

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take you should consult your stockbroker, bank manager, accountant, legal or professional adviser, financial adviser or a person authorised for the purposes of the Financial Services and Markets Act 2000, as amended, (“FSMA”), or if you are not in the United Kingdom, another appropriately authorised professional adviser.

If you have sold or otherwise transferred all of your holding of Ordinary Shares in JLEN Environmental Assets Group Limited (the “**Company**”), please send this document, together with the Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold any part of your holding of Ordinary Shares in the Company, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Board of Directors of the Company which is set out in Part I of this document and which contains the Board’s recommendation that you vote in favour of the resolutions to be proposed at the Extraordinary General Meeting referred to below.

Your attention is also drawn to the Notice of the Extraordinary General Meeting which is set out at the end of this Circular.

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## **JLEN ENVIRONMENTAL ASSETS GROUP LIMITED**

*(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008  
with registered no. 57682)*

### **Approval of changes to the Company’s investment policy**

### **Approval of amendments to articles of incorporation**

### **Notice of Extraordinary General Meeting**

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You will find at the end of this document the Notice of the Extraordinary General Meeting of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 8 March 2021.

Shareholders will have received, or will shortly receive, a Form of Proxy for use in relation to the Extraordinary General Meeting which, to be valid, should be completed, signed and returned so as to be received by the Company’s Receiving Agent, Link Group, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible but, in any event, so as to arrive by 10.00 a.m. on 4 March 2021, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be.

The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Schemes Rules 2018 issued by the Guernsey Financial Services Commission (the “**Commission**”). The Commission takes no responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

The Ordinary Shares are admitted to trading on the Main Market under ticker symbol “JLEN”.

If the current restrictions on inbound travel and local lock-down introduced by the States of Guernsey in response to the COVID-19 pandemic remain in place at the intended time scheduled for the meeting, physical attendance at the Extraordinary General Meeting will be difficult or impossible for all Shareholders. Up to date information on Guernsey travel and local restrictions is available at [covid19.gov.gg](https://www.covid19.gov.gg). The Company urges Shareholders to vote by proxy and to appoint the chairman of the meeting as their proxy for that purpose. All votes on the resolutions contained in the Notice of Extraordinary General Meeting will be held by poll so that all voting rights exercised by Shareholders who are entitled to do so at the Extraordinary General Meeting will be counted.

If you have a query concerning this document or the Extraordinary General Meeting, please contact Link Group by emailing [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk), or by calling 0371 664 0391 calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open between 09.00–17.30, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Capitalised terms used in this document have the meanings given in Part IV of this document.

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## **EXPECTED TIMETABLE**

All references to times in this Circular are to London times, unless otherwise stated.

Latest time and date for receipt of Forms of Proxy 10.00 a.m. on 4 March 2021

Extraordinary General Meeting 10.00 a.m. on 8 March 2021

The dates and times specified above and mentioned throughout this Circular are subject to change. In the event that such a date and/or time is changed, the Company will notify Shareholders of changes to the timetable by the publication of an announcement through a Regulatory Information Service.

## PART I – LETTER FROM THE CHAIRMAN

### JLEN ENVIRONMENTAL ASSETS GROUP LIMITED

*(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 with registered no. 57682)*

#### *Directors*

Richard Morse (*Chairman*)  
Stephanie Coxon  
Peter Neville  
Richard Ramsay  
Hans Joern Rieks

#### *Registered Office*

Sarnia House  
Le Truchot  
St Peter Port  
Guernsey  
GY1 1GR

16 February 2021

#### **To holders of Ordinary Shares in the Company**

Dear Shareholder

#### **Approval of changes to the Company's investment policy Approval of amendments to articles of incorporation Notice of Extraordinary General Meeting**

#### **Introduction**

The Board wishes to take this opportunity to propose certain changes to the Company's existing published investment policy. The proposed changes, which are described in more detail below and are set out in full in Part II of this Circular, have been approved by the Financial Conduct Authority in accordance with the Listing Rules and are now conditional upon Shareholder approval.

The Directors also wish to take the opportunity to seek Shareholders' approval of certain proposed changes to the Company's articles of incorporation (the "**Articles**"), full details of which are set out below and in Part III of this Circular.

The purpose of this Circular is to explain the reasons for the Proposals and to convene an extraordinary general meeting of the Company (the "**Extraordinary General Meeting**") to propose: (i) an ordinary resolution to approve the proposed changes to the Company's investment policy (the "**Investment Policy Resolution**"); and (ii) a special resolution to approve the proposed changes to the Articles (the "**Articles Resolution**" and, together with the Investment Policy Resolution, the "**Resolutions**"). This Circular also contains a recommendation that Shareholders vote in favour of the Resolutions.

A notice convening the Extraordinary General Meeting to be held at 10.00 a.m. on 8 March 2021 is set out at the end of this Circular.

#### **Background to the proposed changes to the investment policy**

The Company is a closed-ended investment company which invests in environmental infrastructure with the aims of providing Shareholders with a sustainable, progressive dividend per share, paid quarterly, and to preserve the capital value of its portfolio on a real basis over the long term through the reinvestment of cash flows not required for the payment of dividends.

Since the Company's IPO in 2014, it has made strong progress against its investment objectives. Its performance has been robust, delivering a 66.5 per cent. total shareholder return (unaudited) between launch and 12 February 2021, being the latest practicable date prior to publication of this Circular. In addition, the size of the Company's investment portfolio has more than trebled from £156.58 million at launch to £552.90 million as at 30 September 2020.

However, the Board recognises that much has changed in the past seven years. At the time of the Company's launch, core wind and solar infrastructure projects represented the majority of its portfolio, and a significant part of the Company's addressable market. However, the expectation at the time of IPO was that, over time, newer environmental infrastructure technologies would develop and progress, and the Company has always maintained a broad investment mandate in order to take advantage of

such opportunities outside of core wind and solar infrastructure. This includes the waste and waste water assets that the Company has held since IPO and, more recently, the expansion of the Company's portfolio to include hydro plants, agricultural and food waste anaerobic digestion assets, battery storage investments and a portfolio of biomethane refuelling stations for compressed natural gas vehicles. Moreover, these asset classes have typically been acquired with higher return expectations than core wind and solar infrastructure assets as, despite downward pressure on energy prices, increasing levels of competition have driven down return expectations and discount rates in those core areas of the market.

The Company has also undergone changes during the period since its launch. In particular, in June 2019, the Foresight Group acquired the advisory mandate for the Company from its original investment adviser, John Laing Capital Management Limited. Whilst the investment, portfolio and finance teams responsible for advising the Company since IPO transferred to the new Investment Adviser and continue to advise the Company, the broad experience and geographical reach of the Foresight Group across a wide range of environmental sectors, and access its wider origination network, has led to greater range of opportunities being made available to the Company, especially those investments which may offer a higher return than are currently available from the more established wind and solar renewables markets.

The Board and the Investment Adviser believe that the environmental infrastructure market will continue to develop, and that future growth in the Company's portfolio is likely to come from investing in, asset classes more in-line with its recent acquisitions and other sub-sectors of the market outside of core wind and solar assets. This is consistent with the investment opportunities being identified by the Investment Adviser which, if acquired, are expected to assist the Company in delivering on its investment objective and be accretive to Shareholders.

Accordingly, after careful consideration, the Board is proposing certain changes to the Company's investment policy, to reflect better the changes in the environmental infrastructure market during the period since IPO and the expected continued development of that market in the future. The proposed changes seek to allow the Company to access a wider pool of environmental infrastructure investments, both by sub-sector and geography. Whilst the Company will remain prudent in deciding which investments to pursue, the Board and the Investment Adviser believe that broadening the investment policy in this way will help the Company to continue to meet its investment objectives and respond to developments in the changing market in which it operates.

### **Summary of principal proposed changes to the investment policy**

The most significant proposed changes to the Company's investment policy, which are set out in full in Part II of this Circular, are summarised below.

#### *Broader definition of "environmental infrastructure"*

Under the revised investment policy, the Company will continue to seek to achieve its investment objective by investing in a diversified portfolio of environmental infrastructure. However, pursuant to the Proposals, the definition of "environmental infrastructure" for these purposes would be expanded to include a wider pool of prospective investments, including infrastructure assets, projects and asset-backed businesses that utilise natural or waste resources or support more environmentally friendly approaches to economic activity, support the transition to a low carbon economy or which mitigate the effects of climate change.

Sectors in which the Investment Adviser expects there may be attractive investment opportunities for the Company which would better fit within the revised definition of "environmental infrastructure" include, but are not limited to:

- Battery storage projects;
- Businesses which provide support services to core environmental infrastructure projects;
- Low carbon agriculture, including vertical farming assets;
- Connecting infrastructure such as district heating and other core infrastructure used by environmental assets;

- Agriculture/bioenergy supply chain businesses serving anaerobic digestion plants and other bioenergy technologies which rely heavily on the upstream feedstock supply chain; and
- Low carbon transport infrastructure such as electric vehicle charging infrastructure.

*Investment in member states of the European Union which are not members of the OECD*

The Company's existing investment policy expressly prohibits it from investing in projects which are located in countries other than those which are members of the Organisation for Economic Co-operation and Development (the "OECD"). The revised investment policy would, if approved by Shareholders, allow the Company to invest in member states of the European Union which are not members of the OECD. These countries currently comprise Bulgaria, Croatia, Cyprus, Malta and Romania.

The Investment Adviser believes that these jurisdictions may provide attractive investment opportunities for the Company of which it would be unable to take advantage under its existing investment policy. The Investment Adviser believes that, although these countries are not members of the OECD, their membership of the EU helps to underpin the stability of their economies, institutions and regulatory standards, making them suitable geographies for investment by the Company. The Company expects to continue to have a significant majority invested in the UK and OECD countries, with at least 50 per cent. of the portfolio (by value) being based in the UK.

*Increased proportion of the Net Asset Value which may be invested in construction projects*

Under the Company's existing investment policy, the Company may not acquire any investment if, as a result of such investment, 15 per cent. or more of the Net Asset Value is attributable to projects which are in construction and are not yet fully operational. If approved by Shareholders, the Proposals would increase this limit by 10 per cent., such that up to 25 per cent. of the Net Asset Value could be attributable to projects which are in construction. Whilst the Company would continue to be selective in pursuing assets that are under construction, the Board and the Investment Adviser believe that amending the Company's investment policy in this way will provide greater flexibility for the Company to acquire assets at an earlier stage in their life cycle, improving its competitive position in respect of acquisition opportunities and enhancing returns for Shareholders. It is not anticipated that the Company will invest in assets with a long construction period where there is a material lack of or materially reduced income generation to fund the Company's dividends. The Company, alongside the Investment Adviser, has demonstrated its ability to successfully manage construction projects, including the recent expansion of its Vulcan anaerobic digestion facility.

It is also proposed to make a number of additional minor clarificatory and consistency changes to the investment policy. These minor changes are shown, along with the other changes discussed above, in the mark-up against the Company's existing investment policy set out in Part II of this Circular.

**Proposed changes to the Articles**

In addition to the proposed changes to the investment policy, the Proposals to be considered at the Extraordinary General Meeting include the adoption of amended Articles. The principal changes reflected in the amended Articles are as follows:

- To approve an increase the aggregate annual limit on the remuneration of Directors from £300,000 to £400,000 per annum. The Directors believe that the proposed increase is appropriate in order to allow the Company, as part of its succession planning measures, to implement a transition period in respect of incoming Directors which may see a temporary increase in the overall number of Directors and which may otherwise not be possible given the limit on remuneration set out in the Articles. The Board also believes that the increased limit should help to ensure that the Company can continue to attract a suitably diverse group of high calibre Directors with requisite skill and experience in the future.
- To remove the requirement that a majority of the Directors must not be resident for tax purposes in the United Kingdom, the removal of the restrictions on board and committee meetings being held in the United Kingdom, the restrictions on Directors who are physically located in the United Kingdom from participating in board and committee meetings and the restrictions on decision-making by board and committee meetings at which a majority of the Directors present are resident in the United Kingdom. These amendments will allow the Company to take advantage

of the flexibility offered under UK tax legislation which removed the concern that non-EEA alternative investment funds (such as the Company) could be treated as tax-resident in the United Kingdom if their board meetings were held in the UK. While it is anticipated that the Company will continue to be managed in Guernsey, these amendments will permit the Company more flexibility in its board recruitment and in the holding of board and committee meetings.

The Company is also proposing to make certain administrative and procedural changes to the Articles, including to conform them with certain changes to the Companies Law since the current Articles were adopted in 2014. The proposed changes to the Articles are summarised in full in Part III of this Circular.

### **Extraordinary General Meeting**

A notice convening the Extraordinary General Meeting of the Company, which is to be held at 10.00 a.m. on 8 March 2021 at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR, is set out at the end of this Circular.

The quorum requirement for the Extraordinary General Meeting is at least one member present in person or by proxy and holding 5 per cent. or more of the voting rights available at such meeting.

### **Meeting arrangements**

On 23 January 2021 the States of Guernsey announced that the island would enter lock-down with immediate effect. Up to date information can be found at [covid19.gov.gg](http://covid19.gov.gg).

Gatherings, including business meetings such as the Extraordinary General Meeting, are not permitted in Guernsey unless they fit within an exemption, and travel to Guernsey by non-residents is prohibited other than with an Essential Travel Permit. Such permits are granted only in exceptional circumstances. The Company acknowledges that these restrictions may make it difficult or impossible for any Shareholders to attend the Extraordinary General Meeting in person. Accordingly, all votes on the Resolutions will be held by poll, so that all voting rights exercised by Shareholders who are entitled to do so at the Extraordinary General Meeting, will be counted.

### **Action to be taken**

Shareholders will have received, or will shortly receive, a Form of Proxy for use by Shareholders in relation to the Extraordinary General Meeting. You are requested to complete the Form of Proxy and return it to the Company's Receiving Agent, Link Group, at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF as soon as possible but, in any event, so as to arrive by 10.00 a.m. on 4 March 2021, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be.

In light of the lock-down restrictions imposed by the States of Guernsey in response to the COVID-19 pandemic, the Company urges you to vote by proxy at the Extraordinary General Meeting and to appoint the chairman of the meeting as your proxy for that purpose. If you appoint someone other than the chairman of the meeting as your proxy, that proxy may not be able to attend the Extraordinary General Meeting in person or cast your vote.

Completion and return of Forms of Proxy will not prevent you from attending and voting in person at the Extraordinary General Meeting if it is legally permitted at the time of the meeting, and should you wish to do so. However, ongoing COVID-19 restrictions in Guernsey are expected to make such attendance difficult or impossible for all Shareholders and you should not plan to attend the meeting.

The Investment Policy Resolution is proposed as an ordinary resolution which, on a poll, requires a majority of the total voting rights of Shareholders who, being entitled to do so at the meeting, vote (in person, by attorney or by proxy) in favour (excluding any votes that are withheld). The Articles Resolution is proposed as a special resolution which, on a poll, requires not less than 75 per cent. of the total voting rights of Shareholders who, being entitled to do so at the meeting, vote (in person, by attorney or by proxy) in favour (excluding any votes that are withheld).

### **Recommendation**

The Board believes that the Proposals are in the best interests of the Company and Shareholders as a whole and unanimously recommends that Shareholders vote in favour of both Resolutions, as all of the



Directors intend to do in respect of their own beneficial holdings of Ordinary Shares which, as at the date of this Circular, amount in aggregate to 187,244 Ordinary Shares (representing approximately 0.034 per cent. of the existing issued ordinary share capital of the Company).

Yours faithfully

**Richard Morse**  
*Chairman*

## PART II – AMENDED INVESTMENT POLICY

The Company's provided revised investment policy, highlighting the changes to be proposed at the Extraordinary General Meeting is as follows:

The Company seeks to achieve its objectives by investing in a diversified portfolio of environmental infrastructure ~~projects~~;

JLEN defines environmental infrastructure as infrastructure assets, projects and asset-backed businesses that utilise natural or waste resources or support more environmentally friendly approaches to economic activity, support the transition to a low carbon economy or which mitigate the effects of climate change.

Environmental infrastructure that the Company invests in typically has one or more of the following characteristics:

- ~~that~~they have the benefit of long-term, predictable cash flows, which may be wholly or partially inflation-linked ~~cash flows~~;
- ~~that~~they are supported by long-term contracts or stable and well-proven regulatory and legal frameworks; ~~and/or~~
- ~~that~~they feature well-established technologies; and demonstrable operational performance ~~and a track record of producing long term predictable revenues~~.

~~JLEN defines environmental infrastructure as infrastructure projects that utilise natural or waste resources or support more environmentally friendly approaches to economic activity. This could involve the generation of renewable energy (including solar, wind, hydropower and biomass technologies), the supply and treatment of water, the treatment and processing of waste, and projects that promote energy efficiency~~

The Company will invest in environmental infrastructure ~~projects~~ either directly or through holding structures that give the Company an investment exposure to environmental infrastructure ~~projects~~. The Company's investment interests in environmental infrastructure ~~projects~~ may include partnership equity, partnership loans, membership interests, share capital, trust units, shareholder loans and/or debt interests in or to project entities or any other entities or undertakings in which the Company invests or may invest.

Whilst there are no restrictions on the amount of the Company's assets that may be invested in any individual type of environmental infrastructure, the Company will, over the long term, seek to invest in a diversified spread of investments both geographically (although the UK will always represent a minimum of 50% of the portfolio by value) and across different types of environmental infrastructure in order to achieve a broad spread of risk in the Company's portfolio.

The Company will also ensure that its investment portfolio comprises a minimum of five ~~environmental infrastructure projects~~investments at any given time, save that this requirement shall not apply when the Company is being wound up or dissolved.

As technologies and the markets in which they contract into develop and become established, future investments may differ from those currently within the portfolio. These assets may incorporate new technologies that have a demonstrable track record or traditional infrastructure projects with features such as greater exposure to merchant markets in feedstock or by-products. ~~Assets may include the employment of specialist staff within the project vehicle who are important to the project's success, or incorporate assumptions around the re-purposing of plant beyond subsidy expiry to maximise economic life.~~

### Investment restrictions

With the objective of achieving a spread of risk, the following investment restrictions will apply to the acquisition of investment interests in the portfolio:

- the substantial majority of ~~projects~~investments in the portfolio by value and number will be operational. The Company will not acquire investment interests in any ~~project~~investment if, as a

result of such investment, ~~45~~25% or more of the NAV is attributable to projects that are in construction and are not yet fully operational;

- at least 50% of the portfolio (by value) will be based in the UK and the Company will only invest in ~~projects that are~~ environmental infrastructure located in the UK, member states of the European Union or OECD countries and, accordingly, the Company will not ~~invest in~~ make any ~~project~~ investment if, as a result of such investment, more than 50% of the Net Asset Value immediately post-acquisition ~~is~~ would be attributable to ~~projects~~ investments that are not based in the UK; and
- it is intended that ~~investment~~ interests in any single ~~project~~ investment acquired will not have an acquisition price (aggregated with the value of any existing investment in the relevant project, asset or business if relevant) greater than 25% of the ~~NAV~~ Net Asset Value immediately post-acquisition. In no circumstances will a new acquisition exceed a maximum limit of 30% of the ~~NAV~~ Net Asset Value immediately post-acquisition.

### **Borrowing and gearing**

- The Company intends to make use of short-term debt financing to facilitate the acquisition of investments (either itself or by one of its subsidiaries). Borrowing may be secured against the assets comprising the portfolio. It is intended that such debt will be repaid periodically by the raising of new equity finance by the Company. The level of such debt is limited to 30% of the Company's Net Asset Value immediately after the acquisition of any further investment. Such debt will not include (and will be subordinate to) any project-level gearing or borrowings by assets or businesses in which the Company may invest, which shall be in addition to any borrowing at Company level.
- The Company may acquire investment interests in respect of projects that have non-recourse project finance in place at the project entity level. The Company will target aggregate non-recourse financing attributable to renewable energy generation projects not exceeding 65% of the aggregate gross project value of such projects. The Company will target aggregate non-recourse financing attributable to projects structured as PFI/PPP projects not exceeding 85% of the aggregate gross project value of such projects. The Company will not invest in any project that would cause the Company to be in breach of the targeted limits set out in this paragraph if the Directors do not reasonably believe that the relevant target leverage limit can be achieved within six months of the date of investment in that project. It is therefore possible that the Company may exceed the targeted gearing limits set out in this paragraph, but only in circumstances where the Directors reasonably believe that such breach can be cured (by achieving the relevant target leverage limit) within six months of the date of investment in the relevant project.

### **Hedging**

Where investments are made in currencies other than pounds sterling, the Company will consider whether to hedge currency risk in accordance with the Company's currency and hedging policy as determined from time to time by the Directors. Interest rate hedging may be carried out to provide protection against increasing costs of servicing debt drawn down by the Company to finance investments.

This may involve the use of interest rate derivatives and similar derivative instruments. Hedging against inflation may also be carried out where appropriate and this may involve the use of RPI swaps and similar derivative instruments. The currency, interest rate and any inflationary hedging policies will be reviewed by the Directors on a regular basis to ensure that the risks associated with movements in foreign exchange rates, interest rates and inflation are being appropriately managed.

Any hedging transactions (if carried out) will only be undertaken for the purpose of efficient portfolio management to enhance returns from the portfolio and will not be carried out for speculative purposes. The execution of hedging transactions is at the discretion of the Investment Adviser, subject to the policies set by and the overall supervision of the Directors.

### **Cash balances**

Pending reinvestment or distribution of cash receipts or repayments of any outstanding indebtedness, cash received by the Company will be invested in cash, cash equivalents, near-cash instruments, money market instruments and money market funds and cash funds.

The Company may also hold derivative or other financial instruments designed for efficient portfolio management or to hedge interest, inflation or currency rate risks.

The Company and any other member of the Group may also lend cash which it holds as part of its cash management policy.

### **Origination of further investments**

Each of the investments comprising the portfolio comply with the Company's investment policy and further investments will only be acquired if they comply with the Company's investment policy.

Subject to due diligence and agreement on price, the Company will seek to acquire those ~~projects~~ investments that fit the investment objectives and investment policy of the Company. If, in the opinion of the Directors, the risk characteristics, valuation and price of the prospective investment ~~interests in the project or projects for sale~~ are acceptable and consistent with the Company's investment objective and investment policy, then (subject to the Company having sufficient sources of capital) an offer will be made (without seeking the prior approval of shareholders) and, if successful, the investment ~~interests in the relevant project, or projects,~~ will be acquired by the Company.

The Investment Adviser will be subject to the overall supervision of the Board and all decisions on the acquisition of new investments and the disposal of existing investments will be subject to the approval of the Directors, all of whom are independent of the Investment Adviser.

### **Potential disposal of investments**

Whilst the Directors may elect to retain investment interests in the ~~investment~~ portfolio ~~projects of~~ investments that the Company acquires, and any other further investments made by the Company over the long-term, the Investment Adviser will regularly monitor the valuations of such ~~projects~~ investments and any secondary market opportunities to dispose of investments and report to the Directors accordingly. The Directors only intend to dispose of investments where they consider that appropriate value can be realised for the Company or where they otherwise believe that it is appropriate to do so. Proceeds from the disposal of investments may be reinvested or distributed at the discretion of the Directors.

### **Amendments to and compliance with the investment policy**

Material changes to the investment policy of the Company may only be made in accordance with the approval of the shareholders by way of ordinary resolution and (for so long as the ordinary shares are listed on the official list maintained by the Financial Conduct Authority) in accordance with the Listing Rules. Minor changes to the investment policy must be approved by the Directors.

The investment restrictions detailed above apply at the time of the acquisition of investment interests and the values of existing investment interests shall be as at the date of the most recently published NAV of the Company, unless the Directors believe that such valuation materially misrepresents the value of the Company's investment interests at the time of the relevant acquisition. The Company will not be required to dispose of investment interests and to rebalance its portfolio as a result of a change in the respective valuations of investment interests.

## PART III – AMENDMENTS TO THE ARTICLES OF INCORPORATION

Set out below is a summary of amendments proposed to be made to the Company's Articles.

Shareholders should review the proposed amended Articles for the purpose of ascertaining the full extent of the changes. The amended Articles will be available for inspection from the date of this notice until the conclusion of the Extraordinary General Meeting on the Company's website at [www.jlen.com](http://www.jlen.com). In light of the COVID-19 pandemic, physical inspection of the amended Articles cannot be accommodated at this time.

The proposed amendments are as follows:

- To increase the aggregate annual limit on the remuneration of Directors from £300,000 to £400,000 per annum. This is the first change to the aggregate annual limit on remuneration proposed since the Company's IPO in 2014. The Directors believe that the proposed increase is appropriate in order to allow the Company, as part of its succession planning measures, to implement a transition period in respect of incoming Directors, which may see a temporary increase in the total number of Directors, and which may otherwise not be possible given the limit on remuneration set out in the Articles. The Board also believes that the increased limit should help to ensure that the Company can continue to attract a suitably diverse group of high calibre Directors with requisite skill and experience in the future.
- To remove the requirement that a majority of the Directors must not be resident for tax purposes in the United Kingdom and the restrictions on board and committee meetings being held in the United Kingdom, on Directors who are physically located in the United Kingdom from participating in board and committee meetings and on decision-making by board and committee meetings at which a majority of the Directors present are resident in the United Kingdom. These amendments will allow the Company to take advantage of the flexibility offered by the amendments to section 363A of the UK Taxation (International and Other Provisions) Act 2010 which removed the concern that non-EEA alternative investment funds (such as the Company) could be treated as United Kingdom tax-resident if their board meetings were held in the United Kingdom. While it is anticipated that the Company will continue to be managed in Guernsey, the amendments will permit the Company more flexibility in its board recruitment and in the holding of board and committee meetings, as well as potentially reducing the costs associated with those meetings; and
- To make the following administrative and procedural changes to conform the Articles with the provisions of the Companies Law:
  - to remove article 5.3 of the Articles granting a specific authority of the Directors to allot shares in accordance with section 292 of the Companies Law (and reference to that article), following the repeal of that section;
  - to update the cut-off time by which forms of proxy in relation to Shareholder meetings must be received by the Company, to reflect the provisions of the Companies Law which require that no account may be taken of any part of a day that is not a working day;
  - to reflect that the Companies Law now requires the directors of a company to disclose the nature and extent of the interests which they may have in a transaction or proposed transaction of that company, but not necessarily the monetary value of such interests; and
  - to update the provisions of the Articles dealing with notices to reflect the new statutory timings for the deemed service of documents under the Companies Law.

A number of non-substantial typographical and similar conforming and consistency amendments are also proposed, including changes necessary to reflect the Company's change of name in 2019.

## PART IV – DEFINITIONS

The following definitions apply throughout this document, unless stated otherwise:

<b>“Articles”</b>	means the articles of incorporation of the Company in force from time to time;
<b>“Articles Resolution”</b>	means the special resolution to approve the proposed amendments to the Articles described in Part III of this Circular, as contained in the Notice of Extraordinary Meeting;
<b>“Circular”</b>	means this circular;
<b>“Companies Law”</b>	Companies (Guernsey) Law, 2008, as amended;
<b>“Company”</b>	means JLEN Environmental Assets Group Limited;
<b>“CREST”</b>	means a paperless settlement procedure operated by Euroclear UK & Ireland Limited enabling system securities to be evidenced otherwise than by written instrument;
<b>“Directors” or “Board”</b>	means the directors from time to time of the Company (or any duly constituted committee thereof) as the context may require, and “Director” is to be construed accordingly;
<b>“Extraordinary General Meeting”</b>	means the extraordinary general meeting of the Shareholders of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 8 March 2021 to consider and, if thought fit, approve the Resolutions;
<b>“FCA”</b>	means the UK Financial Conduct Authority or any successor body thereof;
<b>“Form of Proxy”</b>	means the form of proxy that Shareholders will have received, or will shortly receive, for use in relation to the Extraordinary General Meeting;
<b>“FSMA”</b>	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended;
<b>“IFRS”</b>	means International Financial Reporting Standards as adopted by the European Union;
<b>“Investment Adviser” or “Foresight Group”</b>	means Foresight Group LLP;
<b>“Investment Policy Resolution”</b>	means the ordinary resolution to approve the proposed amendments to the Company’s investment policy set out in Part II of this Circular, as contained in the Notice of the Extraordinary Meeting;
<b>“IPO”</b>	means the admission to trading on the Main Market on 31 March 2014 of the Company’s initial public offering of 160 million Ordinary Shares;
<b>“Listing Rules”</b>	means the listing rules made by the FCA under section 73A of FSMA;
<b>“Main Market”</b>	means the London Stock Exchange plc’s main market for listed securities;
<b>“Net Asset Value”</b>	means the net asset value under IFRS per Ordinary Share;

<b>“Notice of the Extraordinary General Meeting”</b>	means the notice of the Extraordinary General Meeting set out in at the end of this Circular;
<b>“OECD”</b>	Means the Organisation for Economic Co-operation and Development;
<b>“Ordinary Shares”</b>	means ordinary shares of no par value each in the capital of the Company;
<b>“Proposals”</b>	means the proposals to make certain amendments to the Company’s investment policy and the Articles set out in this Circular;
<b>“Regulatory Information Service”</b>	means a regulatory information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA;
<b>“Resolutions”</b>	means the Investment Policy Resolution and the Articles Resolution;
<b>“Share”</b>	means a share in the capital of the Company (of whatever class); and
<b>“Shareholder”</b>	means a registered holder of a Share.

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

### **JLEN ENVIRONMENTAL ASSETS GROUP LIMITED**

*(a closed-ended company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 with registered no. 57682)*

Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR

Tel: +44 (0) 1481 737600 Fax: +44 (0) 1481 749829

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of JLEN Environmental Assets Group Limited (the "**Company**") will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR at 10.00 a.m. on 8 March 2021.

The Extraordinary General Meeting is being convened for the transaction of the following business:

#### **ORDINARY RESOLUTION**

1. THAT the Company adopts the proposed changes to its investment policy, as set out in the circular to Shareholders dated 16 February 2021.

#### **SPECIAL RESOLUTION**

2. THAT the articles of incorporation of the Company in the form as referred to in the circular to Shareholders dated 16 February 2021 and produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification, be adopted in substitution for, and to the exclusion of, the Company's existing articles of incorporation.

BY ORDER OF THE BOARD

**Praxis Fund Services Limited**

*Company Secretary*

16 February 2021

Sarnia House  
Le Truchot  
St Peter Port  
Guernsey GY1 1GR



## NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING

1. Subject to legal restrictions in effect in Guernsey, a member is entitled to attend and vote at the meeting provided that all calls due from him/her in respect of his/her shares have been paid. A member is also entitled to appoint one or more proxies to attend, speak and vote on his/her behalf at the meeting. The proxy need not be a member of the Company. Shareholders will have received, or will shortly receive, a Form of Proxy which should be completed in accordance with the instructions in the notes to the Form of Proxy. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Link Group at PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, by no later than 10.00 a.m. on 4 March 2021, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the Form of Proxy will not preclude members from attending and voting in person at the meeting.
2. An ordinary resolution of the members (or of a class of members) of the Company means a resolution passed by a simple majority. A special resolution of the members (or of a class of members) of the Company means a resolution passed by a majority of not less than 75 per cent.
3. The quorum for the Extraordinary General Meeting is at least one member present in person or by proxy and holding 5 per cent. or more of the voting rights available at such meeting.
4. Joint registered holders of shares shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of members of the Company shall alone be entitled to vote.
5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the register of members of the Company at close of business on 4 March 2021 (or in the event that the meeting is adjourned, only those members registered on the register of members of the Company as at close of business on the day which is two days prior to (excluding weekends and bank holidays) the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Extraordinary General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
6. You may also submit your proxy electronically using the Share Portal service at [www.signalshares.com](http://www.signalshares.com). If not already registered for the Share Portal, you will need your Investor Code located on your share certificate.
7. A copy of this Notice of the Extraordinary General Meeting is available on the Company's website: [www.jlen.com](http://www.jlen.com).
8. The total issued share capital of the Company as at the date of this Notice of the Extraordinary General Meeting is 546,720,025 Ordinary Shares. Pursuant to the Articles, on a show of hands every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote, and one vote per Ordinary Share on a poll (other than the Company itself where it holds its own shares as treasury shares). As at the date of this Notice of the Extraordinary General Meeting, there are no outstanding warrants and/or options to subscribe for Ordinary Shares and there are no treasury shares in issue.





