



Underwriting A Greener Future®

2024 Sustainability Report

Underwriting a Greener Future® - Innovate and Adapt

The turbulence of past years continued in 2024. As the year opened, the world was still emerging from a global pandemic. Squaring up to the threat of climate change, conflict and ensuing energy constraints, a large amount of capital was deploying into clean energy and sustainable solutions, buoyed by the materialization of significant government support compensating for higher interest rates. By the close of the year, an imminent change of administration in the United States was causing widespread uncertainty.

Nevertheless, 2024 was pivotal in setting the direction of travel on US clean energy infrastructure. During the year, the implementation of the 2022 Inflation Reduction Act made great progress, with [over \\$600B of investments made](#) under its tax credit provisions, providing a solid basis in law for continued monetization. Large projects emerged with demonstrable benefits reflected in bipartisan support in congress. As of the writing of this report, the Senate looks poised to protect the more impactful provisions of the IRA on this basis.

Meanwhile, in Europe, robust policy supporting clean energy projects took shape. Firm mandates on sustainable aviation fuel in the UK and EU are underpinning investment cases for projects in Europe and also US projects looking to export. Power- and waste-to-X projects, such as facilities for producing methanol for shipping, are securing creditworthy offtakers, and renewable energy and battery energy storage deployments continue apace.

We are seeing our clients quickly adapt to the new reality, revising engineering and investment cases to optimize for the most secure revenue streams, or developing sales pipelines overseas. The industry will adapt and overcome, although uncertainty is never an accelerant.

New Energy Risk spent 2024 focused on diversification – across technologies, geographies, project lifecycles and project needs. Our techno-economic underwriting methodology and extensive technical expertise provides a robust platform for an expanded offering, and we believe that this approach will provide essential resiliency in uncertain times, and opens up multiple new dimensions for us to make the impact that is at the core of our mission.

The past year brought many successes. We completed underwriting on our first battery energy storage and solar photovoltaic warranty backstops; engaged our second European client and formed a partnership with Topsoe, a leading European technology provider; developed product offerings for operational assets to balance complex project finance transactions; and secured \$500k in funding from the New York State Energy Research and Development Authority to develop our novel feedstock supply insurance with our partner Ecostrat. We expect to translate these successes to measurable and sustained impact in the years to come.

In this annual report, we are pleased to share the latest accounting of the climate and sustainability benefits of our client portfolio as of December 2024. The quantified benefits represent the estimated impact once the insured projects are fully built. They are all coupled to profitable business cases and show that meaningful impact can be delivered at scale alongside economic opportunity. This is the reason that we are confident in the future of the industries that we support.

Our mission is to accelerate the deployment of breakthrough technologies that address global challenges. We greatly appreciate the trust and confidence our customers and partners place in our team, our process and our solutions. With our unique strength in integrating technical and commercial diligence with insurance structuring we continue to adapt to the pressing needs of industry while enhancing our global reach.

**Thank you for accompanying us on our journey to
Underwrite a Greener Future®**

George Schulz
CEO



Sherry Huang
Chief Actuary & MD of
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Shawn Lee
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Development



Insurance Innovation Driving Impact

NER's innovative insurance solutions are centered around our data-driven, forward-looking techno-economic risk evaluation. We require the projects and technologies that we support to have a clear and net positive contribution to sustainability.

We systematically evaluate the net socio-environmental effects of each opportunity relative to our climate and sustainability values. Our client pipeline is dynamic and evolving, with new technologies and business models, so we periodically review our criteria to reflect the realities of current innovations and the marketplace. Our qualitative and quantitative criteria enable us to capture the holistic impact of our clients' activities over a meaningful timescale, helping us make informed decisions and helping our clients structure their projects to achieve the greatest possible benefit. By vetting prospects whose impact aligns with our standards, and those of our insurance partners, we enable the commercialization and scaling of some of the most beneficial technologies addressing global challenges.

This green underwriting framework allows insurers to prioritize such commercial opportunities and develop underwriting strategies that include support for sustainability.

NER's technical risk products have facilitated over \$4.7B in capital deployment, with a quantifiable impact – detailed later in this report. NER's unique products and solutions turn insurance into a value enhancing solution for our clients.

The shift to net-zero emissions presents all kinds of uncertainties and opportunities. NER and our insurance partners are perfectly positioned to contribute to a sustainable global economy by reducing and managing risk.

Business Summary

- Proprietary technoeconomic risk-evaluation of new technologies, businesses and projects
- Insurance solutions promote investor confidence and customer adoption
- Policies are issued globally by one of the affiliate companies of our insurance partners



LLOYD'S

- Coverage includes commissioning, operations, or warranty backstops for up to 15 years
- \$5M to \$300M+ insurance coverage per risk
- We have helped our clients unlock over \$4.7B in capital investments using more than \$2.6B of insurance capacity

Technology Sectors



Energy Storage

BESS
Long-duration
Optimization



Process & Chemicals

X to Fuels
Power to X
Anaerobic Digestion



Renewables

Solar PV
CSP
Heat to power



Hydrogen & Fuel Cells

Ammonia
Methanol
e-Fuels



CCUS

Direct & Stack Capture
Enhanced Weathering
Sequestration

Sustainability Impact

Annual impact from NER's clients as of the end of 2024



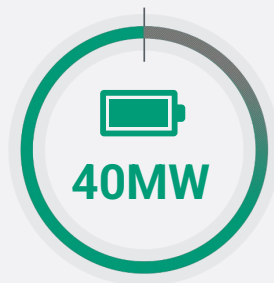
Waste Processed

The amount of trash produced by 169,000 US residents



Energy Generated

The amount of energy used by 492,000 US homes



Energy Storage Installed

The average power used by 33,000 US homes



Alternative Fuel Produced

The amount of fuel used by 43,000 US drivers



CO2e Avoided

The emissions from flying 878k passengers NYC to SF and back

Waste Processed



The amount of trash produced by 169,000 US residents

In the waste-to-value sector, NER's clients process a wide variety of wastes as feedstocks, from mixed municipal solid waste to traditionally non-recyclable plastic films, into valuable products including fuels, industrial chemicals and other industrial products. These unconventional feedstocks set our clients apart from incumbent recycling technologies by selectively helping divert from landfills some of the waste that is most difficult to recycle. Collectively, the companies intend to process 151,000 tons of waste per year once they are fully operational. NER's facilitation of these projects is having a catalyzing effect on the industry which will amplify our directly measurable impacts.

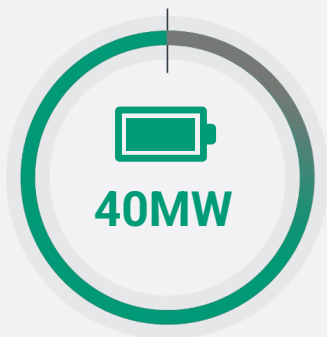
Energy Generated



The amount of energy used by **492,000 US homes**

Thanks to NER's clients, customers have access to more reliable, higher-efficiency distributed baseload generation. This increases the resilience of electrical supply in the face of a fast-changing electricity system and climate pressures. The projected installed capacity for these insured projects will generate 5.3 TWh annually and the majority are already in operation and realizing their benefit. This represents more than a 50% increase over 2023. While the figure only covers insured assets, NER insurance solutions have assisted the scale-up of these power generation technologies more broadly, so the true systemic impact of deployed insurance capacity includes both the sites that are supported by our insurance solutions and other sites where investments and customer adoption are heavily influenced by NER's risk analysis and substantial risk capital commitments.

Energy Storage Installed



The average power used by 33,000 US homes

Thanks to NER's clients, energy storage is used to strengthen energy security and improve the integration of renewable resources on the grid. This increases the resiliency of the grid and helps decrease our reliability on fossil fuels for electric generation. The energy storage capacity installed by our clients is equivalent to the average power of 33,000 US homes.

Alternative Fuel Produced



The amount of fuel used by 43,000 US drivers

The alternative fuel projects supported by NER provide an important low-carbon bridge to full decarbonization of the transportation sector. When operating to design performance, the facilities NER supports will produce 21M gallons per year of low-carbon alternative fuels. These fuels reduce the carbon emissions of existing ground transportation as it electrifies, as well as portions of difficult-to-electrify air fleets. Some of the products produced along with fuel even sequester small amounts of carbon.

CO2e Avoided



The emissions from flying **878k passengers** NYC to SF and back

Our clients, with our support, will avoid the emission of 575k tons of CO₂ equivalents per year when fully built out, based on baselines at closing. Our wide range of technology performance insurance solutions enable access to deeper sources of cost-effective finance for first and early commercial scale projects and low-carbon technology and promote widespread customer adoption and market penetration. As our clients' innovations scale, this goes a long way to proving technological maturity and justifying more extensive adoption and investment that compounds the initial impact.



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