



# Celebrating 15 years of purposeful investing



**Andrew Didham, Chairman of GCP Infrastructure Investments Ltd, reflects on 15 years of investing in UK infrastructure assets critical to modern society.**

*"In July, GCP Infrastructure Investments Limited (GCP) marked its 15th anniversary since IPO. It's a milestone that reflects a journey shaped by innovation, resilience, and a steadfast commitment to infrastructure assets with a core social or environmental purpose."*

## **In the midst of every crisis, lies great opportunity**

Launched in the wake of the Global Financial Crisis, GCP was established at a time when traditional banks had pulled back from lending that was long-term and in non-core sectors. With capital constraints and banks' aversion to debt maturities of seven years or more, the market presented a unique opportunity for the Company. GCP stepped in to provide much-needed capital to essential infrastructure projects.

On 22 July 2010, the Company completed its IPO, raising £40 million, which was deployed across five investments. All were yielding over 9.5% at a time when the base rate was just 0.5%\*.

The original portfolio was entirely composed of subordinated Private Finance Initiative (PFI) investments, spread across sectors such as healthcare, education, leisure, accommodation, housing, and street lighting\*.

## **Early diversification and growth**

GCP's strategic evolution began quickly. In 2011, it made its first renewable energy investment: lending £15 million for domestic rooftop solar panels\*. Today, that portfolio includes approximately 53,000 systems\*\*.

By 2013, the Company had broken new ground in the anaerobic digestion sector with a portfolio of 15 small-scale, on-farm plants and became a pioneer investor in UK waste wood power stations. A year later, in 2014, GCP was among the first senior lenders to support a portfolio of supported living accommodation.



The pace of growth continued. In 2015, GCP reached £619.5 million in net assets and held 40 investments\*\*\*. That year, it completed two new share issues, raising £160 million, and had delivered a 67.9% total return since IPO\*\*\*. The portfolio was increasingly diversified: 25% in PFI and 75% in renewables spanning solar, biomass, wind, hydro-electric, anaerobic digestion, and asset finance\*\*\*. GCP was also added to the FTSE 250 Index that year.



## Navigating market shifts

As the infrastructure sector gained prominence, available returns fell as certain asset classes became more familiar for investors and were also available at scale. Yet, GCP adapted.

In 2017 GCP participated in Macquarie's acquisition of the UK Green Investment bank through the acquisition of a diversified portfolio of investment commitments of c. £150m. In 2018 the Company became an early financial backer of offshore wind.



## Milestones in a maturing portfolio

By 2020, GCP's market capitalisation had reached £1 billion, with net assets totalling £914.8 million\*\*\*\*. That year alone, the Company invested £116.5 million, including funding for the UK's second commercial deep geothermal well\*\*\*\*. The portfolio spanned 47 investments across PFI, renewables (solar, wind, hydro, anaerobic digestion, and biomass), and supported living. Importantly, 39% of the portfolio was inflation-protected, and the Company received the London Stock Exchange's Green Economy Mark for its contributions to the global green economy.

In its first decade, GCP helped construct and operate infrastructure delivering a combined 3,700 GWh annually – enough to power nearly a million homes\*\*\*\*. It invested £800 million in renewables and helped displace approximately 900,000 tonnes of CO<sub>2</sub> each year\*\*\*\*.

## Where we are today

As of 2025, GCP Infrastructure holds £871 million in net assets across 48 investments, having delivered a total shareholder return of 178% since IPO\*\*. The Company has maintained consistent dividends for 15 years. An investor who committed £1,000 at IPO has since received £1,017 in income alone^.

The portfolio today\*\* is well-diversified and operational, with less than 1% exposed to assets in construction:

Nearly half of the portfolio (49%) is inflation-protected. Total invested capital since inception stands at £1.96 billion\*\* and the annualised gross loss ratio on capital invested is an impressive 0.41%.

## Looking ahead

The UK infrastructure sector has undergone considerable transformation over the past 15 years. Sectors have risen and fallen in relative attractiveness. Solar and wind, for example, are now viewed by the Company's investment adviser as offering lower risk-adjusted returns compared to other emerging areas. GCP's strategy of being an early mover has allowed it to evolve with market dynamics, capturing enhanced returns and mitigating sector-specific risks.

Today, the Company invests across 17 different infrastructure segments, making it one of the most diversified investors in its space.

While GCP shares currently trade at a material discount to the Company's published net asset value compared to the premium achieved post-IPO, the long-term outlook is promising. The Company's track record of income generation, capital preservation and diversification remains intact.

With a new UK government prioritising infrastructure through its 10-year strategy, the stage is set for renewed momentum. Structural themes such as decarbonisation, ageing populations, digitalisation, and deglobalisation continue to fuel demand for high-quality infrastructure.

For investors, especially income seekers, GCP's near 10% yield, share price discount and strong fundamentals could present an attractive entry point. As the next chapter begins, GCP Infrastructure Investments Limited remains committed to helping shape a sustainable future while delivering value to shareholders.

*\*Source: Annual report and financial statements 2011*

*\*\*Source: Half-yearly report and financial statements March 2025*

*\*\*\*Source: Annual report and financial statements 2015*

*\*\*\*\*Source: Annual report and financial statements 2020*

*^Source: FE Analytics, 22 July 2010 to 8 May 2025*



### **Important information**

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