase in net assets attributable to Partners of £8,462,218 (2021: £5,025,110) of which £8,682,668 (2021: £5,196,360) was unrealised gains on investments. Cash resources at the end of the year amounted to £255,210 (2021: £304,664). The liabilities of the Fund are due on demand. In addition, the Fund had available to it undrawn commitments of £59,700 (2021: £59,700) from its Limited Partners, which are also due on demand.

The tables below and overleaf analyse the Fund's financial liabilities into relevant maturity based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows:

At 31 December 2022

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Trade and other payables	266,199	-	-	-	266,199
Net assets attributable to Partners	-	-	-	54,130,046	54,130,046
Total liabilities	266,199	-	-	54,130,046	54,396,245

At 31 December 2021

	On demand	Less than 1 year	Between 1 and 3 years	More than 3 years	Total
	£	£	£	£	£
Liabilities					
Trade and other payables	95,203	-	-	-	95,203
Net assets attributable to Partners*	-	-	-	45,667,828	45,667,828
Total liabilities	95,203	-	-	45,667,828	45,763,031

*Reclassified to "more than 3 years" to better reflect the underlying nature of the liability.

8.4 Capital risk management

The capital of the Fund is represented by the net assets attributable to Partners. The Fund's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund. In order to maintain or adjust the capital structure, the General Partner may call undrawn commitments from the Limited Partners or distribute funds to the Limited Partners.

The General Partner monitors capital on the basis of the value of the net assets attributable to Partners.

Notes to the Financial Statements (continued)

9. Fair value measurement

IFRS 7 requires a three-level hierarchy disclosure for categorising financial assets and liabilities carried at fair value and requires enhanced disclosures about fair value measurement. The fair value hierarchy classifies financial assets and liabilities according to the source of inputs ranked according to availability of observable market prices used in measuring fair value as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

The categorisation of an Investment within the hierarchy is based upon the pricing transparency of that Investment. The Fund's Investment has been classified within Level 3 as it has unobservable inputs and trades infrequently or not at all.

The determination of what constitutes "observable" requires significant judgement by the General Partner. The General Partner considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market.

The following tables analyse within the fair value hierarchy the Fund's Investment measured at fair value:

At 31 December 2022

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	54,141,035	54,141,035

At 31 December 2021

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Financial assets at fair value through profit or loss	-	-	45,458,367	45,458,367

There were no transfers between levels during the current year and comparative year.

Determining the fair value of the Fund's Investment requires judgement and considers factors specific to the Investment. The valuation policies applied by the General Partner are detailed in note 3.1.

Valuation techniques and processes

The Fund's Investment is carried at fair value. The fair valuation of the Fund's Investment is influenced by the estimates and judgements outlined in note 3.1. Quarterly, the Investment's value is adjusted for any unrealised appreciation or depreciation, as determined by the Manager. In addition, the fair value of the Investment is subject to review, at least annually by an independent valuer.

The following table summarises the valuation methodology used for the Fund's Investment that is categorised within Level 3 of the fair value hierarchy, along with the key unobservable inputs to the valuation:

Investment	Valuation technique	Significant unobservable input
Guillemot Investments LLP	Discounted cash flow	Discount rate (9.5%), inflation (2.0% long term assumption)

Notes to the Financial Statements (continued)

9. Fair value measurement (continued)

Sensitivity analysis has been performed on the investment as at 31 December 2022 and 31 December 2021. The valuation is sensitive to the discount rate applied to the forecast cash flows. Due to the nature of the investment, a large number of the inputs are fixed to contractual positions. In addition to the discount rate, Inflation has also been considered as a sensitivity, as there has been a significant increase in the short to medium term inflation expectation which pushes up inflation linked tariffs and therefore revenue streams of the asset. These two inputs have therefore been identified as appropriate variables upon which to perform the below sensitivity analysis.

Investments	Fair Value at 31 December 2022 £	+/- 10% Change in Variable £	Variable
Guillemot Investments LLP	54,141,035	(4.8 million) / 5.8 million	Discount rate
		1.1 million / (1.1 million)	Inflation

Investments	Fair Value at 31 December 2021 £	+/- 10% Change in Variable £	Variable
Guillemot Investments LLP	45,458,367	(9.8 million) / 11.8 million	Discount rate
		10.1 million / (10.4 million)	Re-lease rate

The changes in the Investment measured at fair value for which the Fund has used Level 3 inputs to determine fair value are as follows:

	31 December 2022 £	31 December 2021 £
Balance at the start of the year	45,458,367	40,598,118
Sales	-	(336,111)
Unrealised gains	8,682,668	5,196,360
Balance at the end of the year	54,141,035	45,458,367

Unrealised movement included in profit or loss related to the Investment

still held at the reporting date:

- Net unrealised movement on the Investment (excluding transaction costs)	8,682,668	5,196,360
	8,682,668	5,196,360

Notes to the Financial Statements (continued)

10. Unconsolidated collective investment vehicles

The Fund holds a 22% ownership interest in Guillemot Investments LLP, a parent company holding 94% ownership interest in Rock Rail South Western (Holdings) 1 Limited, a sub parent company holding 100% ownership interest in Rock Rail South Western (Holdings) 2 Limited and 100% indirect ownership interest in Rock Rail South Western PLC.

The Fund's interests in unconsolidated structured entities comprises an investment in a collective investment vehicle with a total carrying value of £54,141,035 at 31 December 2022 (2021: £45,458,367), included within financial assets at FVPL (see note 9).

At 31 December 2022, total subscriptions made by the Fund to the collective investment vehicle amounted to £29.9 million (2021: £29.9 million) and the total size of the unconsolidated structured entity, including the portion in which the Fund has no interest, was £114.9 million (2021: £114.9 million).

The Fund's maximum exposure to loss is equal to the carrying value of the investment. The collective investment vehicle is primarily financed by commitments from investors in the vehicles.

The following table below summarises the Fund's related undertakings:

Investments	Country of Domicile	Ownership Interest	Direct / Indirect Holdings	Share Class	Other Financial Instruments
Guillemot Investments LLP	United Kingdom	22%	Direct	LLP units	
Rock Rail South Western (Holdings) 1 Limited	United Kingdom	21%	Indirect	Ordinary Shares	
Rock Rail South Western (Holdings) 2 Limited	United Kingdom	21%	Indirect	Ordinary Shares	Shareholder Loans
Rock Rail South Western PLC	United Kingdom	21%	Indirect	Ordinary Shares	Shareholder Loans

Investments	Registered Address
Guillemot Investments LLP	1 George Street, Edinburgh, United Kingdom, EH2 2LL
Rock Rail South Western (Holdings) 1 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail South Western (Holdings) 2 Limited	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT
Rock Rail South Western PLC	Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT

All these Investments/entities are incorporated in the United Kingdom.

11. Subsequent events

Subsequent events have been evaluated up to 28 March 2023.

The General Partner has identified no significant events after the reporting date.

Appendix I (unaudited)

Risk Management function

abrdn is committed to building and continuously improving a sound and effective system of internal control and a Risk Management framework that is embedded within its operations; this is the first line of defence.

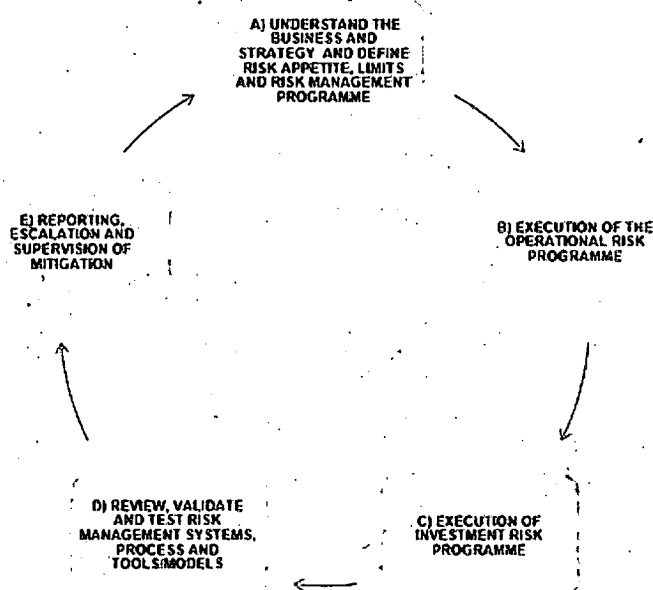
abrdn's Risk Division, as the second line of defence, exists to support management in the identification and mitigation of risks and provides independent monitoring of the business. The Risk Division includes vector-aligned CRO teams providing operational risk and compliance activities, along with centralised specialist teams covering Investment Risk, Anti-Financial Crime and Enterprise Risk. The team is headed by the abrdn's Chief Risk Officer, who reports to the Chief Executive Officer. The Risk Division achieves its objective through embedding the Risk Management framework throughout the organisation using abrdn's operational Risk Management system (SHIELD).

abrdn's Internal Audit Department is independent of the Risk Division and reports to the CEO and the Chair of the Audit Committee of the Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the control environment; it is abrdn's third line of defence.

abrdn's corporate governance structure is supported by several committees that bring together subject matter experts from different departments, to assist abrdn's Board of Directors, its subsidiaries and the funds to fulfil their roles and responsibilities. The Risk Division is represented on all committees, with the exception of those that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described in their respective terms of reference.

Risk Management programme

The Risk Management programme is typically aligned with the valuation and reporting cycle of the funds and can be summarised broadly in five steps, see the chart below.



The first step of the programme allows the risk teams to identify, assess and understand the inherent risks of the fund and to define the Risk Management programme. This step allows the Risk Management team to understand potential changes in the risk profile of the fund and to focus and adapt their level of analysis to the most significant risks. The operational risk programme execution allows the risk teams to assess whether the internal controls mitigating those risks are sufficient and effective. Further, the execution of the investment risk programme relates to the identification and measurement of risks embedded in the investments of the fund. The review of the Risk Management systems allows the risk team to confirm whether the processes are operating as described in the procedures and whether they are still fit for purpose.

The review of the Risk Management systems, processes and tools results of the independent risk assessment are escalated to the relevant committees and boards which are responsible for overseeing how the business implements the necessary mitigating actions.

Appendix I (continued)

Description of the process of identifying, assessing and managing risks

- **Market risk:** Means the risk that economic, market or idiosyncratic events cause a change in the market value of a fund's assets. The market risk is monitored through various techniques including, but not limited to, computation of the level of leverage by both the gross and net approach (where applicable), scenario analysis and concentration analysis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.
- **Liquidity risk:** abrdn has a Liquidity Risk Management Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity risk is monitored on both the asset and liability sides. abrdn employs a number of methods to estimate the time to liquidate the underlying assets under both normal and stressed market conditions. On the liability side, the Risk Management team monitors whether the fund has enough liquidity to cover its short term liabilities and whether the maturity of the remaining fund liabilities are aligned with the asset liquidity profile.
- **Valuation risk:** abrdn's Pricing Committee is responsible for the review and monitoring of asset pricing, in addition to the approval of pricing methodologies and fair value approaches. abrdn has implemented a Pricing Policy which details the operational responsibilities for pricing assets.
- **Sustainability Risk:** abrdn investment process embeds the assessment of sustainability risks from the due diligence stage throughout the ownership period. During the ownership period of an asset, ESG risks, opportunities and objectives are part of the asset's ESG Value Creation Plans. The Risk Management team monitors the risk & opportunities and the implementation & execution of objectives in the ESG Value Creation Plans.
- **Credit and counterparty risk:** Credit and counterparty risk arises mainly from cash and cash equivalent accounts or derivative transactions. abrdn has a Global Counterparty Credit Risk Policy (GCCP) in place to ensure appropriate management of credit risk and standards for approving trading counterparties. The policy is reviewed and approved by the Counterparty and Credit Risk Forum on at least an annual basis. Transactions involving derivatives are only entered with approved counterparties and if the terms of the bilateral agreements and collateral terms are in line with abrdn Derivative Management Policy. This process is overseen by the Derivative Management Forum.
- **Legal risk:** All key contractual arrangements entered into by the funds are reviewed by the internal Legal team and, where required, by external legal counsel. If these contracts refer to delegation arrangements, where applicable, there is an operating memorandum defining information flows between the parties, frequency of services and deadlines, a clear attribution of rights and responsibilities of each party and, when applicable, the key performance indicators to measure performance. Any litigation issues are also handled by the internal Legal team, which would provide updates to the Risk Management team on any existing litigation, status of the litigation and the extent of any impact to the funds.
- **Tax risk:** The internal Tax team is supported by external tax consultants to advise on tax structuring, transactions and tax reporting.
- **Operational risk:** The Operational Risk Management Framework ensures that the operational risks taken and their contribution to the overall risk profile are accurately measured on the basis of sound and reliable data and that the risk measurement arrangements, processes and techniques are adequately documented. The identification, measurement, management and monitoring of operational risk within abrdn are achieved through the use of the Operational Risk Management Framework System, SHIELD. This system provides the following key Risk Management Modules:
 - **Event & Losses Management:** This module serves as a historical loss database, in which any operational failures, loss and damage experience (Events) will be recorded. The records include professional liability damages. The process for recording, investigation and mitigation of Events aims to ensure that they are not repeated.
 - **Issues and Actions:** The issues and actions module provides a standardised mechanism for identifying, prioritising, classifying, escalating and reporting internal audit findings and other on-going/unresolved matters impacting abrdn from a risk or regulatory perspective (Issues).
 - **Risk and Control Self-Assessment (RCSA):** The RCSA process is to ensure key risks and key controls are identified and managed effectively in order to satisfy, where applicable, Internal Capital Adequacy (ICAAP) requirements. The RCSA also provides a systematic and holistic means of identifying risk and control gaps that could impact business or process objectives which are agreed by Senior Management to complete.

Appendix I (continued)

Measuring risk

Where appropriate abrdn applies the following measurements for each fund:

- **Leverage and debt related measurements:** Measures, where applicable, the effect of gearing a fund's expected performance by allowing a fund to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss). The measurements are also designed to capture limitation on the capacity of managing the funds' assets due to restrictions or banking covenants which come associated with debt and the risk of not be able to re-finance debt upon maturity. Other secondary risks measured relate to whether the cost of gearing is too high and whether the length of the gearing is appropriate.
- **Stress test and scenario analysis:** Captures how much the current portfolio will lose if certain market conditions occur.
- **Concentration:** By grouping the portfolio through various different exposures: country, sector, asset, etc., to identify where concentration risk exists.
- **Alignment of asset/liability liquidity terms:** Assesses whether the fund has enough liquidity to cover its short term liabilities and whether the maturity of the remaining fund liabilities are aligned with the asset liquidity profile under both normal and stressed market conditions. Additionally, it measures assesses the risk that market conditions are not such that a fund cannot execute its preferred exit strategy or cannot exit at the expected price.
- **Activities to measure sustainability risks:** Monitoring adherence to any sustainability risk restrictions / guidelines, monitoring the level of execution of sustainability related objectives (fund and / or asset level) and ESG performance (e.g. with the help of industry rating scores such as GRESB), where applicable.
- **Activities to measure operational risks:** Inquires to legal and tax teams on litigations and tax developments impacting the funds.
- **Assessments of investor satisfaction.** Understanding processes related to NAV production, investing and monitoring of investments. Analysis of SHIELD Events and Issues, etc.

For some of the risk measurements above, the Board of Directors and Risk Management team will determine and set specific risk limits, which will be appropriate for each fund.

Escalation and reporting

abrdn recognises timely and adequate reporting measures as well as escalation channels to be key components of the control process and management of risk.

The Risk Management team provides regular updates to the Board/Senior Management on the adequacy and effectiveness of the Risk Management Process indicating, where applicable, actual or anticipated deficiencies and the remedial measures.

Risks identified at the level of the funds are reported to the Board of each fund, to the Board of the Manager and to the relevant Committee.

In addition, all issues and events impacting any abrdn entity or the funds are logged in SHIELD, by the relevant area within the prescribed time limits.

Appendix II (unaudited)

Remuneration Policy

The abrdn plc Remuneration Policy applies with effect from 1 January 2022. The purpose of the abrdn plc Remuneration Policy (the "Policy") is to document clearly the remuneration policies, practices and procedures of abrdn as approved by the abrdn plc Remuneration Committee (the "Committee"). The Policy is available on request.

The Policy applies to employees of the abrdn group of companies ("Group" or "abrdn") including AIFMD Management Companies ("ManCos") and the AIFMD funds that the ManCo manages.

Remuneration Principles

abrdn applies Group wide principles for remuneration policies, procedures and practices ensuring that:

- Remuneration within the Group is simple, transparent and fair.
- Our Policy supports our long-term strategy by reinforcing a performance-driven culture. It aligns the interests of our employees, shareholders and, importantly, our clients/customers.
- Our remuneration structure recognises the different challenges and priorities of roles and Vectors and Functions across the organisation as appropriate.
- Remuneration policies, procedures and practices promote good conduct, including sound and effective risk management and do not encourage risk taking that exceeds the level of tolerated risk appetite.
- Remuneration extends beyond the provision of fixed and variable pay, with a focus on the retirement provision and the wellbeing needs of our employees, as part of our remuneration philosophy.

Total remuneration delivered is affordable for the Group.

Remuneration Framework

Employee remuneration is composed of fixed and variable elements of reward as follows:

- a) Fixed reward (fixed remuneration: salary and cash allowances, if appropriate); and Benefits (including pension).
- b) Variable reward (bonus, a proportion of which may be subject to retention or deferral depending on role and regulatory requirements and senior employees may also be awarded a long-term incentive award).

Appropriate ratios of fixed: variable remuneration will be set to as to ensure that:

- a) Fixed and variable components of total remuneration are appropriately balanced; and
- b) The fixed component is a sufficiently high proportion of total remuneration to allow abrdn to operate a fully flexible policy on variable remuneration components, including having the ability to award no variable remuneration component in certain circumstances where either individual and/or Group performance does not support such award.

Base salary	Base salary provides a core reward for undertaking the role and depending on the role, geographical or business market variances or other indicators, additional fixed cash allowances may make up a portion of fixed remuneration. Periodic reviews take into account the employee's role, scope of responsibilities, skills and experience, salary benchmarks (where available) and, where relevant, any local legislative or regulatory requirements.
Benefits (including retirement benefit where appropriate)	Benefits are made up of core benefits which are provided to all employees; and extra voluntary benefits that may be chosen by certain employees which may require contribution through salary sacrifice or other arrangements. Retirement benefits are managed in line with the relevant legislative requirements and governance structures. In certain, very limited circumstances, a cash allowance may be offered in lieu of a retirement arrangement.

Appendix II (continued)

Remuneration Framework (continued)

Annual Performance Bonus Awards	<p>Employees who have been employed during a performance year (1 January to 31 December) may be eligible to be considered for an annual bonus in respect of that year.</p> <p>Annual bonuses are based upon Group, Vector, Function, Team and Individual performance (with individual performance assessed against agreed goals and behaviours). The variable remuneration pool for all eligible employees, including Identified Staff or Material Risk Takers ("MRTs"), is determined initially by reference to profitability and other quantitative and qualitative financial and non-financial factors including risk considerations (on an ex-post and ex-ante basis). In reaching its final funding decision, the Committee exercises its judgement to ensure that the outcome reflects holistic Company performance considerations.</p> <p>abrdn Capital Partners LLP has specific obligations to act in the best interests of the AIFMD funds it manages and its investors. Accordingly, the performance of the underlying funds and the interests of investors (including, where relevant, investment risk) are also taken into account as appropriate. The Risk and Capital Committee and the Audit Committee formally advise the Committee as part of this process.</p> <p>The overall bonus pool is allocated to vectors and functions based on absolute and relative performance for each vector and function, and their alignment with strategic priorities and risk considerations. Allocation by region and subdivision/team is determined on a discretionary basis by the vector, regional and functional heads based on the absolute and relative performance of the constituent teams and alignment with strategic priorities.</p> <p>Individual annual bonus awards are determined at the end of the 12-month performance period with performance assessed against financial and nonfinancial individual objectives, including behaviour and conduct. Individual awards for Identified Staff are reviewed and approved by the Committee (with some individual award approvals delegated, as appropriate, to the Group's Compensation Committee, over which the Committee retains oversight). In carrying out these approvals, the Committee seeks to ensure that outcomes are fair in the context of overall Group performance measures and adjusted, where appropriate, reflect input from the Risk and Capital Committee and the Audit Committee. Variable remuneration awards are subject to deferral for a period of up to three years. A retention period may also be applied as required by the relevant regulatory requirements. Deferral rates and periods comply, at a minimum, with regulatory requirements and may exceed these. In addition to the application of ex-ante adjustments described above, variable remuneration is subject to ex-post adjustment (malus / clawback arrangements).</p>
Other elements of remuneration – selected employees	<p>The following remuneration arrangements may be awarded in certain very limited circumstances:</p> <p>Carried Interest Plans – These arrangements are designed to reward performance in roles where a carried interest plan is appropriate. Selected employees are granted carried interest shares in private market funds established by the Group.</p> <p>Buy-Out Awards/Guaranteed Bonuses – These are intended to facilitate/support the recruitment of new employees. Buy-outs are not awarded, paid or provided unless they are in the context of hiring new employees. Guaranteed bonuses are not awarded, paid or provided unless they are exceptional and in the context of hiring new employees and limited to the first year of service. These awards are only made where such a payment or award is permitted under any relevant remuneration regulations and are designed to compensate for actual or expected remuneration foregone from previous employers by virtue of their recruitment.</p> <p>Retention and Special Performance Awards / LTIP - Supports retention and/or the delivery of specific performance outcomes. The Company may determine that it is appropriate to grant an exceptional award in limited circumstances. Awards are structured to deliver specific retention and/or performance outcomes. Retention and/or special performance awards comply with all relevant regulatory requirements.</p> <p>Severance Pay - Payment made to support an employee whose role is considered to be redundant. Severance payments comply with any legislative and regulatory requirements and any payments are inclusive of any statutory entitlement. In the event of severance, the treatment of any individual elements of an employee's remuneration is governed, as appropriate, by relevant plan or scheme rules.</p>

Appendix II (continued)

Control Functions

The Group ensures that, as appropriate, senior employees engaged in a control function are independent from the business units they oversee and have appropriate authority to undertake their roles and duties. These include, but are not necessarily limited to, Risk, Compliance and Internal Audit function roles. Senior employees engaged in a control function are remunerated in a way that ensures they are independent from the business areas they oversee, have appropriate authority, and have their remuneration directly overseen by the Remuneration Committee.

Conflicts of interest

The Remuneration Policy is designed to avoid conflicts of interest between the Group and its clients and is designed to adhere to local legislation, regulations or other provisions. In circumstances or jurisdictions where there is any conflict between the Policy and local legislation, regulations or other provisions then the latter prevail. Where the Committee receives input from members of management on the remuneration arrangements in operation across the Group this never relates to their own remuneration.

Personal Investment Strategies

The Company adheres to the regulatory principles and industry best practice on the use of personal hedging strategies which act in restricting the risk alignment embedded in employee remuneration arrangements.

AIFMD Identified Staff / MRTs

The 'Identified Staff' or MRTs of abrdn Capital Partners LLP are those employees who could have a material impact on the risk profile of abrdn Capital Partners LLP or the AIFMD Funds it manages. This broadly includes senior management, decision makers and control functions. For the purposes of this disclosure, 'Identified Staff' includes employees of entities to which activities have been delegated.

Quantitative remuneration disclosure

The table below provides an overview of the following:

- Aggregate total remuneration paid by abrdn Capital Partners LLP to its entire staff; and
- Aggregate total remuneration paid by abrdn Capital Partners LLP to its AIFMD 'Identified Staff'.

Amounts shown reflect payments made during the financial reporting period in question. The reporting period runs from 1 January 2022 to 31 December 2022 inclusive.

	Headcount	Total Remuneration £'000
abrdn Capital Partners LLP ¹	117	48,853
of which		
Fixed remuneration		23,368
Variable remuneration		25,485
abrdn Capital Partners LLP ²	64	43,238
of which		
Senior Management ³	42	35,277
Other 'Identified Staff'	22	21,974

¹ As there are a number of individuals indirectly and directly employed by abrdn Capital Partners LLP this figure represents an apportioned amount of abrdn's total remuneration fixed and variable pay, apportioned to the Management Company on an AUM basis, plus any carried interest paid. The Headcount figure provided reflects the number of beneficiaries calculated on a Full Time Equivalent basis.

² The Identified Staff disclosure relates to AIFMD MRTs and represents total compensation of those staff of the Management Company who are fully or partly involved in the activities of the Management Company.

³ Senior management are defined in this table as Management Company Directors and members of the abrdn plc Board, together with its Executive Committee, Investment Management Committee and Group Product Committee.

abrdrn Investment Management Limited (SC123321), abrdrn Capital Partners LLP (S0301408) and abrdrn Private Equity (Europe) Limited (SC184076), are all registered in Scotland at 1 George Street, Edinburgh EH2 2LL and are authorised and regulated by the Financial Conduct Authority. Calls may be monitored and/or recorded to protect both you and us and help with our training.

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