

Centrus

# IMPACT REPORT

# 2023

Certified



Corporation

A tough  
market for  
maintaining  
sustainability  
priority and  
momentum.



**Finance  
with purpose**

# Intro

## Executive Summary

The macro-economic challenges and ESG backlash rose fervently in 2023.

In the face of these challenges Centrus remains committed to high standards of verified social, governance and environmental performance and has backed this up with public transparency and accountability.

Throughout the year we have impact credentials to be proud of. These show improvements in our environmental contribution and further embedding of sustainability across our operations and sphere of influence.

Alongside these positives we also have ambitions that we have not yet achieved and further targets set.

We are proud to have been B Corp certified since November 2022 and are preparing for re-certification in 2025. Being conscious of our impact in our working culture also offers advantages across talent attraction and retention. It is a very assuring stamp that we are using our business as a force for good.

This report shares our progress and its publication helps stimulate our ambition to drive Finance with Purpose.



# “...strong focus on financing essential service sectors”

Phil Jenkins

Founding MD and Board Chair



‘Our 2023 impact report presents an opportunity for us to highlight the central role that sustainability continues to play within the Centrus business model and culture. The strapline that we use to describe what we do at Centrus is Finance with Purpose. As well as capturing our mindset and approach to serving our clients, this also underlines our strong focus on financing essential service sectors which are delivering environmentally sustainable solutions as well as outcomes which are vital to sustainable communities – across areas like housing, education, energy transition, transport and infrastructure’.

# “...more core than ever to our mission as a business”

George Roffey

Chief Sustainability Officer



‘The environmental and social impact of our services with the robust governance to support them is more core than ever to our mission as a business. This is supported by the evolving delivery and availability of ESG activity and behaviour-based financial solutions. We are starting to see systemic changes in the industries with the biggest environmental and biological impact and the energy transition needed to meet Net-Zero commitments is driving technological innovation and investment closer to where the problems are.

Little of this is happening at the pace needed and in 2023 the macro-economic obstacles were partnered with increasing criticism that sustainable thinking might impede business performance. As a service provider our practical footprint is tiny but the impact of our advice to our clients is huge.

As a B Corp the understanding of this implication and the part that your platform of work can play is very important and we need to persist in working very hard to keep sustainability prioritised and need to keep working very hard to keep sustainability prioritised in the headwinds.’



This report covers 3 main outcomes

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1

**Honesty**

To communicate our impact to our stakeholders  
- to help share with clients, partners, employees and the public

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2

**Integrity**

To track progress over time and measure the effectiveness of our programs

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3

**Trust**

To demonstrate accountability



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# B Corp Certification



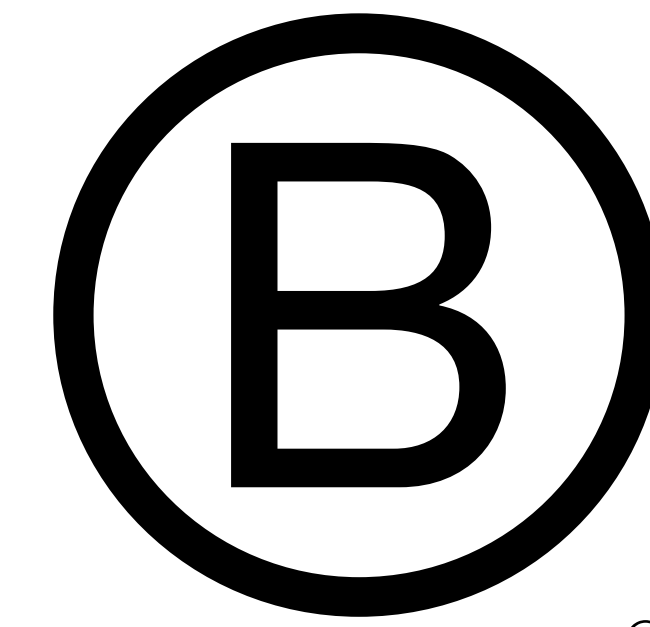


# Centrus is very proud to be a certified B Corporation.

With our certification confirmed in 2022 we are preparing for recertification in 2025. We have contributed to and supported the progressive evolution of the certification standards and our ambition to improve on our existing impact assessment score will be no small task!

The internal awareness and contribution to our sustainability strategy is strong (>80%). For our working culture, the purpose of our work is exemplified in our client delivery and ratified by our B Corp certification, this is unifying and motivating for our teams who treasure seeing the tangible impact of their advisory services.

**Certified**



**Corporation**

## **B Corp Commitment Summary at Centrus**

- We have embedded sustainability in every operational component of our work and shout about it across our value chain.
- Our services help the financial viability of other purpose-driven enterprises in specific sectors.
- Our sectors of operation have a tangible impact on the environment and on society.
- We strive to play a lead role in adding circular credibility to the economy and link by example to our vision of using finance with purpose.
- We are contributing to the UN Sustainability Goals.
- We track our impact and set targets

# Overall B Impact Score

Based on the B Impact assesment, Centrus earned an overall score of 115.7.

The median score for ordinary businesses who complete the assesment is currently 50.9.

We were assessed in the following areas:

- Environment
- Workers
- Governance
- Community
- Customers

[Click to view our Public B Corp Profile and full B Impact Report.](#)



● Centrus Overall B Impact score    ● 80 Qualifies for B Corp Certification  
● 50.9 Median Score for Ordinary businesses



# UN SDG Scores

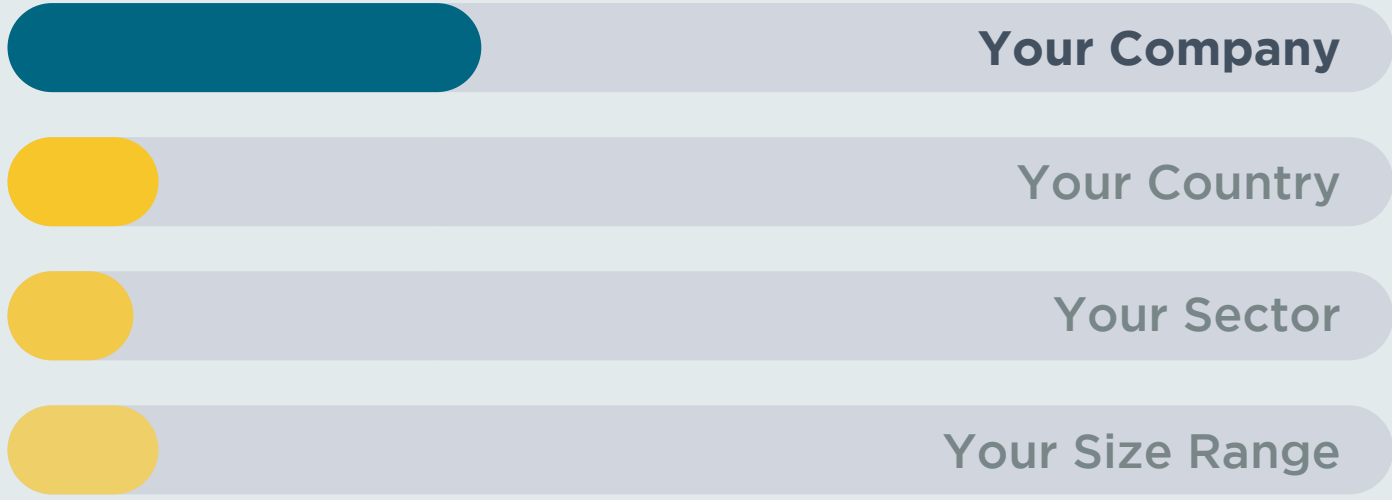


UN SDG  
Action Manager

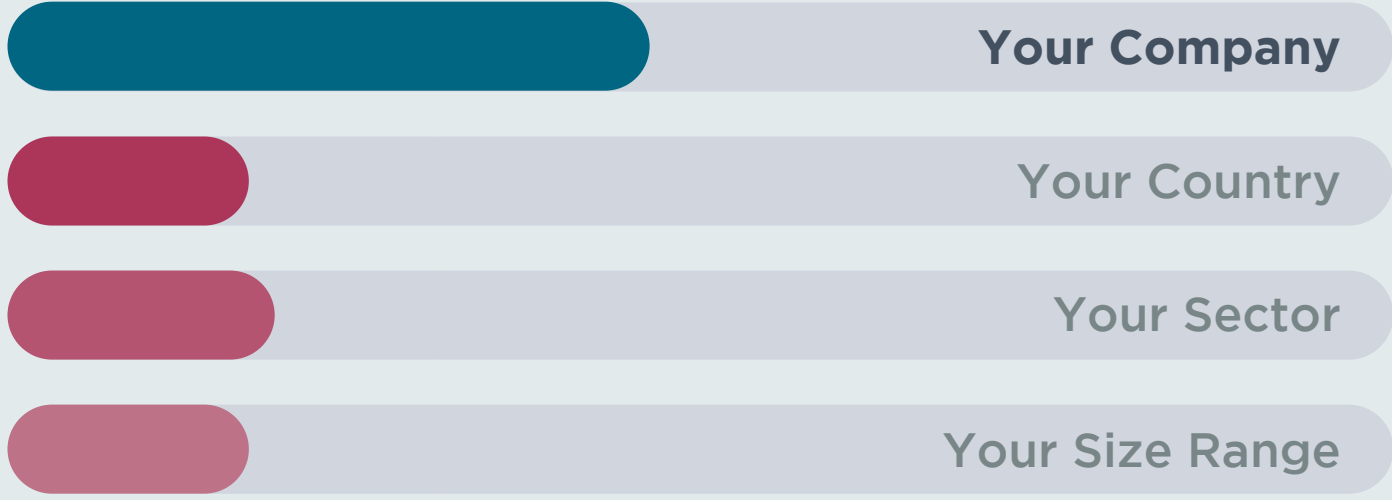
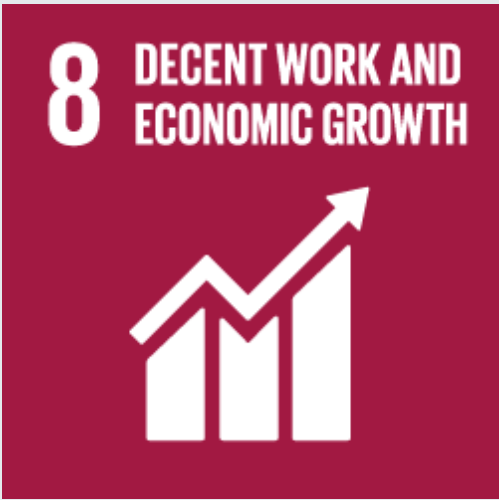
Our  
contribution  
to the  
UN SDGs

One of our 2022 commitments was to assess our contribution as a business to the UN SDGs. To do this Centrus has taken on the SDG Action manager. This monitor brings together B Lab’s B Impact Assessment and the Ten Principles of the UN Global Compact to enable meaningful business action through dynamic self-assessment, benchmarking, and improvement.

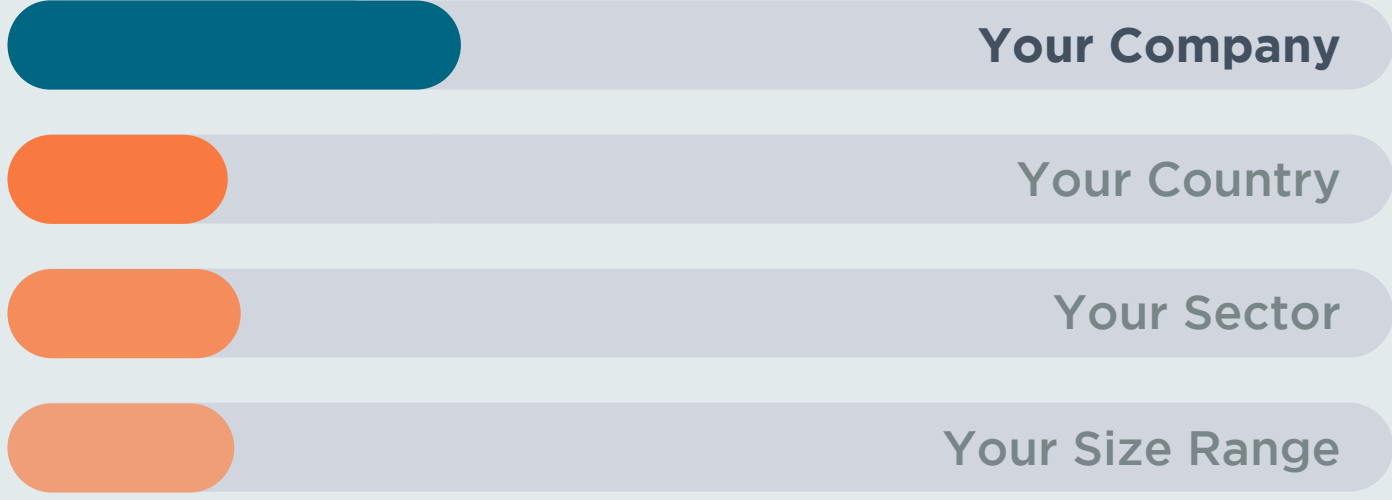
5 of the UN SDGs stand out as ‘recommended modules’ for which Centrus has the most opportunity to contribute. This is based on the World Benchmarking Alliance’s market analysis. We are using our internal sustainability strategy and sectors of work to improve this contribution.



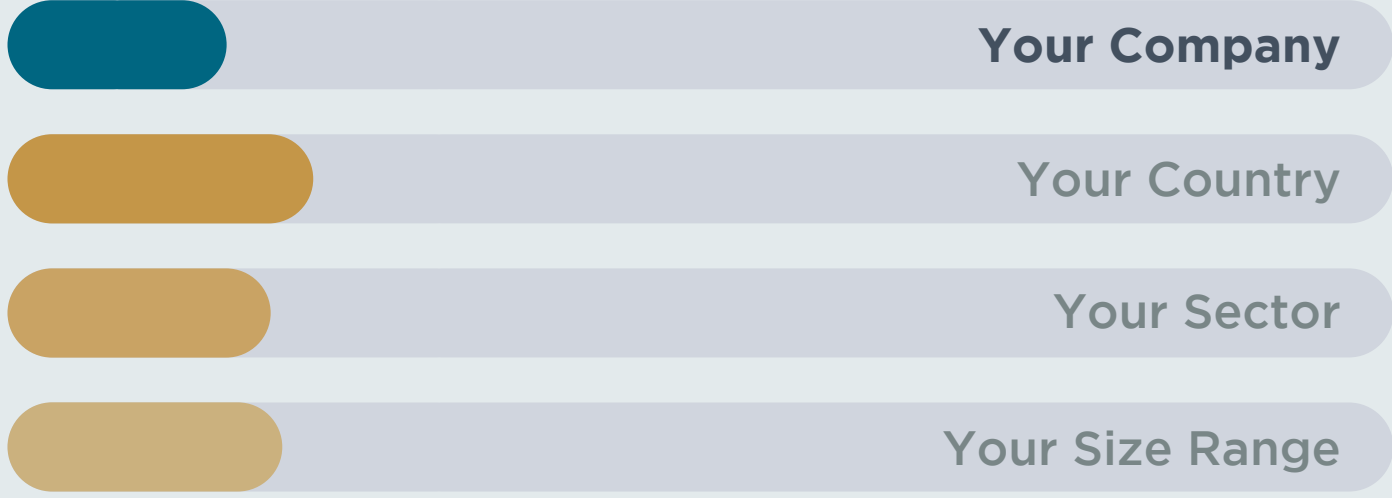
Overall Score  
34.6%



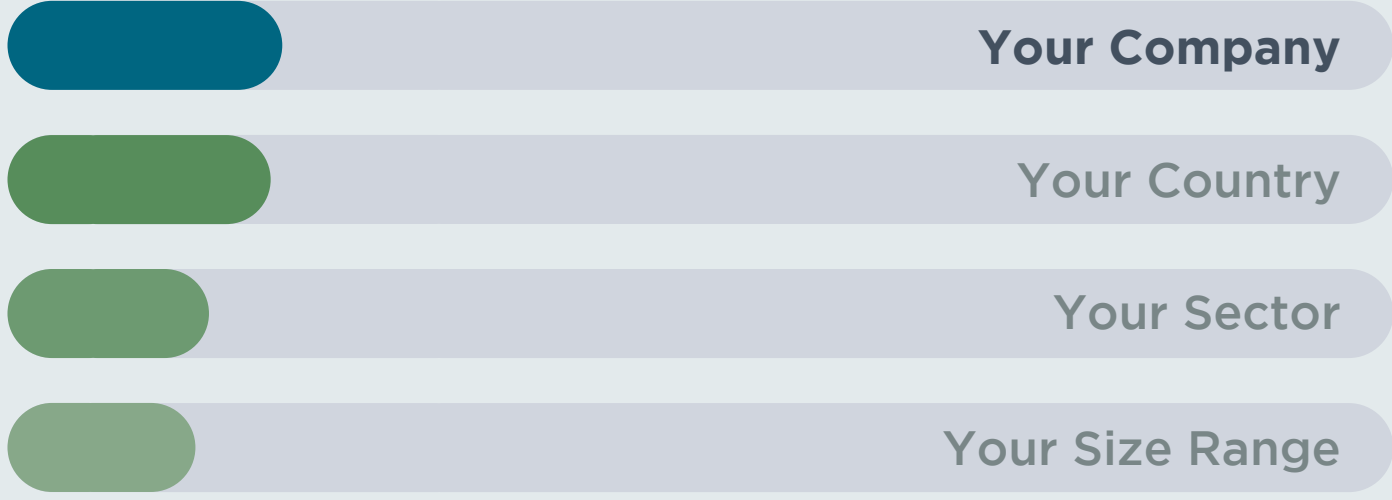
Overall Score  
45.6%



Overall Score  
31.6%



Overall Score  
15.3%



Overall Score  
19.1%





# Sector Expertise & Solutions





# A Purpose Driven Client Base across 6 Essential Sectors

“We have built on our sector-specific expertise to enable bespoke solutions, advice & investment for the projects, organisations & assets that matter to people, communities & the environment”.



## Housing, Education & Care

Our Housing, Education and Care team is our longest-established practice area. We are passionate about developing and executing financial strategies for social infrastructures and are the leading experts in corporate finance for affordable housing.



## Infrastructure

We are dedicated to providing financial services with beneficial societal outcomes. As a result, our Infrastructure practice has grown to become one of the leading corporate finance advisory teams to the utilities, ports and airports sectors along with a range of other infrastructure assets and related regulators.



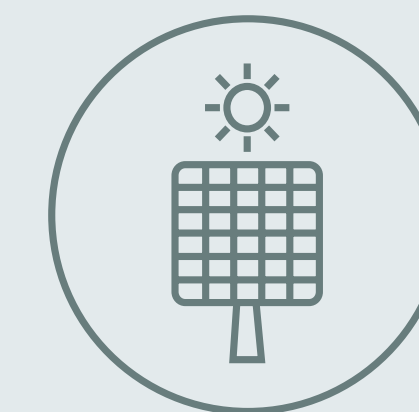
## Transport

Centrus distinguishes itself in the market with a dedicated team for the transport sector. Our financial advisors can help clients acquire assets and raise capital for rail, aviation, shipping and zero-emission vehicles.



## Real Estate

Our real estate team embodies a combination of corporate finance and sector-specific expertise. We offer independent and strategic M&A, capital raising and debt and equity related advice for clients looking to increase or safeguard their investments in this sector.



## Energy Transition

We provide strategic corporate finance advisory services that enable energy transition across wind, solar, green gas, battery storage and electrification.



## Public Sector

Public sector bodies face a myriad of challenges, especially as far as finance is concerned. Centrus offers expert advice for a number of public sector clients across our core markets in the UK, Ireland and Greece.



# 2023 Impact Metrics





# 2023 Impact Distribution

86%

Revenue

of our 2023 revenue was generated from purpose driven enterprises, this compares with 74% in 2023 and 61% in 2021.

53%

Corporate Governance

supporting Corporate Governance (55% in 2022)

24%

Social Impact

social impact (27% in 2022)

11%

Environmental

Environmental (compared with 8% in 2022)

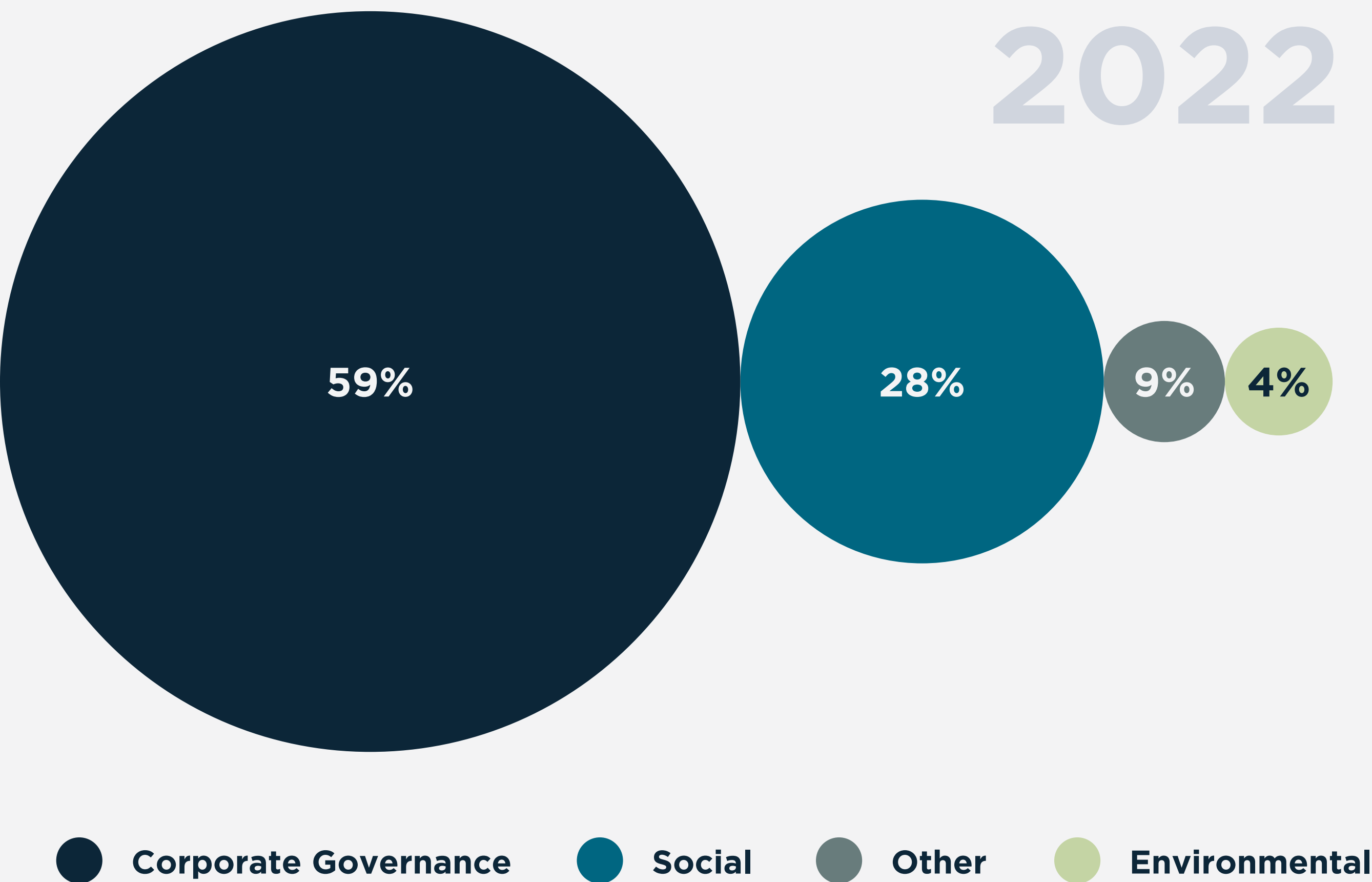
## We have been categorising the ESG Impact distribution of our work since January 2021

Our Social and Corporate Governance impact has stayed consistently strong and the positive Environmental impact has increased to 11% rising from 4% in 2021 and 8% in 2022.

# 2022/2023 Client ESG Impact Distribution

In addition to the cross-sector comparison, we have categorised the ESG impact of our work since January 2021.

This shows the group distribution of our cross-sector solutions and helps our team see the combined value of their work.



## Categorising our ESG Impact

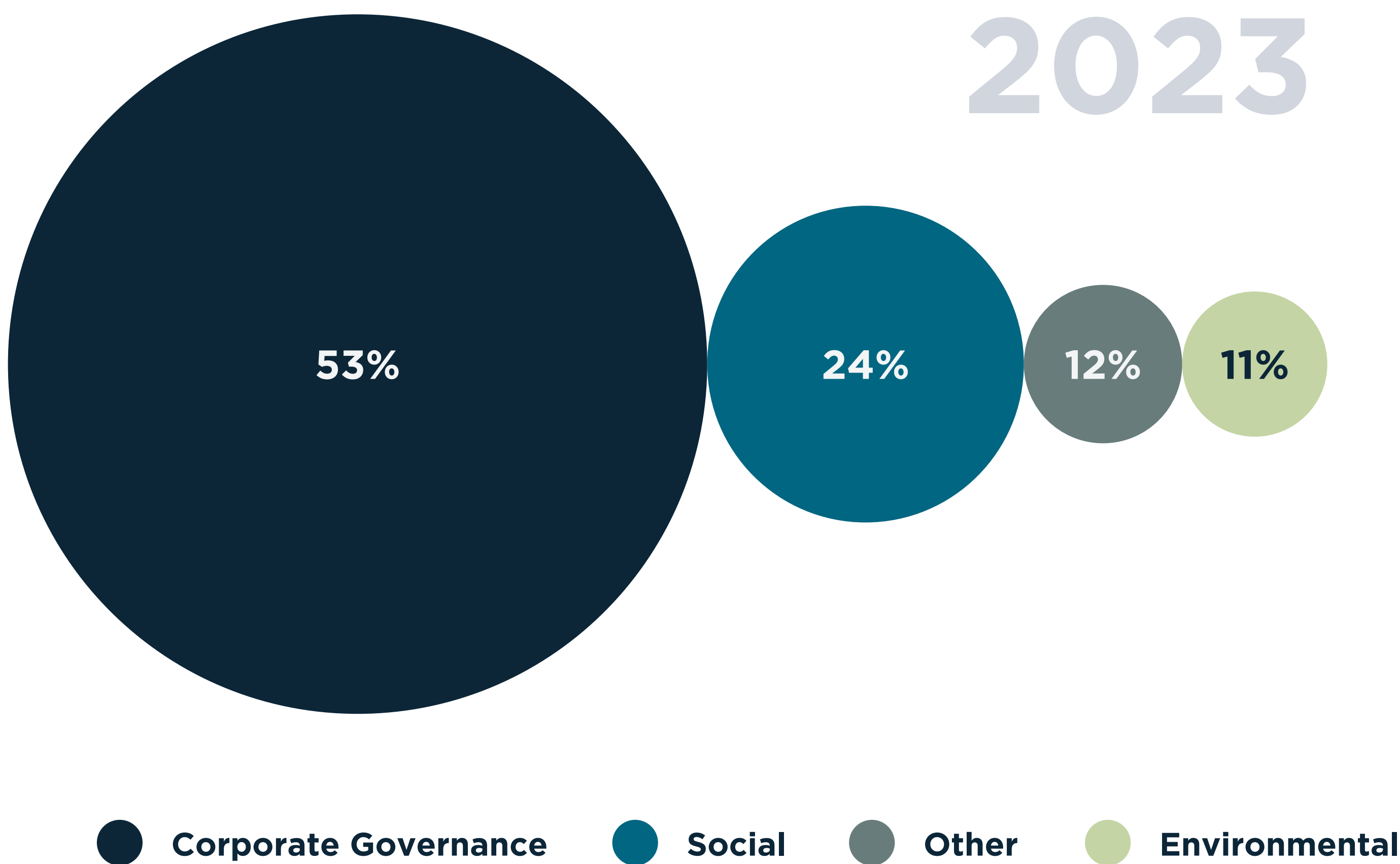
Consistent standards for disclosing sustainability impact are still evolving.

We use judgement of 'best fit' categorisation across three categories for our transactions at the point of client onboarding.

**1. Corporate Governance** - Contribution to the development of the client's Corporate Strategy, Stewardship or Ethics and Transparency.

**2. Social** - Contribution to the development of Community Infrastructure, Education, Diversity or Health and Safety.

**3. Environmental** - Contribution to the development/progress of Clean Water and Sanitation, Affordable and/or Renewable Energy, Energy Transition or Climate Action.

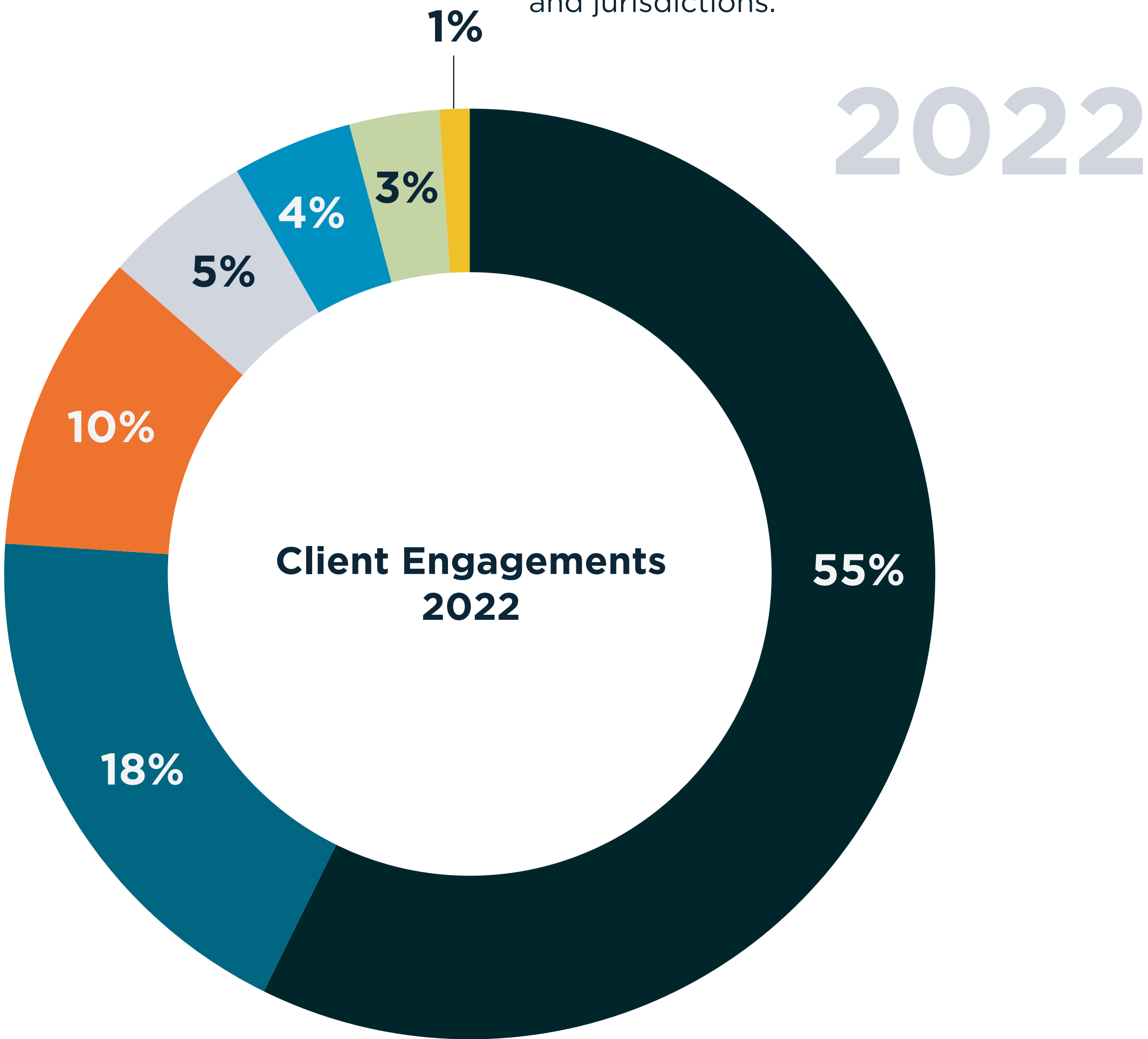




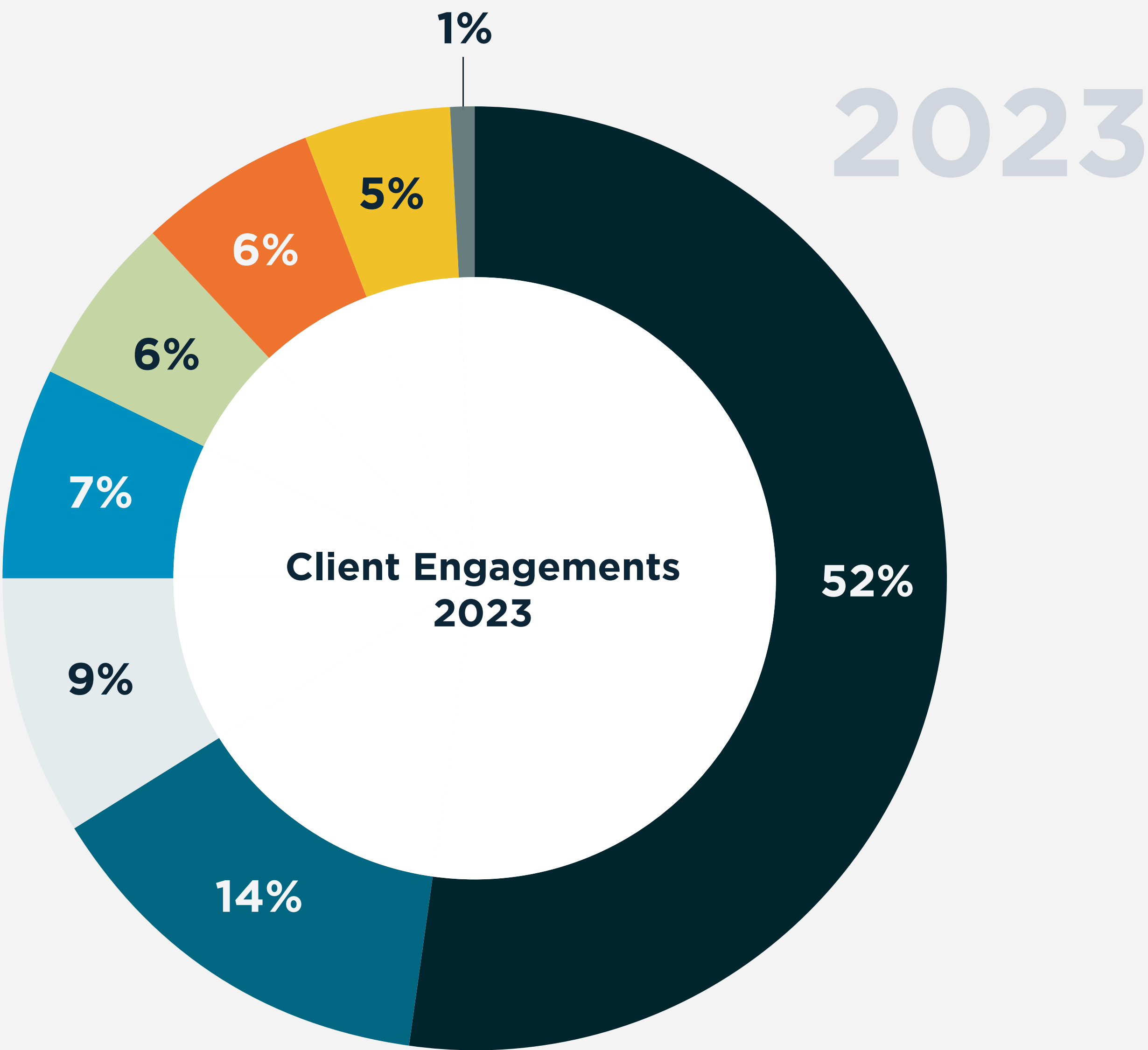
# 2022/2023 Sector Analysis Comparison

We are driven by providing advice and implementing solutions which better enable our clients to achieve their objectives more efficiently, effectively and with appropriate risk management.

Measuring our impact across these sectors means we can track our contribution, set targets and collaborate across our teams and jurisdictions.



- Analytics
- Energy Transition
- Housing, Education & Care
- Infrastructure
- Other
- Real Estate
- Public Sector
- Transportation





# 2023 Employee Opinion Highlights

Loved and embedded Hybrid Working model

91% proud to work for Centrus

Green & ESG Finance Innovation



Matched IT at home and in the office



Volunteering & Pro-bono community opportunities

eNPS is a metric used to measure employees' willingness to recommend their workplace.

Our Score **54.6**

-100 0 +100

Good Favourable Excellent World Class

**"I would recommend Centrus as a great place to work"**

Certified **B** Corporation

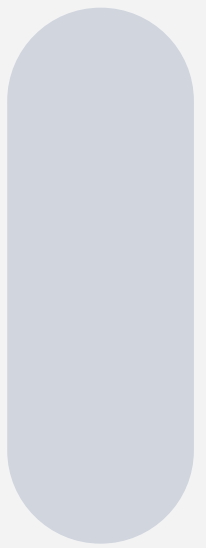
**100%** B Corp Awareness

Known role expectations and goals = empowered workforce



**80%** understanding of our sustainability strategy and impact

Centrus is a corporate partner of Trees for Life





# Expertise & Innovation

Case Study Examples across  
Environmental, Social and Governance





Centrus advises Pennon on acquisition of four solar PV projects and co-located battery storage

Transaction Overview

- Pennon is a FTSE 250 London-listed utility, providing clean and wastewater services across Southwest England.
- Pennon is committed to reducing operational carbon emissions and is targeting 50% of its energy demand to be supplied by renewable energy sources.
- Pennon acquired four fully-consented ready-to-build solar PV farms with a combined capacity of 144MWp (99MWac) across the UK from two developers in separate transactions.
- The investment includes one co-located 2-hour battery energy storage system with 30MW / 60MWh installed capacity.

Centrus’ Role

- Centrus acted as both the financial and commercial advisor to Pennon which included:

- Identifying strategic acquisition opportunities for Pennon Plc.
- Financial valuation modelling for solar and co-located battery.
- Commercial negotiations from drafting of NBO to financial close.
- Assessing different PPA and BESS optimiser strategies.
- Coordination of stakeholders and process towards a successful close in an efficient and timely manner.
- Embedded team acting as an extended arm of Pennon.

Outcome

- Centrus successfully supported Pennon in financially valuing transactions to achieve required internal returns and placing Pennon ahead of the competition to obtain exclusivity.
- Achieved close on 4 fully consented ready-to-build solar PV farms and one co-located BESS.

- Developed a bespoke solar and battery model which underpinned Pennon’s commercial strategy.

“Delighted to support Pennon accelerate their goal to Net Zero through the acquisition of four UK solar projects and one co-located battery enabling them to significantly address the energy and sustainability challenges faced by the water sector”.

David Craig, Director – Centrus



Centrus advises Portsmouth Water on £325m investment for first UK reservoir in 30 years

Transaction Overview

Portsmouth Water has secured £325 million in investments to construct the first major new reservoir in the UK since the 1980s.

Havant Thicket Reservoir is an environmentally led project that will play a key role in protecting internationally-rare chalk rivers, by providing additional water supplies and resilience to the South of England. As well as supplying a vital new source of water in the face of climate change and a rapidly growing population, the reservoir will offer a new green leisure facility for the local area. This will include a wetland, visitor centre and network of footpaths, cycle routes and bridleways.

Centrus’ Role

- Centrus undertook a holistic capital structure review and supported Portsmouth Water in designing a financing plan to

create a robust capital structure throughout the construction of the Havant Thicket Reservoir. This included securing assurance regarding the likely impact of the financing plan on credit ratings.

- Centrus supported the business through a procurement process to secure competitively priced and structured capital to fully finance the investment; and
- Our team managed a consent process with creditors to ensure that the terms of the financing platform were adapted to cater for the structure of the regulatory support received from OFWAT, the company’s economic regulator.

Outcome

The banks giving their support to the environmentally driven scheme include existing lenders ING, Lloyds, Nat West, and Siemens Bank. Portsmouth Water has also secured a £50m commitment from the UK Infrastructure Bank, in the

first investment of its kind for the sector, and is issuing a new £75m CPI-linked bond guaranteed by Assured Guaranty and purchased by abrdn and Pension Insurance Corporation. This is in addition to the equity commitment of £150m that has been secured from shareholders and was announced last month.

“As a B Corporation, Centrus is passionate about delivering solutions for a sustainable future. We are pleased to have supported Portsmouth Water in securing funding for Havant Thicket Reservoir which will have a positive impact on both the local environment and community, embodying our ethos of ‘Finance with Purpose’”.

Geoff Knight, Managing Director – Centrus





## Social Impact

Grwp Cynefin on new

# £40m Private Placement and conversion to sustainability-linked facilities

### Centrus' Role

Grwp Cynefin completed an ambitious refinancing project to reduce risk, fund investment, and strengthen its financial profile.

The not-for-profit housing association, which manages more than 4,000 homes across North Wales and north Powys, provides highly positive impact to the lives of its tenants. The completion of this refinancing underpins delivery of 500 new homes over the next five years, whilst enhancing Grwp Cynefin's ability to champion sustainable communities and the Welsh language and culture.

A £40m, 33-year, part deferred, private placement was arranged allowing the refinance of c. £35m of legacy bank debt, whilst liquidity has been bolstered by a new £10m RCF.

The resulting transaction materially simplifies and extends Grwp Cynefin's treasury portfolio; the number of active lenders has fallen to 6 whilst the Weighted Average Life of the portfolio has increased by 10 years to 25 years. Financial covenants and controls have been revised, providing increased flexibility and resilience in the future.

Reflecting Grwp Cynefin's focus on sustainability, both its homes and the communities which it serves, the retained and increased bank funding has been restructured into sustainability-linked facilities. Once defined Environmental and Social KPIs are met, Grwp Cynefin's borrowing costs will be reduced, further enhancing its capacity to invest into new and existing homes.

The private placement comprises three notes, of which two are deferred between 12 and 24

months and aligned to fund development and investment into existing assets. The all-in coupon reflects the attractive market conditions and taken together with the banking refinance results in a very positive NPV saving for Grwp Cynefin, whilst materially reducing refinance and interest rate risk.

**“This transaction, which follows an initial partial refinance in 2019 finalises the modernisation of Grwp Cynefin's treasury structure. This proactive treasury strategy is reflected in the excellent outcomes achieved, which will enable Grwp Cynefin to invest into social impact with confidence going forward.”**

**John Tattersall, Senior Director – Centrus**



# Sovereign Housing Association and Network Homes merge to form SNG

### Centrus' Role

Sovereign Housing Association and Network Homes have merged to form Sovereign Network Group.

Centrus acted as the sole corporate finance advisor on the merger. This role involved:

- Merger treasury strategy formulation and execution, including business plan appraisal, capacity analysis, legal structure appraisal, consent cost analysis, credit rating strategy, feeding into the outline and full business cases.
- Engaging 34 lenders including banks, US & UK investors and local authorities.
- Providing insight and guidance throughout the lender consent process.
- Assurance reporting (including to Joint Board), project management and support to legal teams / other professional advise.

### Landscape and Outcome

- Centrus delivered the merger on time, whilst successfully gaining consents across a complex lender engagement landscape.
- Determined negotiations minimised NPV cost of facility repricing/restructuring, limited to 3 lenders. Loss of value in legacy facilities outperformed estimates, equating to less than 20% of value at risk. Only 1 hedging restructure.
- Target financial covenants and definition harmonisation were achieved with moderate exceptions, resulting in a very substantial increase in debt capacity.
- Much greater corporate freedoms were negotiated around financial support and future merger consents. This includes forward consents to enable Network Homes to fully combine with Sovereign in future.

**“Centrus provided skilful support during the analysis, negotiation and completion stages of our engagement with a very diverse group of funders. The impressive team at Centrus were focused on achieving the challenging targets set by both organisations within very aspirational timelines, making productive use of their extensive relationships with funders.”**

**Peter Benz, Chief Financial Officer, SNG**





Centrus advises

# Magnavale on new financing

## Company Overview

Founded in 2011 by Sadel Group, Magnavale owns and operates an integrated network of 'Grade A' cold storage facilities in key locations and within close proximity of blue-chip food companies.

Magnavale is the leading independent platform for temperature-controlled storage and value-added services -#2 in the UK and #5 in Europe (Pro Forma):

- 314,000 total pallet capacity
- 78 million cubic sq. ft storage volume (including expansion and new development)

The company is well-positioned for embedded growth in its existing network as well as development of new automated facilities.

## Centrus' Role

The UK's leading pure-play temperature-controlled

warehousing platform Magnavale, has secured a new £280m financing package.

The new debt is provided by banks and institutional lenders for a five-year period including extension options.

The new financing will be utilised to refinance existing debt and fund the growth pipeline including the fully-automated development at Easton.

## Centrus' Added Value

Strategic advice on partnership and financing options, leveraging Centrus' knowledge base and experience of real estate banking & broader capital markets. Utilised a network of relationships to drive competitive tension, leading and supporting with negotiations. Assessment of appropriate hedging structures resulting in a deal-contingent interest rate swap being entered into that mitigated

the risk of rising rates in a volatile market. Dedicated support throughout the transaction to enable smooth execution and drive optimal result. Introduced new institutional lending relationships that will enable the ambitious growth plans of the business.

**“We are delighted to have supported Magnavale on this financing. It will enable the development of best-in-class, mission-critical warehouses to ensure security of food supply and future-proof the food supply chain. We are sincerely thankful to Magnavale’s leadership for placing their trust in us to assist on this strategic transaction and look forward to our next assignment together.”**

**Omer Fazal, Senior Director – Centrus**



# Centrus advises Harworth on new £200m senior debt facility

## Overview

Harworth is one of the leading land and property regeneration companies in the UK with a market leading portfolio:

- 26.2m sq ft of industrial & logistics space (9.0m consented).
- 31k+ residential plots (c. 10k consented).
- £271m premier logistics investment portfolio.

Harworth successfully refinanced the existing RCF debt facility of £150m with a new £200m RCF to provide the business with sufficient liquidity and flexibility to deliver on its business plan.

## Strategic Rationale

Following a review of the business, Harworth is now implementing its new business plan strategy to double the size of the business in the next 5 – 6 years.

To meet strategic objectives, it was established, following comprehensive advice from Centrus, that the company's debt capacity will need to be optimised to increase financial resilience and flexibility via tailored covenants and controls.

## Centrus' Added Value

- Strategic advice on funding options leveraging Centrus' knowledge base and experience of the real estate banking & broader capital markets.
- Utilising our network of relationships to drive competitive tension, leading and supporting with negotiations.

- Dedicated support throughout the transaction to enable smooth execution and drive optimal result.

**“We are thrilled to have supported Harworth in this successful debt capital raise to allow the business to deliver its strategic ambitions of growing to double the current size, providing much needed new premier industrial developments and attractive and affordable family housing in the UK.”**

**Omer Fazal, Head of Real Estate – Centrus**







# Communities



# Social Value and Building Communities

“ It has glowing credibility as one of our core values as a business through which we provide high impact, practical and fundraising support for inspiring charities. ”

# 2023

Centrus Communities has been a key part of our culture since our foundation in 2012. It has glowing credibility as one of our core values as a business through which we provide high impact, practical and fundraising support for inspiring charities.

Our activity reflects our sectors of work, supporting our ambition to conduct Finance that delivers real benefits to people and society.

We contribute with our time, donations and professional input. We are a proud supporter of the annual London City Giving Day, hold June each year as our community volunteering month and support a range of other activities and there are highlights from our 2023 contributions in this section.





# Centrus volunteers with Trees for Life

Centrus Communities

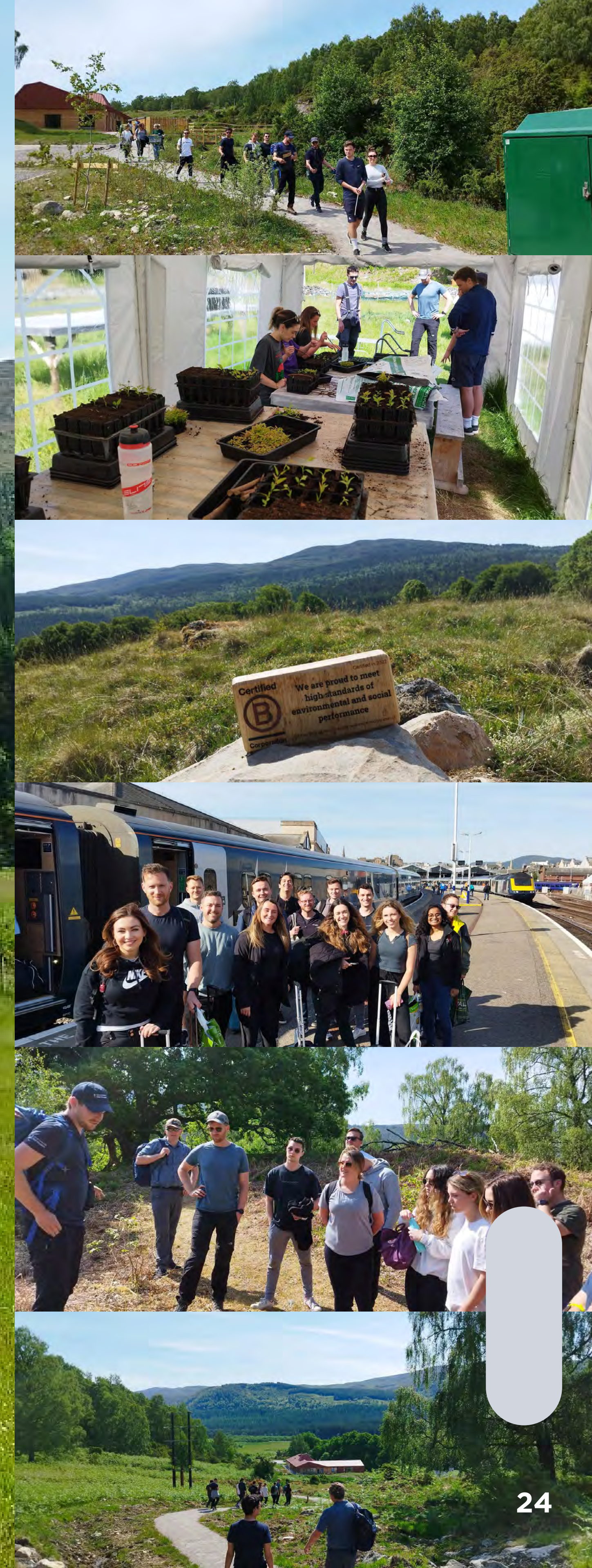
## Volunteering with Trees for Life at Dundreggan Rewilding Centre

**It was a genuine treat to have supported Trees for Life in the beautiful Scottish Highlands last week.**

**Incredible weather, incredible teamwork, and incredible learning.**

Centrus has been a corporate partner of Trees for Life for the last 3 years but this was our first physical volunteering contribution. The passion and knowledge across their team is outstanding and we were very lucky to be the 'crash test dummies' for their new Rewilding Centre in Dundreggan. It is a brilliant facility with excellent staff and volunteers. They are working hard to establish a sustainable ecosystem to the landscape, history and biodiversity while making sure people and the social impact are included on the way.

We helped over 2,000 Aspen Trees in their nursery journey, and we were taught huge amounts by the brilliant local team.





# Centrus takes 1st Place in The Tour de City 2023

Centrus Communities



At the London City Giving Day 2023, we entered a team of athletes in the Tour de City Watt Bike Challenge. Joe, Gowzy, Tanya, Ian and Gleb left nothing out there, putting in an incredible shift.

Each team member had 8 minutes to contribute, while their distance was tracked on a live leaderboard. Centrus covered an impressive 16.32 miles in our 40-minute slot, taking first place in the afternoon session!

Now in its 10th year, City Giving Day is an annual event hosted by

The Lord Mayor’s Appeal uniting the City to celebrate and support a number of charity partners including National Numeracy, MQ Mental Health Research and The Duke of Edinburgh’s Award.

We’d like to thank all those involved for another fantastic event!

# Centrus cooks up a storm at Blackfriars Settlement

Centrus Communities



This week, our team spent the day volunteering at Blackfriars Settlement – cooking and serving lunch to their wonderful Positive Ageing Group.

Blackfriars Settlement is a busy community organisation in London’s North Southwark. Originally set up by volunteers back in 1887, the centre aims to support the most vulnerable in the community and make life better.

Thank you to the Blackfriars Settlement community for a fantastic day!

# Centrus sponsors Tour de Lunsar 2023

Centrus Communities



Centrus Communities is proud to have sponsored the Tour de Lunsar 2023, Sierra Leone’s largest cycling race, promoting an exciting future for professional cycling in West Africa.

Inspired by the world beyond his home, the mining town of Lunsar which has no cycling heritage to speak of, Abdul Karim Kamara launched the Lunsar Cycling Team from his bicycle repair workshop in 2013. The shop has since moved to bigger premises and become a focal point for the community.

Ten years later, the Tour de Lunsar has grown in size and reputation, attracting cyclists who want to make it professionally.



# Targets & Ambitions





**Our 2022 B Corp Certification was a re-assurance of our purpose as a business, and it set a benchmark. It formalised a line in the sand which is the foundation upon which we will keep building.**

As a small/medium sized business that provides advisory services, our environmental footprint is important but small, and it is the impact of our advice that is very large.

**Our Sustainability Centrus strategy has 15 work streams and 10 of these are up and running:**

1. B Corp Certification – recertify in 2025
2. UN SDG Action Manager
3. Impact reporting
4. Client Engagement and Impact Assessment SOP
5. Hybrid Working
6. Centrus Communities
7. ESG Centre of Excellence
8. Marketing and BD
9. Case study database
10. Policy Statement, targets and strategy

**The credentials across our business and social impact are the foundations to keep building on.**

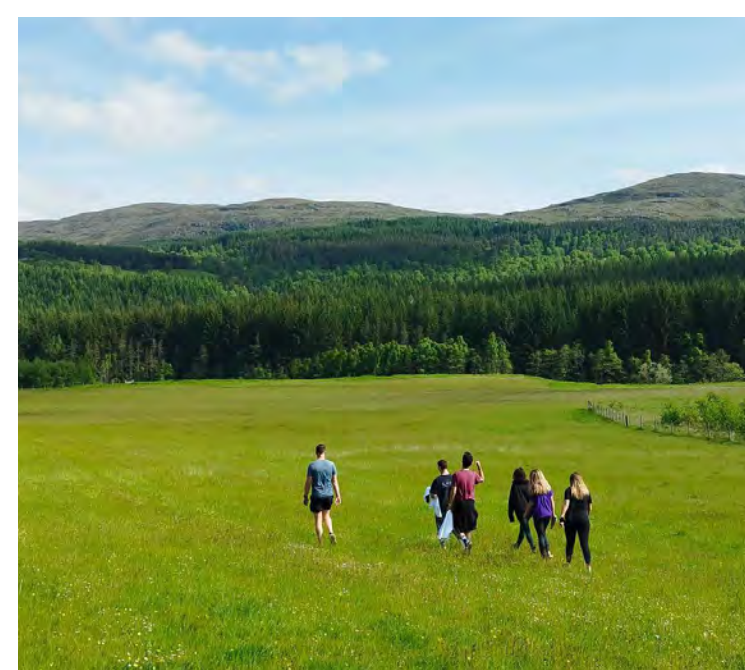
**3 of our 6 2022 ambitions have been achieved with 3 targets still in place and a few more in the mix..**



# 2023

## Targets Reached

- Increase **Environmental Impact**
- of our service provision across our advisory teams....



- UN SDG Action Manager to demonstrate our contribution to the

• **17 UN SDGs**

- **Sustainable Supply Chain**
- & Environmentally Preferable Purchasing 2 x policies...

## Pledges Checkpoint

### In progress

• Scope 1 & 2  
• **Net-zero target**  
• **2025**

• Calculate Reduce Offset



- Improve **B Impact assessment score to be confirmed in 2025**

- Quarterly Audit-Grade **ESG Reporting** to international accounting standards



# 2024

## New Pledges

- **Refreshed 1% Centrus**
- Communities Framework



- ESG Learning and Development on the **Centrus Academy curriculum**

- **ESG Champions Committee established**



## Conclusion

**In a challenging year, the environmental impact of our advice has improved further, and the evidence of our social and governance influence has stayed consistently strong.**

We have adapted and reacted to provide innovative and bespoke finance solutions across sustainability, real assets and essential services and our case study database and client feedback endorses this performance.

Getting our internal footprint to an exemplary standard and recognising the impact of our advice is vital for keeping sustainability central to the Centrus business model and culture.

Thank you very much for looking through our 2023 Impact Report and for more information please contact:

[George Roffey](#), Chief Sustainability Officer.

