



SDCL ENERGY EFFICIENCY INCOME TRUST PLC

NOTICE OF ANNUAL GENERAL MEETING 2019

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, bank manager, solicitor or accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom. If you have sold or otherwise transferred all your shares in SDCL Energy Efficiency Income Trust Plc, please forward this document and the accompanying documents at once to the person through whom the sale or transfer was made, for transmission to the purchaser or transferee. If you have sold or otherwise transferred part of your holding of shares in SDCL Energy Efficiency Income Trust PLC, please contact your stockbroker, bank manager, solicitor, accountant or other agent as soon as possible. A proxy form for the Annual General Meeting is enclosed and should be completed and returned so as to reach Computershare Investor Services plc not less than 48 hours prior to the time of the meeting. Completion of the proxy form will not preclude you from attending and voting at the meeting in person if you wish.

SDCL Energy Efficiency Income Trust PLC

Notice of Annual General Meeting

To be held at

**Herbert Smith Freehills LLP, 12 Primrose Street,
Exchange Square, City of London, EC2A 2EG**

On 11 September 2019 at 2.00pm

Registered Office:
Asticus Building
21 Palmer Street
London
SW1H 0AD

09 August 2019

To the holders of SDCL Energy Efficiency Income Trust plc shares

Dear Shareholder,

NOTICE OF ANNUAL GENERAL MEETING

I am pleased to be writing to you with details of our first Annual General Meeting ("**AGM**") to be held on 11 September 2019 at Herbert Smith Freehills LLP, 12 Primrose Street, Exchange Square, City of London, EC2A 2EG at 2.00pm. The formal Notice of the Annual General Meeting is set out in this document along with Explanatory notes to the resolutions proposed.

Voting at the AGM will be taken by a show of hands. A Proxy Form has been provided to enable you to vote in respect of the Resolutions. Whether or not you intend to be present at the AGM, you are asked to complete the Proxy Form in accordance with the instructions and return it to Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, United Kingdom, as soon as possible and in any event so that it is received no later than 2.00pm on 09 September 2019. The completion and return of the Proxy Form will not preclude you from attending the AGM and voting in person, if you so wish.

FURTHER INFORMATION

Your attention is drawn to the Company's March 2019 Annual Report and Accounts that is available on our website at www.sdcleeit.com.

RECOMMENDATIONS

The Directors of SDCL Energy Efficiency Income Trust Plc consider that all of the Resolutions proposed are in the best interests of the Company and will promote the success of the Company for the benefit of its Shareholders as a whole. Accordingly, they unanimously recommend that you vote in favour of each of the Resolutions to be proposed at the AGM.

Yours sincerely



TONY ROPER
Chairman

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Notice is hereby given that the Annual General Meeting of SDCL Energy Efficiency Income Trust plc (the "**Company**") will be held at Herbert Smith Freehills LLP, 12 Primrose Street, Exchange Square, City of London, EC2A 2EG on Wednesday, 11 September 2019 at 2.00pm for the following purposes.

You will be asked to consider and, if thought fit, pass the following resolutions. Resolutions 1 – 10 will be proposed as ordinary resolutions and Resolutions 11-12 will be proposed as special resolutions.

ORDINARY BUSINESS

1. To receive and consider the audited accounts of the Company for the financial period ended 31 March 2019 and the reports of the Directors and Auditors on those financial statements.
2. To receive, approve and adopt the Directors' Remuneration Report which appears on page 39 of the Annual Report for the period ended 31 March 2019, in accordance with section 439 of the Companies Act 2006.
3. To receive, approve and adopt the Remuneration Policy for the year ended 31 March 2020, which appears on page 39 to 40 of the Annual Report for the period ended 31 March 2019.
4. To re-appoint PricewaterhouseCoopers LLP as the Auditors of the Company.
5. To authorise the Directors to determine the remuneration of PricewaterhouseCoopers LLP, as the Auditors of the Company.
6. To re-elect Tony Roper as a Director of the Company.
7. To re-elect Helen Clarkson as a Director of the Company.
8. To re-elect Christopher Knowles as a Director of the Company.
9. To approve the Company's dividend policy for the year ending 31 March 2020.
10. **That**, the Company be authorised, subject to and in accordance with the provisions of the Companies Act 2006, to send, convey, or supply all types of notices, documents or information to shareholders by electronic means, including making such notices, documents or information available on a website.

SPECIAL BUSINESS

11. **That**, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares of £0.01 each on such terms and in such manner as the Directors may from time to time determine, provided that:
 - a) the maximum number of Ordinary Shares hereby authorised to be acquired between the date of this resolution and the date of the Company's annual general meeting to be held in 2020 shall be 25,675,941 or, if less, that number of Ordinary Shares which is equal to 14.99 per cent. of the Ordinary Shares in issue as at the passing of this resolution;
 - b) the minimum price which may be paid for any Ordinary Share is £0.01;
 - c) the maximum price which may be paid for any Ordinary Share is the higher of: (i) an amount equal to 105 per cent. of the average of the middle market quotations for such share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and (ii) the higher of a) the price of the last independent trade and b) the highest current independent bid for such share on the trading venues where the market purchases by the Company pursuant to the authority conferred by this resolution will be carried out;

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- d) this authority shall expire at the end of the Company's annual general meeting to be held in 2020, unless previously renewed, varied or revoked by the Company in a general meeting;
- e) the Company may make a contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which contract would or might require the Company to purchase its Ordinary Shares after such expiry and the Company shall be entitled to purchase its Ordinary Shares pursuant to any such contract as if the power conferred hereby had not expired; and
- f) any shares bought back under the authority hereby granted may, at the discretion of the Directors, be cancelled or held in treasury and, if held in treasury, may be resold from treasury or cancelled at the discretion of the Directors.

12. That, a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

By order of the Board of SDCL Energy Efficiency Income Trust PLC

Registered Office
Asticus Building
21 Palmer Street
London
SW1H 0AD

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EXPLANATORY NOTES

Resolutions 1 to 10 (inclusive) are proposed as ordinary resolutions which means that for each of those Resolutions to be passed, more than half of the votes cast in relation to such Resolution must be cast in favour of it.

ORDINARY RESOLUTIONS

Resolution 1: 2019 Annual Report and Accounts

The Directors are required to lay before the Annual General Meeting (the **"AGM"**) the audited Accounts and the reports of the Directors and the Auditors Report for the financial period ended 31 March 2019.

Resolution 2-3: Directors' Remuneration Report and Remuneration Policy

We are asking you to approve the Directors' Remuneration Report, which is presented on page 39 of the Annual Report for the period ended 31 March 2019 (the **"Annual Report"**), by passing Resolution 2.

Resolution 2 is the ordinary resolution to approve the Directors' Remuneration Report. Resolution 2 is an advisory resolution and accordingly entitlement of a Director to remuneration is not conditional of the Resolution being passed.

Resolution 3 is the ordinary resolution to approve the Directors' Remuneration Policy which is set out on page 39 of the Annual Report. If Resolution 3 is approved, all payments by the Company to the Directors for routine business for the year ended 31 March 2020 as detailed on page 40 of the Annual Report must be made in accordance with the Directors' Remuneration Policy and will take effect from the date of this AGM.

Resolution 4-5: Re-appointment of Auditors

The Company is required at each general meeting at which accounts are presented to appoint the auditor to hold office until the next such meeting. PricewaterhouseCoopers LLP (**"PWC"**) have indicated their willingness to continue in office. Accordingly, Resolution 3 reappoints PWC as auditor and Resolution 4 authorises the Directors to determine their remuneration.

Resolutions 6-8: Re-election of Directors

The Directors are committed to measures that promote good corporate governance. In line with the AIC Code of Corporate Governance (the **"Code"**), each of the Directors will be submitting themselves for re-election at this year's meeting, and at each subsequent AGM of the Company for such time as the Code requires.

In accordance with the Articles, at every AGM, all of the Directors on the board of the Company will retire at the AGM and offer themselves for re-election.

Short biographical details of all of the Directors who are proposed for re-election are set out on pages 28-29 of the Company's Annual Report.

Resolutions 9: Dividend policy

Whilst the Company is not required to seek approval from shareholders for the payment of interim dividends pursuant to the Companies Act 2006, the Board recognises that corporate governance best practice and shareholder expectations are such that it would be appropriate for shareholders to be provided with an opportunity to review and, if thought fit, to approve the Company's dividend policy on an ongoing basis.

Accordingly, shareholders are being asked to approve the Company's policy with respect to the payment of dividends for the year ending 31 March 2020. The Company is targeting an aggregate dividend of 5.00p per share for the year to 31 March 2020, to be paid in two semi-annual instalments. The first interim semi-annual dividend is expected to be paid in December 2019 and the second interim semi-annual dividend with respect to the financial year ending 31 March 2020 is expected to be paid in June 2020.

The above target dividend payments are targets only and not profit forecasts. There can be no assurance that these targeted payments can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns.

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Resolution 10: Electronic Communications

The Company is seeking to take advantage of the provisions of the Companies Act 2006 to allow electronic communications with its Shareholders, including making important documents available through its website, and an ordinary resolution authorising this is included within the Notice of AGM.

The Resolution, if passed, would allow the Company to use electronic communications with Shareholders by placing documents such as the Annual Report on a website rather than sending them in hard copy. The Company will notify those Shareholders who have elected for electronic communication, by post or email if they have provided an email address, that the document is available on the website. Shareholders can, however, ask for a hard copy of any document at any time.

If this Resolution is passed, the new arrangements are expected to result in potential administrative, printing and postage cost savings for the Company, while preserving Shareholders' rights to receive hard copy documents if they so wish.

SPECIAL RESOLUTIONS

Resolution 11: Buyback Authority

This Resolution gives the Company the authority to buy back up to 25,675,941 Ordinary Shares (representing 14.99 per cent. of the Company's Ordinary Share capital as at 13 August 2019, being the latest practicable date before the publication of this Notice).

The minimum price that may be paid by the Company for an Ordinary Share is its nominal value and the maximum price which may be paid by the Company for an Ordinary Share is the higher of;

- a) an amount equal to 105 per cent. of the average of the middle market quotations for such share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and

- b) an amount equal to the higher of (i) the price of the last independent trade and (ii) the highest current independent bid for such share on the trading venues where the market purchases by the Company pursuant to the authority conferred by this resolution will be carried out;

Any buy back of shares pursuant to this authority would be made on the London Stock Exchange.

The Directors will exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be likely to promote the success of the Company for the benefit of its members as a whole and is in the best interests of Shareholders generally and when the Directors believe, after careful consideration, that such a purchase would result in an increase in underlying earnings per share. The Directors consider it to be desirable for this general authority to be available to provide flexibility in the management of the Company's capital resources over the next 12 months and particularly the short term.

The Directors intend to renew this power at subsequent AGMs in accordance with current best practice.

Resolution 12: Length of Notice

The Act requires the Company to give at least 21 clear days' notice for a general meeting of the Company (other than the AGM), unless the Company

- a) has gained shareholder approval for the holding of general meetings on 14 clear days' notice by passing a special resolution at the most recent AGM; and
- b) offers the facility for the shareholders to vote by electronic means.

The Company would like to preserve its ability to call general meetings (other than the AGM) on less than 21 clear days' notice. Resolution 11 seeks such approval. It is intended that this shorter notice period would be used where the flexibility is merited by the business of the meeting and is thought to be in the interests of the shareholders as a whole. Should this resolution be approved it will be valid until the end of the next AGM in 2020 (when it is intended that a similar resolution will be proposed).

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NOTE FROM THE BOARD:

You will find enclosed a Form of Proxy for use at the AGM. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon, whether or not you intend to be present at the AGM. Forms of Proxy should be returned so as to be received by Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, United Kingdom.

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting and at any adjournment of it. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

If a proxy appointment is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise discretion as to whether and, if so, how he/she votes.
2. The quorum for the Annual General Meeting (the "AGM") will be two holders of Shares present and entitled to vote in person or by proxy. In the event that a quorum is not present for the AGM within 30 minutes of the time appointed for the Annual General Meeting, the Annual General Meeting shall stand adjourned for five business days at the same time and place or to such other day and at such other time and place as the board of Directors may determine and no notice of adjournment need be given. At any such adjourned meeting, those members who are present in person shall be a quorum.
3. A proxy need not be a member of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Computershare Investor Services plc on +44 (0)370 703 0018. Members may also appoint a proxy through the CREST electronic proxy appointment service as described in note 14 below.
4. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand by Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, no later than 2.00pm on 09 September 2019, together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.
5. As an alternative to completing the hard-copy proxy form, you can appoint a proxy electronically by visiting www.eproxyappointment.com. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN and agree to certain terms and conditions. These details can be found on the form of proxy. For an electronic proxy appointment to be valid, your appointment must be received by Computershare Investor Services plc no later than 2.00pm on Monday, 9 September.
6. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in note 14(a) below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so, however, if a member has appointed a proxy and votes at the Annual General Meeting in person in respect of Shares for which they have appointed a proxy, their proxy appointment in respect of those Shares will automatically be terminated.

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7. A vote withheld option is provided on the form of proxy, the purpose of which is to enable a member to withhold their vote on any particular resolution. It should be noted that a vote withheld is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
8. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a **"Nominated Person"**) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.
9. The statement of the rights of Shareholders in relation to the appointment of proxies in paragraphs 1, 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by Shareholders of the Company.
10. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), members must be registered in the register of members of the Company by close of business on 09 September 2019 (or, in the event of any adjournment, by close of business on the date which is two days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
11. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
12. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
13. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (i) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information or (ii) the answer has already been given on a website in the form of an answer to a question or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for this meeting by using the procedures described in the CREST Manual which can be viewed at <https://www.euroclear.com/about/en/business/Keylegaldocuments.html>.
14. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Please note the following:
 - (a) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent ID 3RA50 by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as

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determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

(b) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(c) To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the time-stamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

15. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its power as a member provided that they do not do so in relation to the same shares.

16. As at 8 August 2019 (being the last business day before the publication of this Notice), the Company's issued share capital was 171,287,129 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at that date were 171,287,129.

17. Copies of: (i) letters of appointment for Non-Executive Directors; and (ii) the Articles of the Company are available for inspection during usual business hours on any weekday (Saturday, Sunday's and public holidays exempted) at the registered office Asticus Building, 21 Palmer Street, London, SW1H 0AD, until the date of the meeting and will be available for inspection until the conclusion of the AGM.

18. A copy of this notice, and any other information required by section 311A of the Companies Act 2006 can be found at <http://www.sdcleeit.com>.