



# Corporate Profile

November 2024



# Forward Looking Statements

Some of the information contained herein are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used herein, words such as "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," "target," or similar expressions, are intended to identify such forward-looking statements. Forward-looking statements are subject to significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ materially from those described in the forward-looking statements include those discussed under the caption "Risk Factors" included in our Form 10-K filed for the year ended December 31, 2023 (the "Form 10-K") with the U.S. Securities and Exchange Commission ("SEC"), as well as in other reports that we file with the SEC.

Other important factors that we think could cause our actual results to differ materially from expected results are summarized below, including the impact of the Inflation Reduction Act ("IRA") and on the U.S., regional and global economies, the U.S. climate solutions market and the broader financial markets. Other factors besides those listed could also adversely affect us. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Forward-looking statements are based on beliefs, assumptions and expectations as of September 30, 2024. The guidance discussed herein reflects our estimates of (i) yield on our existing portfolio; (ii) yield on incremental portfolio investments, inclusive of our existing pipeline; (iii) the volume and profitability of transactions; (iv) amount, timing, and costs of debt and equity capital to fund new investments; (v) changes in costs and expenses reflective of our forecasted operations; (vi) disruptions to the renewable energy supply chain that may result from changes in the regulatory environment and other factors; (vii) the general interest rate and market environment; (viii) the impact of the Inflation Reduction Act on our industry and our business; (ix) the impact of our revocation of our REIT election; (x) and our ability to expand into new climate solutions markets. All guidance is based on current expectations regarding economic conditions, the regulatory environment, the dynamics of the markets in which we operate and the judgment of our management team, among other factors. In addition, actual dividend distributions are subject to approval by our Board of Directors on a quarterly basis. We have not provided GAAP guidance as discussed in the Supplemental Financial Data slides of this presentation. We disclaim any obligation to update, or publicly release the results of any update or revisions to, these forward-looking statements, including to reflect new estimates, events or circumstances after the date of this presentation.

This presentation refers to certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Additional information concerning these non-GAAP financial measures as well as reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix herein. Estimated carbon emission savings are calculated using the estimated kilowatt hours, gallons of fuel oil, million British thermal units of natural gas and gallons of water saved as appropriate, for each project. The energy savings are converted into an estimate of metric tons of carbon dioxide equivalent emissions based upon the project's location and the corresponding emissions factor data from the U.S. Government and International Energy Agency. Portfolios of projects are represented on an aggregate basis. The carbon and water savings information included in this presentation is based on data from a third-party source that we believe to be reliable. We have not independently verified such data, which involves risks and uncertainties and is subject to change based on various factors. Past performance is not indicative nor a guarantee of future returns.

**HASI**  
LISTED  
**NYSE**

We actively partner with clients to deploy real assets that facilitate the energy transition

## Key Stats

**\$13 Billion**

Managed Assets<sup>1</sup>

**10% CAGR**

Adjusted EPS<sup>2</sup>

**13%**

Annual Total Return<sup>3</sup>

**8m**

MT CO<sub>2</sub> Avoided Annually<sup>4</sup>

## Markets & Asset Classes

### Behind-the-Meter

Energy Efficiency  
Residential Solar  
Community Solar

### Grid-Connected

Wind  
Solar  
Storage

### Fuels, Transport & Nature

RNG  
Fleet Decarbonization  
Ecological Restoration

1. As of 9/30/24
2. Adjusted EPS CAGR uses the first full year of results, which is 2014, as starting point, to full year 2023. See Appendix for an explanation of Adjusted Earnings, including reconciliations to the relevant GAAP measures
3. Total shareholder return since IPO based on the closing price 4/18/13 to 11/08/24
4. Cumulative metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) emissions avoided through our investments since 2013

# Key Pillars of our Business

## Climate



- ✓ Preeminent Climate Pure Play
- ✓ Capital to Facilitate the Energy Transition
- ✓ Measure and Report CarbonCount of Each Investment

## Clients



- ✓ Programmatic Partnerships Are a Differentiated Approach
- ✓ Solve Client Problems
- ✓ Never Compete With Clients

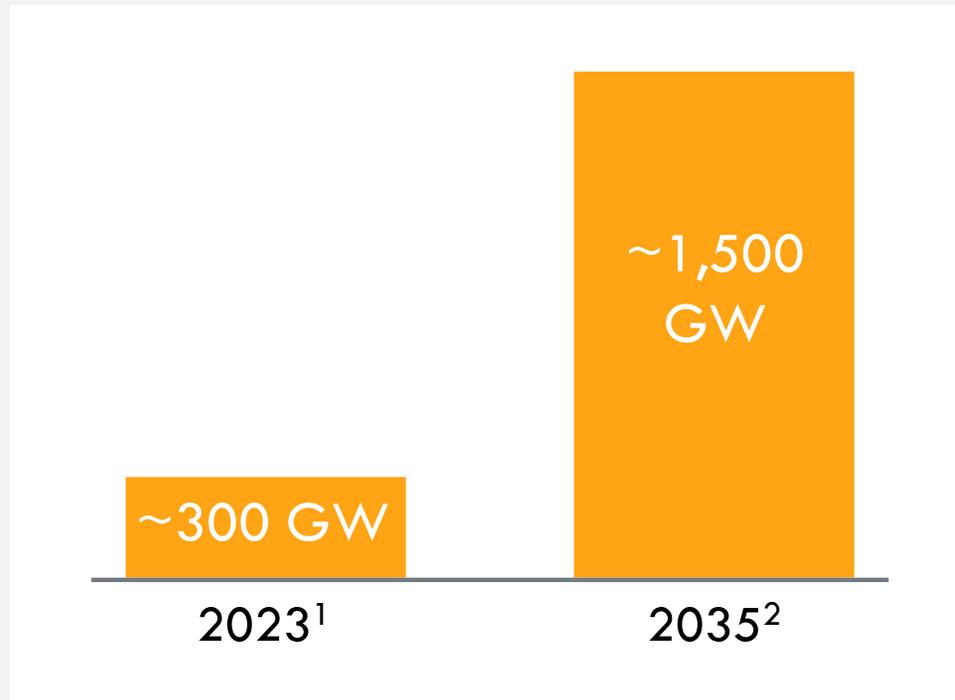
## Assets



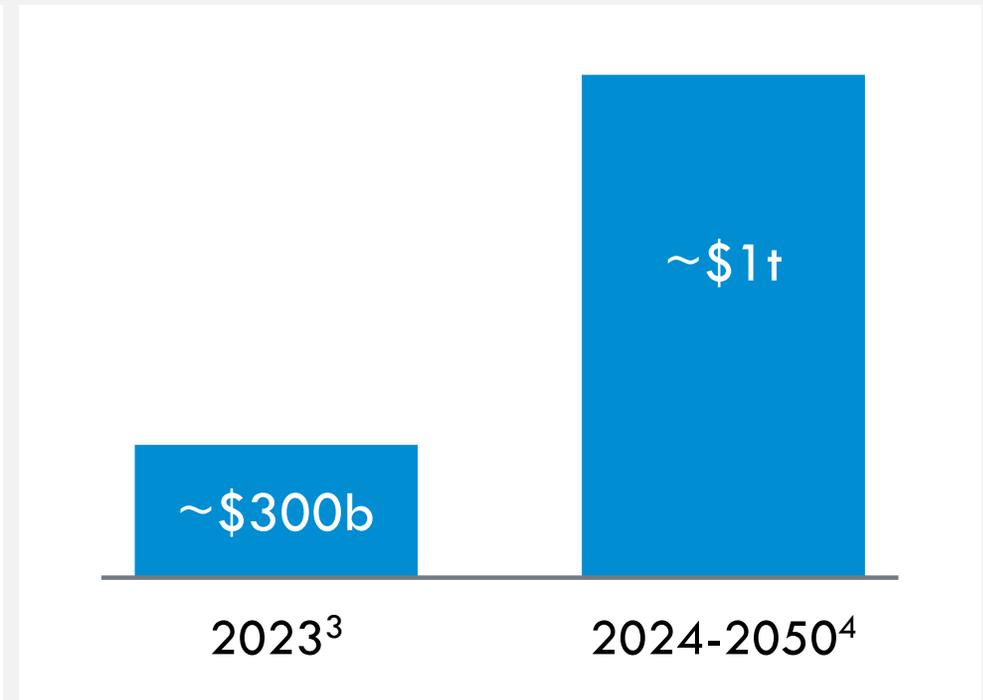
- ✓ Invest in Income Generating Real Assets
- ✓ Proven Technologies
- ✓ Non-Cyclical, Lower Risk, Predictable

# Climate Solutions are a Multi-Decade Growth Opportunity

## U.S. Clean Energy Capacity Installed



## U.S. Annual Investment in Energy Transition



HASI is well-positioned to maintain or grow market share

1. Cumulative installed capacity at the end of 2023: Energy Information Administration (149 GW wind & 139 GW solar) and American Clean Power Association (17 GW energy storage)  
2. BNEF's "1H 2024 US Clean Energy Market Outlook"  
3. BNEF's "Energy Investment Trends 2024"  
4. BNEF: Average annual need through 2050 to achieve net zero emissions.

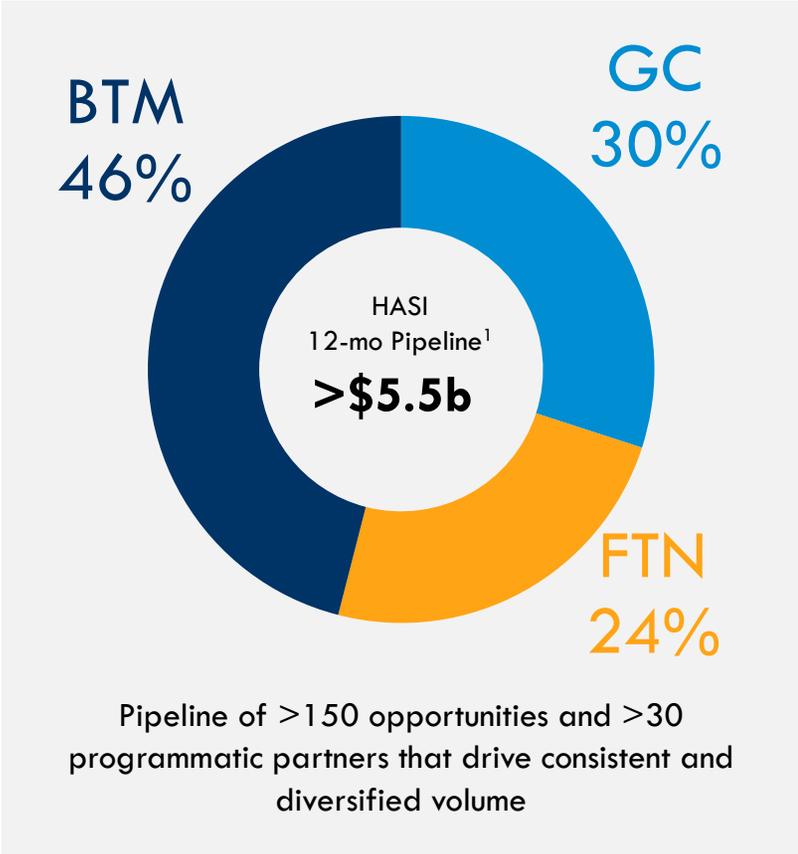
# Client Ambition Expands our Opportunity Set



 Pipelines expanding with increased focus on energy transition and IRA tailwinds

 Expansion into adjacent decarbonization markets

 **>\$25b** in 2024 estimated US project capex by top 10 clients<sup>2</sup>



Pace, scale, and market complexity favor a trusted financial partner offering efficiency and replicability

1. Next 12-months pipeline as of 9/30/24. BTM is Behind-the-Meter, GC is Grid-Connected, and FTN is Fuels, Transport and Nature. No offshore wind in the pipeline  
2. HASI internal estimates based on public filings by top clients and company assumptions

# Assets Align with Common Attributes



1. As of 6/30/24

# Unique Value Proposition to Investors and Clients

**HASI**

## Clients



- ✓ Trusted Partnership With Aligned Goals
- ✓ Programmatic Transactions Improve Efficiencies
- ✓ Market and Policy Expertise
- ✓ Flexible and Permanent Capital

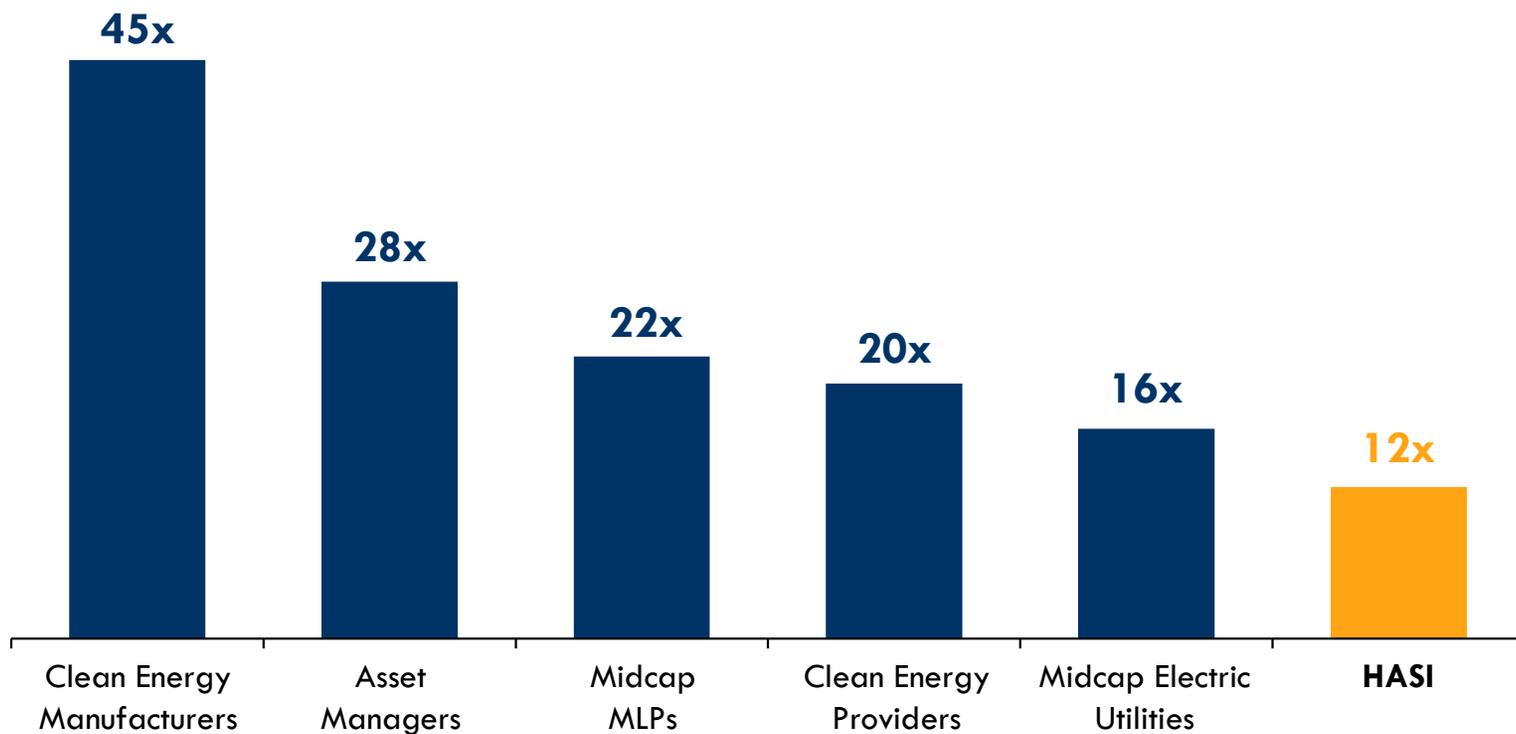
**HASI**

## Investors



- ✓ Access to Energy Transition in Lower-Risk Structure
- ✓ Non-Cyclical Business Model
- ✓ Diverse End Markets
- ✓ Attributes of Growth, Income and Value

# Low P/E Multiple Relative to Comparable Sectors



Note: Based on stock prices and S&P CapIQ consensus 2024 estimates as of November 8, 2024.



# Investments, Portfolio and Managed Assets



# Programmatic Clients Drive Repeat Business



We invest in partners, and our programmatic partnership drives repeat and expanding business...



...in multiple sectors and technologies within the energy transition

	Commencement	Transactions	Asset Classes
	2001	>100	2
	2001	>40	3
	2013	>20	3
	2014	>30	3
	2016	>20	2
	2018	>10	4
	2018	>5	1
	2019	>20	1

>360 Energy Efficiency<sup>1</sup>
 11.4 GW of Grid-Connected Wind & Solar Land<sup>1</sup>

4.3 GW of Grid-Connected Wind<sup>1</sup>
 2.7 GW of Grid-Connected Solar<sup>1</sup>
 4.3 GW of Behind-the-Meter Solar<sup>1</sup>

>770 Fleet vehicles<sup>1</sup>
 5.8m MMBtu Annual Renewable Gas Capacity<sup>1</sup>

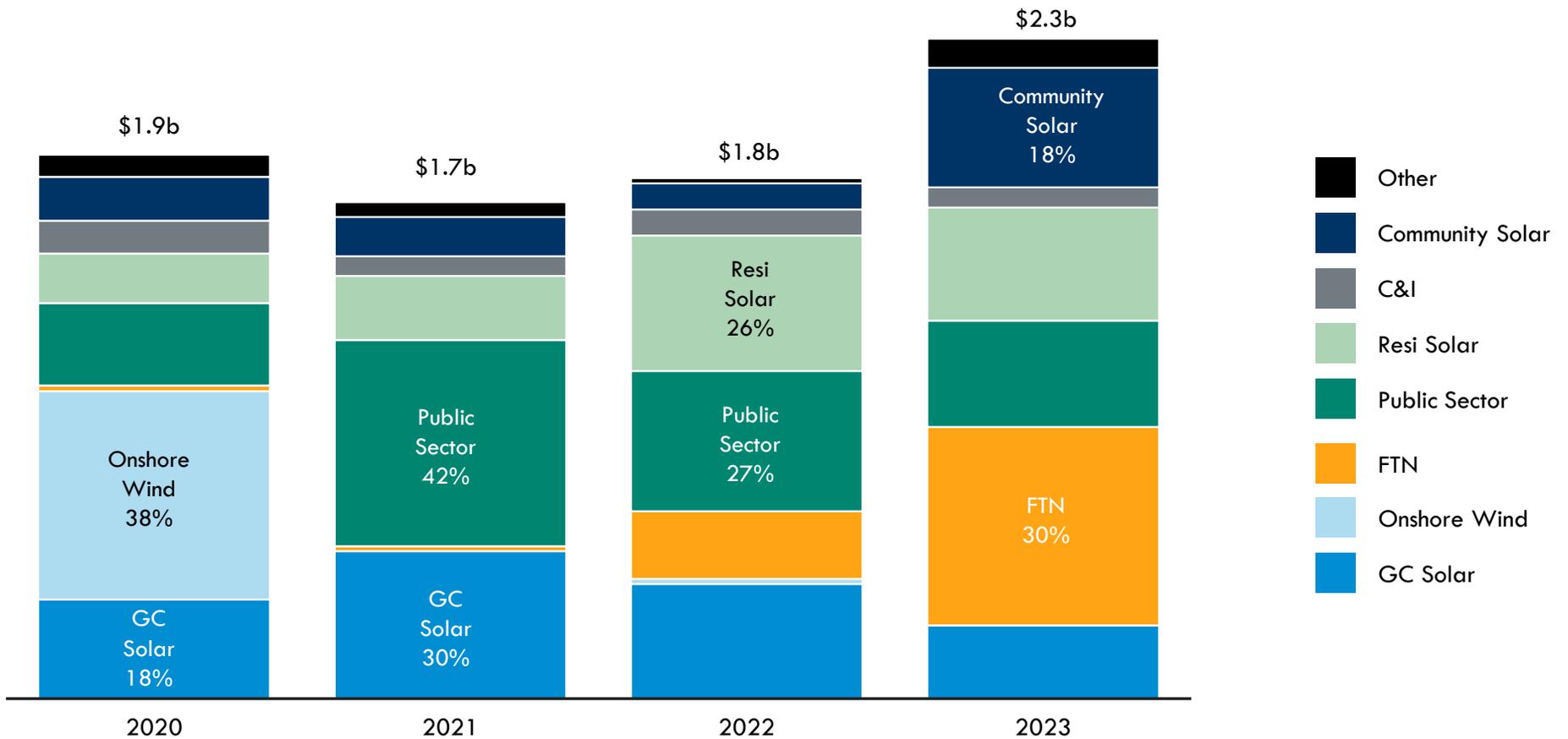
**Average >10-year relationship with leading programmatic partners**

1. Managed portfolio as of 12/31/23

# Consistent, Diversified Investment Volumes



## Closed Transactions 2020-2023<sup>1</sup>:



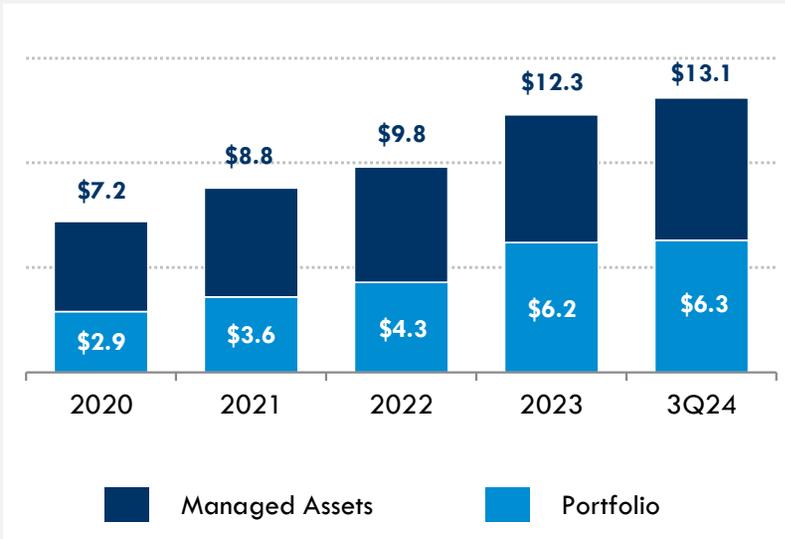
Top Two Asset Classes Have Changed Each Year

1. As of 12/31 2020, 2021, 2022 and 2023, respectively

# Managed Assets Have Grown by >80% since 2020



## Managed Assets<sup>1</sup> (\$b)



## Closed Transactions (\$m)

Closed Transactions YTD <sup>2</sup>	\$1.2b
Public Sector	25%
FTN	17%
Resi Solar	14%
GC Solar	13%
Community Solar	10%
C&I	7%
Other <sup>4</sup>	15%

“Portfolio” refers to all investments held on balance sheet

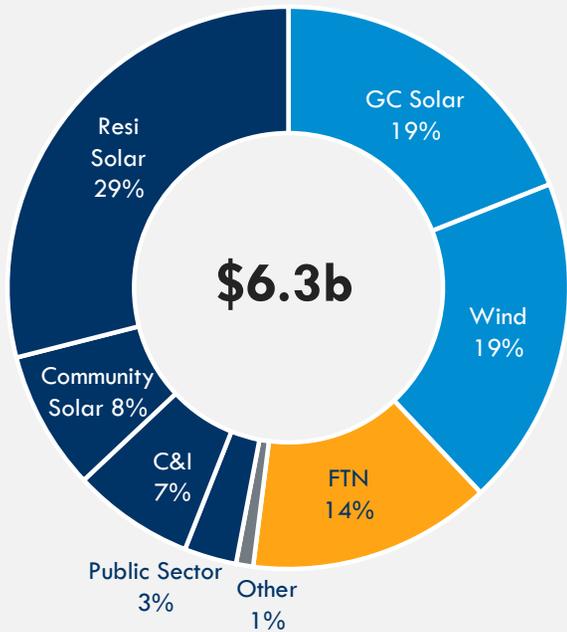
“Managed Assets” includes (1) the Portfolio, (2) investments held off-balance sheet in securitization trusts, and (3) investments held by CCH1

1. For explanation of Managed Assets, see Appendix. Figures in chart are as of the end of each period  
 2. YTD through 9/30/24. Numbers may not sum to 100% due to rounding

# Portfolio at \$6.3b, up 15% YoY



## Portfolio at 9/30/24<sup>1</sup> (\$b)



Portfolio growth YTD reflects \$400m of rotation out of assets yielding <6.5%, at a gain

## Portfolio New Asset Yields<sup>2</sup>



New portfolio asset yields are ~10.5% year-to-date, and our publicly-listed bonds trade with yields ~6.5%

Portfolio yield<sup>2</sup> at 9/30/24: 8.1%

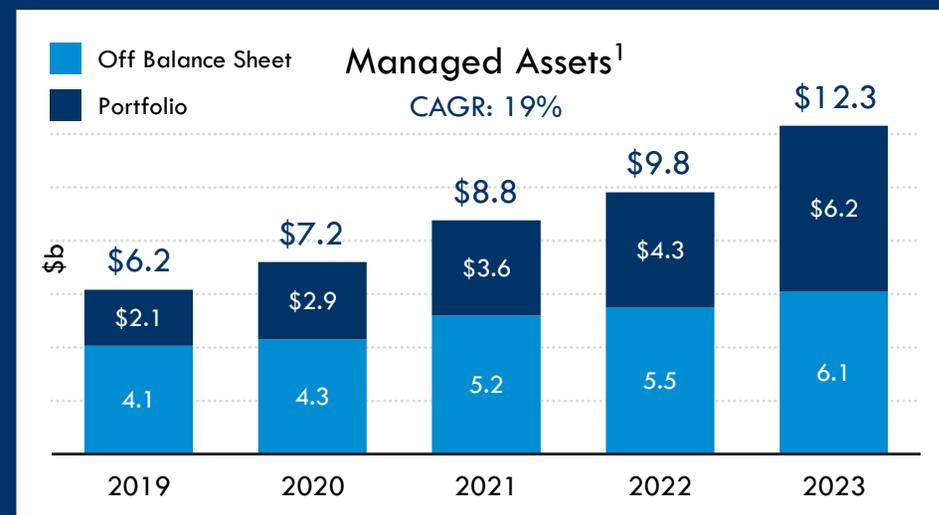
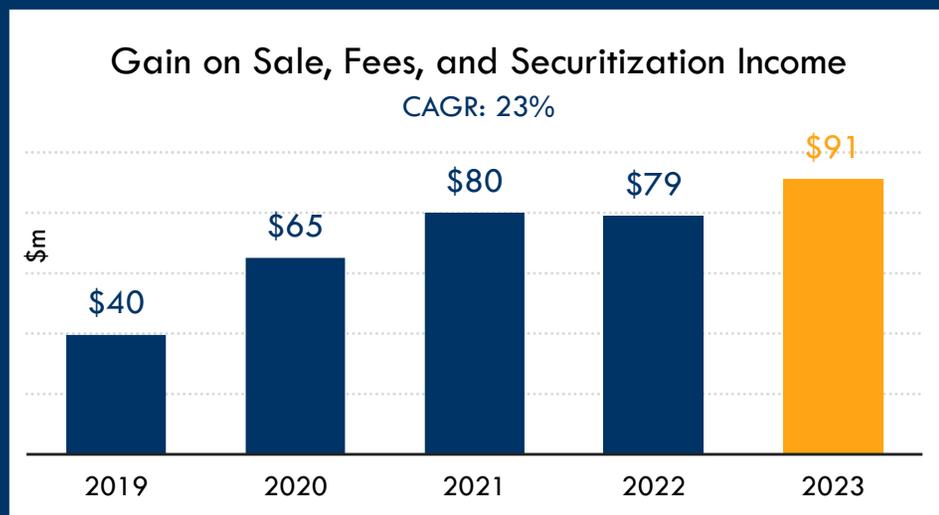
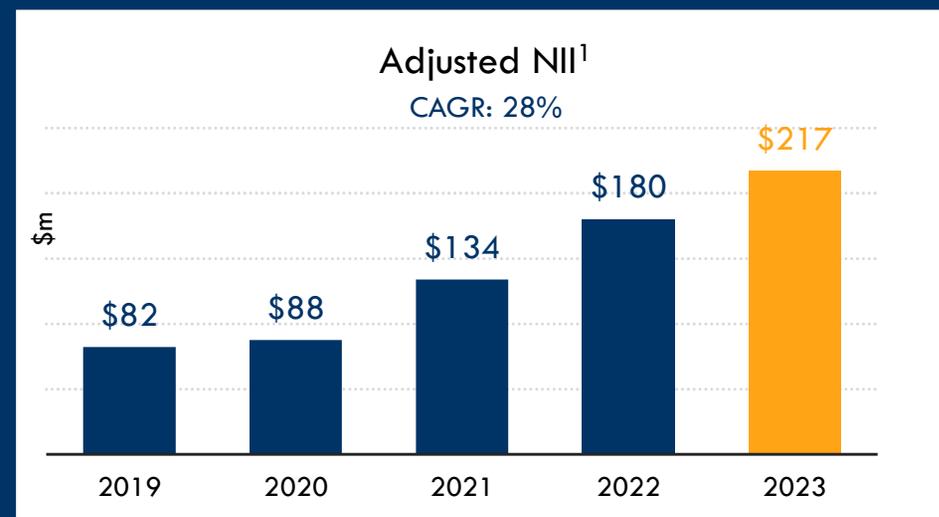
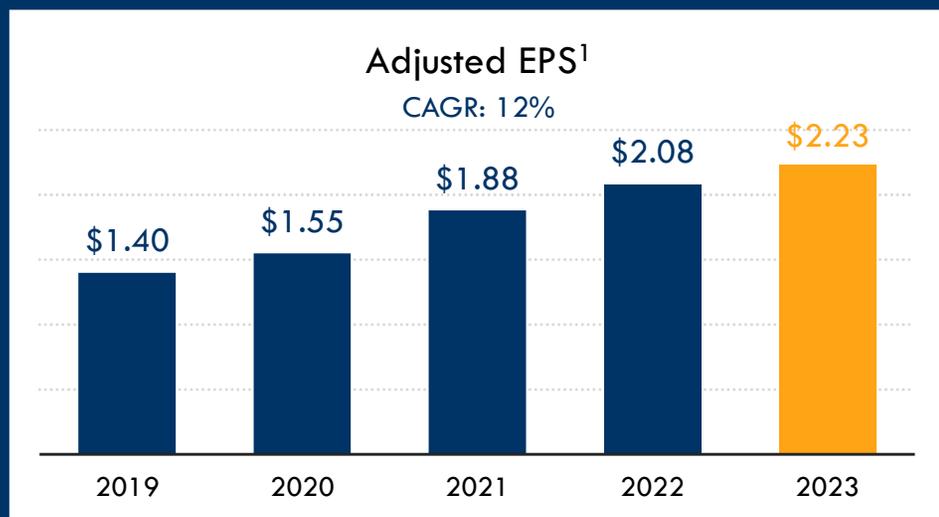
1. For explanation of Portfolio, see Appendix  
2. Represents yields on portfolio assets only; excludes follow-on investments of previous transactions. For explanation of Portfolio Yield, see Appendix  
3. YTD through 9/30/24



# Financial Performance & Funding Platform



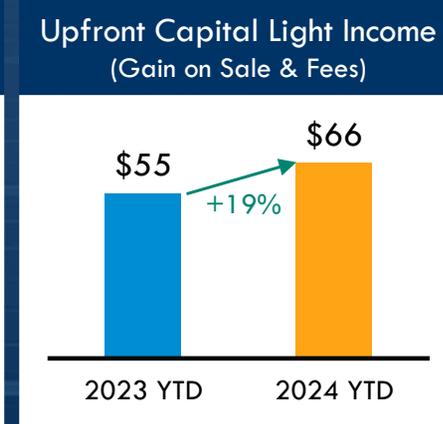
# Consistent High Growth in Key Metrics



1. As of 1Q24, Distributable Earnings has been renamed Adjusted Earnings. See Appendix for an explanation of Adjusted Earnings, Adjusted NII and Managed Assets, including reconciliations to the relevant GAAP measures, where applicable.

# Q3 2024 Income Statement Detail

	3Q23	3Q24
GAAP Diluted EPS	\$0.20	(\$0.17)
Adjusted EPS <sup>1</sup>	\$0.62	\$0.52
GAAP NII	\$17.0m	\$4.8m
Adjusted NII <sup>1</sup>	\$58.8m	\$65.1m
Gain on Sale, Fees and Securitization Income	\$29.5m	\$17.8m
Adjusted ROE <sup>2</sup>	13.4%	10.8%

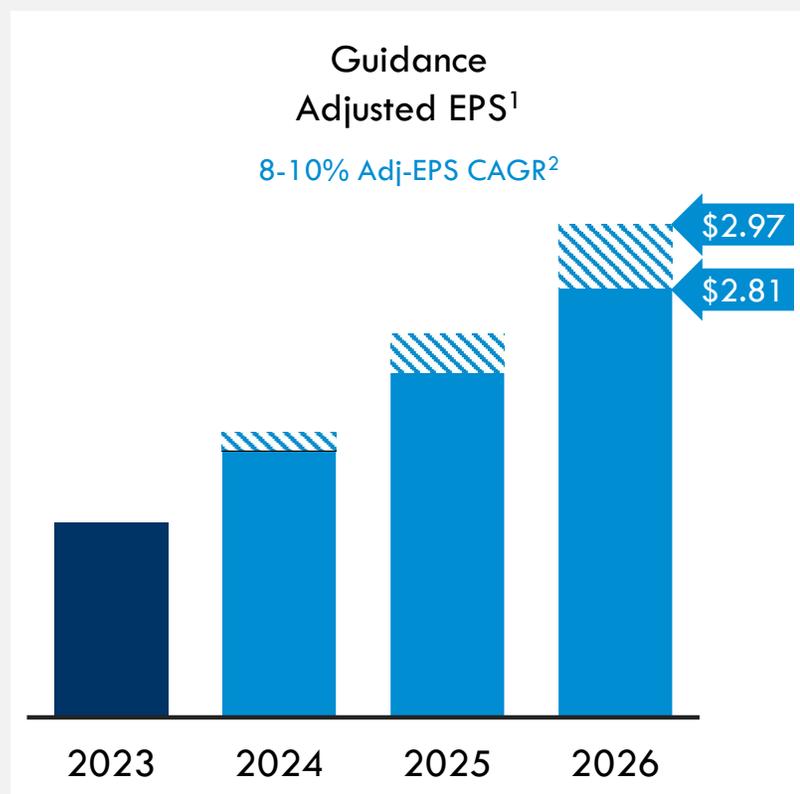


1. See Appendix for explanation of Adjusted Net Investment Income and Adjusted Earnings, including reconciliations to the relevant GAAP measures.  
 2. Adjusted ROE is calculated using Adjusted Earnings for the period and the beginning and ending equity balances for the period. Refer to reconciliation of GAAP Earnings to Adjusted Earnings.

# 2024-26 Guidance Bridge to Long-Term Business Model



	Adjusted EPS <sup>1</sup>	Dividend Per Share (DPS)
Long-Term Business Model	10% CAGR (Realized 2014-2023 CAGR of 10%)	50% payout ratio
2024 – 2026 Guidance	8-10% CAGR <sup>2</sup>	60-70% payout ratio



Continued DPS growth while reducing payout ratio

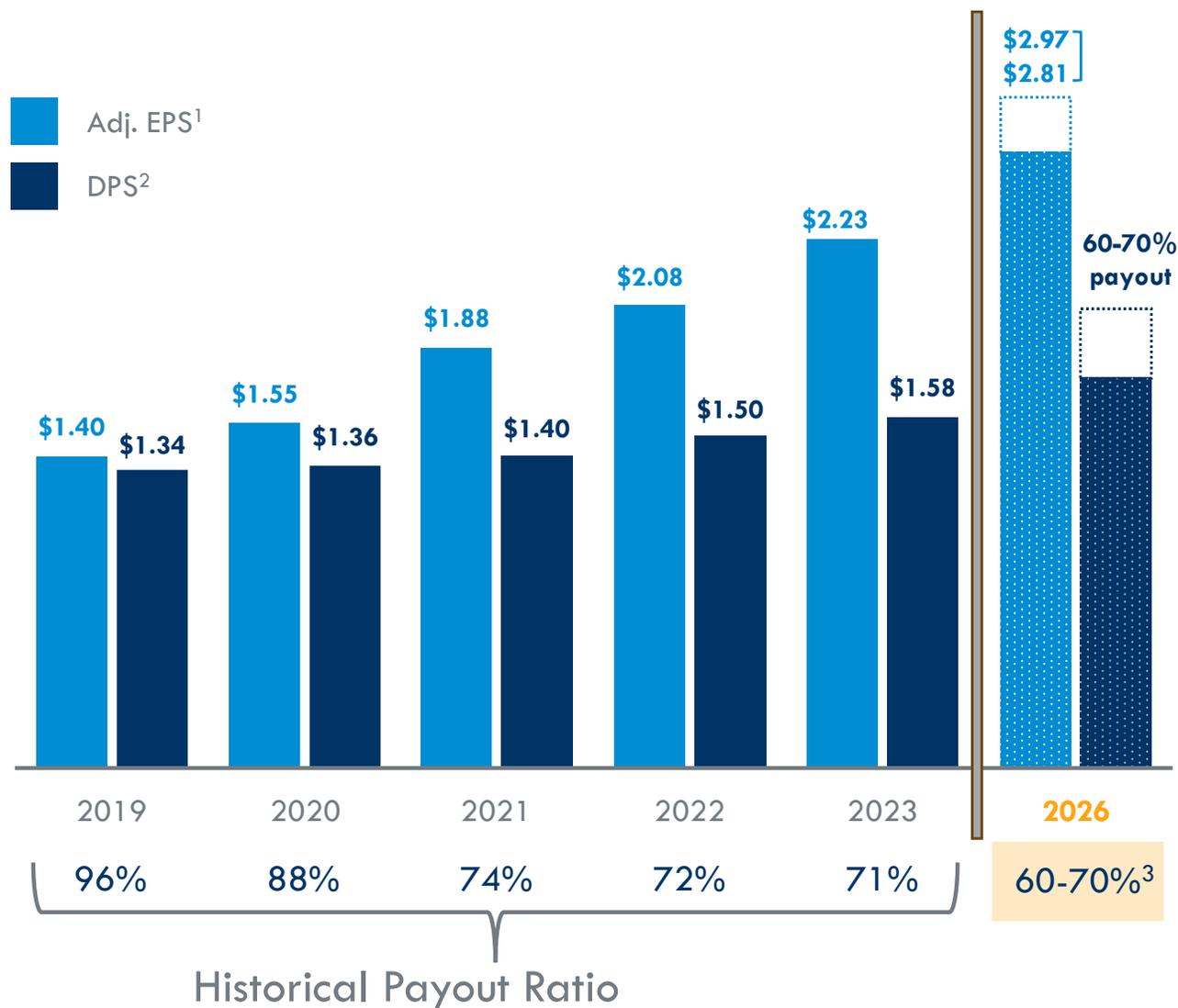
Year	Payout Ratio	Dividend per share <sup>3</sup>
2018	96%	\$1.32
2019	96%	\$1.34
2020	88%	\$1.36
2021	74%	\$1.40
2022	72%	\$1.50
2023	71%	\$1.58
2024	60-70%	\$1.66
2025-26	60-70%	

Primary upside potential not included in Guidance:

- Second IG rating
- Expansion with current clients or into new markets and assets
- Market drives higher asset economics

1. See Appendix for an explanation of Adjusted Earnings, including reconciliations to the relevant GAAP measures  
 2. Using 2023 base year  
 3. Based on declaration date

# Growing Both Dividend & Retained Earnings



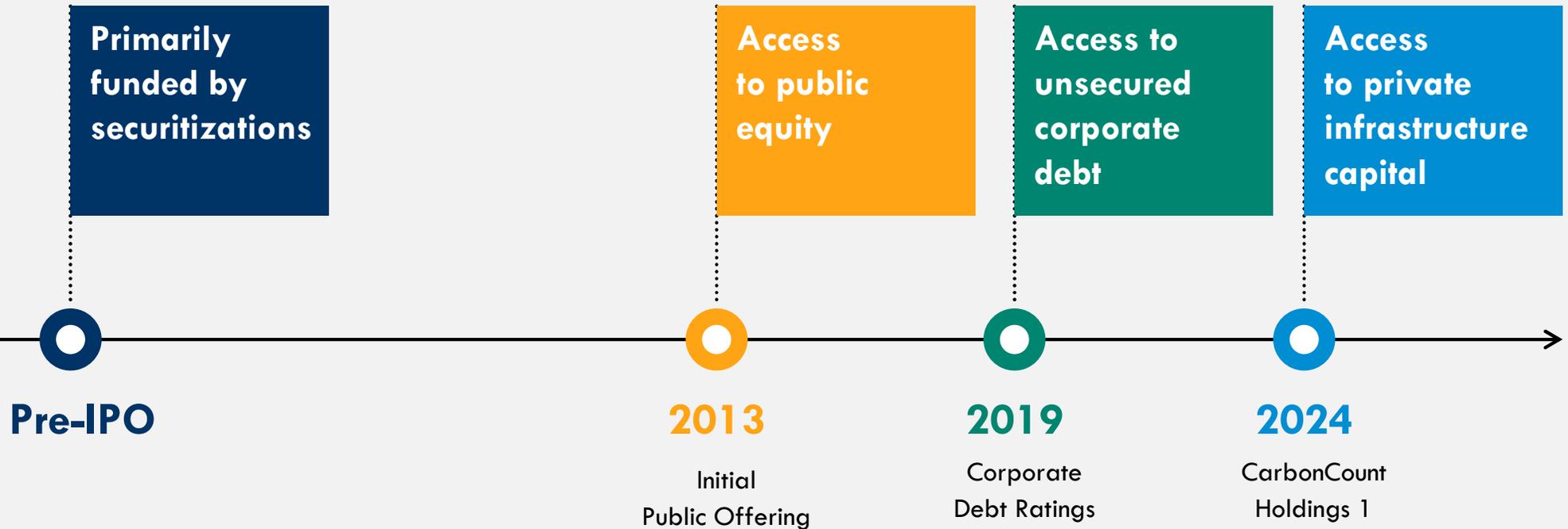
## ...By 2030

- Equity Primarily Generated Through Retained Earnings
- Continued Dividend Growth
- Payout Target of 50%

1. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix  
 2. Dividend declared for the year  
 3. Based on Guidance

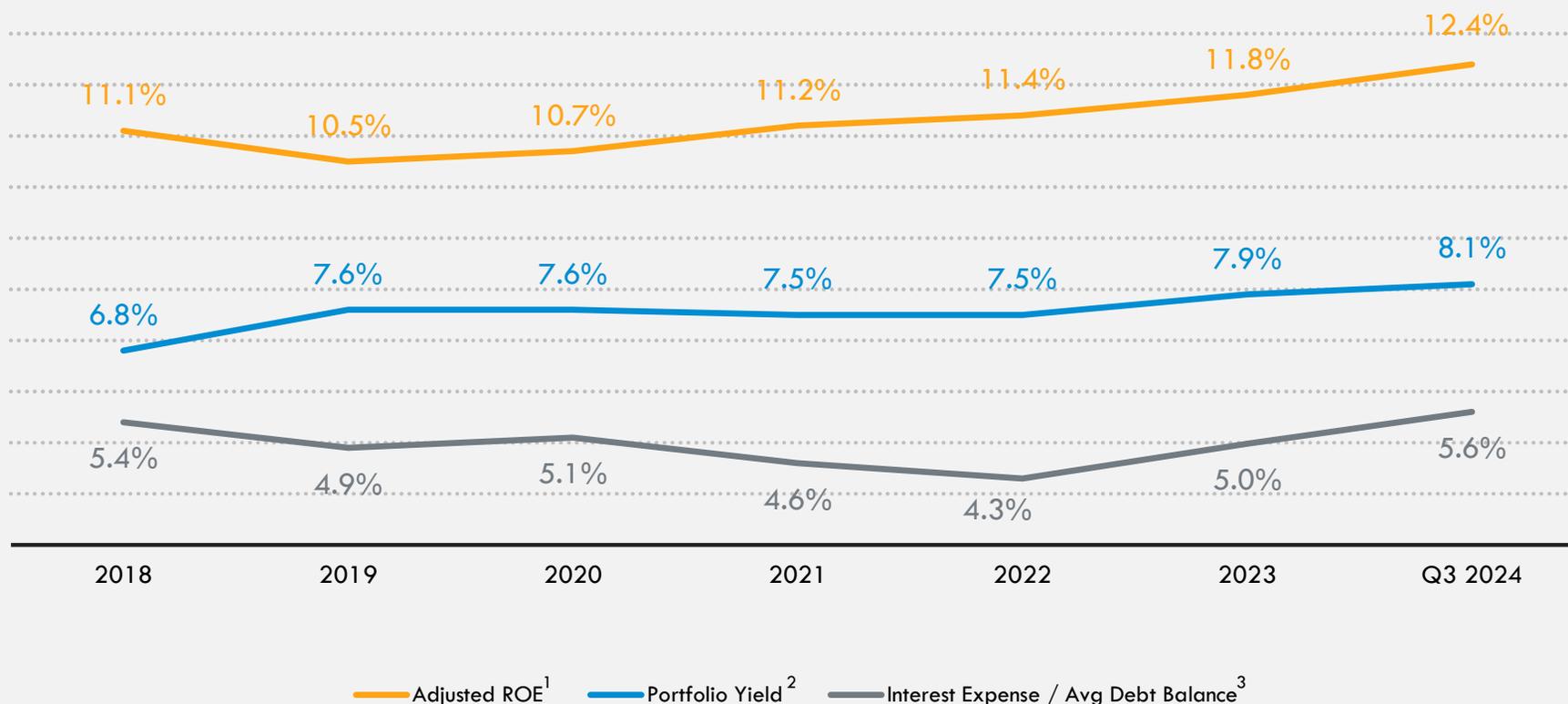
# Evolution of the Funding Platform

HASI



CCH1 is a Significant Milestone in the Expansion of Our Access to Diversified Sources of Capital

# Effectively Navigating a Higher Interest Rate Environment



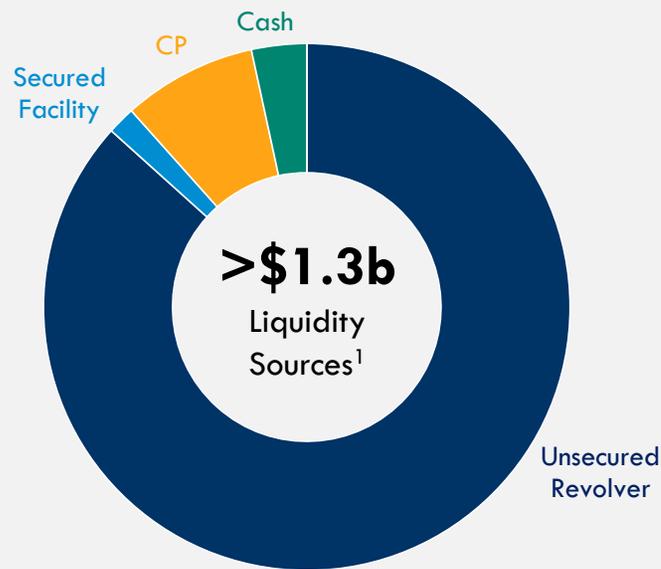
## Gain on sale contributing to higher ROE 2024 YTD

1. Adjusted ROE is calculated using Adjusted Earnings for the period and the average ending quarterly balances for the period. Refer to reconciliation of GAAP Earnings to Adjusted Earnings
2. As of the end of each period. For explanation of Portfolio Yield, see Appendix
3. Excludes incremental interest expense related to debt prepayments. Shown here as a % of average debt balance

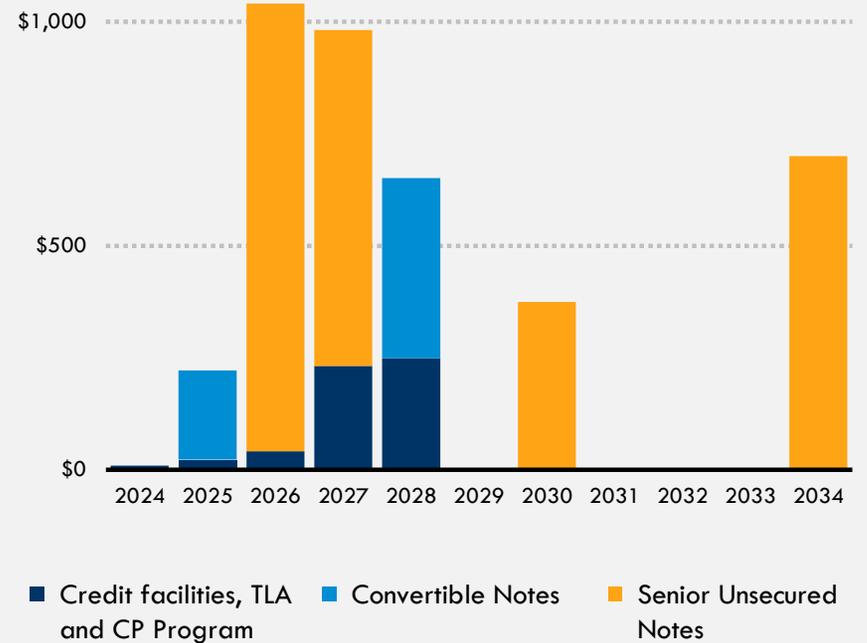
# Ample Liquidity to Invest in Our Pipeline



## Revolver Largely Undrawn



## Debt Maturities Extend out to 2034<sup>1</sup>



**1.8x Debt-to-Equity ratio (within 1.5-2.0 target)**  
**100% of debt fixed or hedged<sup>2</sup>**

**BBB-/Baa3/BB+ Positive**  
**(Fitch/Moody's/S&P)**

1. As of 9/30/24  
2. Includes base rate fixed or hedged. See Slide 18 of the Appendix for detail on our hedge portfolio

# Adjusted Cash from Operations Plus Other Portfolio Collections<sup>1</sup>



\$ millions <sup>2</sup>	3Q24 (TTM)	2023	2022
Cash collected from our Portfolio	\$815	\$442	\$424
Cash collected from sale of assets <sup>3</sup>	\$259	\$34	\$47
Cash used for compensation and benefits and G&A expenses	(\$79)	(\$79)	(\$64)
Interest paid <sup>4</sup>	(\$170)	(\$138)	(\$99)
Securitization asset and other income	\$30	\$28	\$19
Principal payments on non-recourse debt	(\$79)	(\$22)	(\$31)
Other	(\$2)	\$0	(\$9)
<b>Adjusted Cash from operations plus other portfolio collections</b>	<b>\$773</b>	<b>\$266</b>	<b>\$287</b>
(-) Dividend	(\$187)	(\$160)	(\$132)
<b>Cash Available for Reinvestment</b>	<b>\$586</b>	<b>\$106</b>	<b>\$155</b>
(-) Investments Funded <sup>5</sup>	(\$1,323)	(\$2,225)	(\$871)
(+) Net Capital Raised	\$758	\$1,969	\$693
Other Sources/Uses of Cash	(\$132)	\$50	(\$51)
Change in Cash	(\$111)	(\$100)	(\$74)

1. See explanatory notes for an explanation of Adjusted Cash Flow from Operations Plus Other Portfolio Collections
2. Amounts may not sum due to rounding
3. Includes cash from the sale of assets on our balance sheet as well as securitization transactions

4. For the nine months and TTM ended September 30, 2024, interest paid includes a \$19 million benefit from the settlement of a derivative which was designated as a cash flow hedge
5. Does not include receivables held-for-sale

# Summary of Total Debt and Hedge Portfolio

Debt Facility	Debt Amount (millions) <sup>1</sup>	Interest Rate <sup>2</sup>	Maturity Year
Corporate Senior Unsecured Notes	\$1,000	3.38%	2026
Corporate Senior Unsecured Notes	\$750	8.00%	2027
Term Loan A	\$250	5.71%	2027
Convertible Notes	\$403	3.75%	2028
Corporate Senior Unsecured Notes	\$375	3.75%	2030
Corporate Senior Unsecured Notes	\$700	6.24%	2034
Convertible Notes	\$200	3.25%	2025
Revolving Line of Credit	\$115	5.68%	2028
Rhea Debt Facility	\$168	6.76%	2028
Harmony	\$93	6.78%	2042
Commercial Paper Notes <sup>3</sup>	\$18	6.25%	2026
Other Non-Recourse	\$37	3.15%-7.23%	2024 to 2032

Fixed Rate Debt

Floating Rate Debt, Swapped to Fixed Where Noted Below

Hedged Instrument <sup>1</sup>	Notional (\$ in millions)	Fixed Rate	Hedge Structure	Termination Date
2026 Sr. Notes <sup>4</sup>	\$600	3.085%	Fwd-starting Pay Fixed / Receive SOFR	6/15/2033
2026 Sr. Notes <sup>4</sup>	\$400	2.980%	Fwd-starting Pay Fixed / Receive SOFR	6/15/2033
Term Loan A	\$400	3.788%	Pay fixed / Receive 1-mo Term SOFR	3/27/2033
Revolving Line of Credit	\$250	3.695% (Floor) 4.000% (Cap)	Collar	5/26/2026
Rhea Debt Facility	\$170	4.41%	Pay fixed / Receive Daily SOFR	6/10/2033
2027 Sr. Notes <sup>5</sup>	\$375	3.72%	Fwd-starting Pay Fixed / Receive SOFR	6/15/2037

1. As of September 30, 2024

2. Interest rate includes hedge rate where applicable

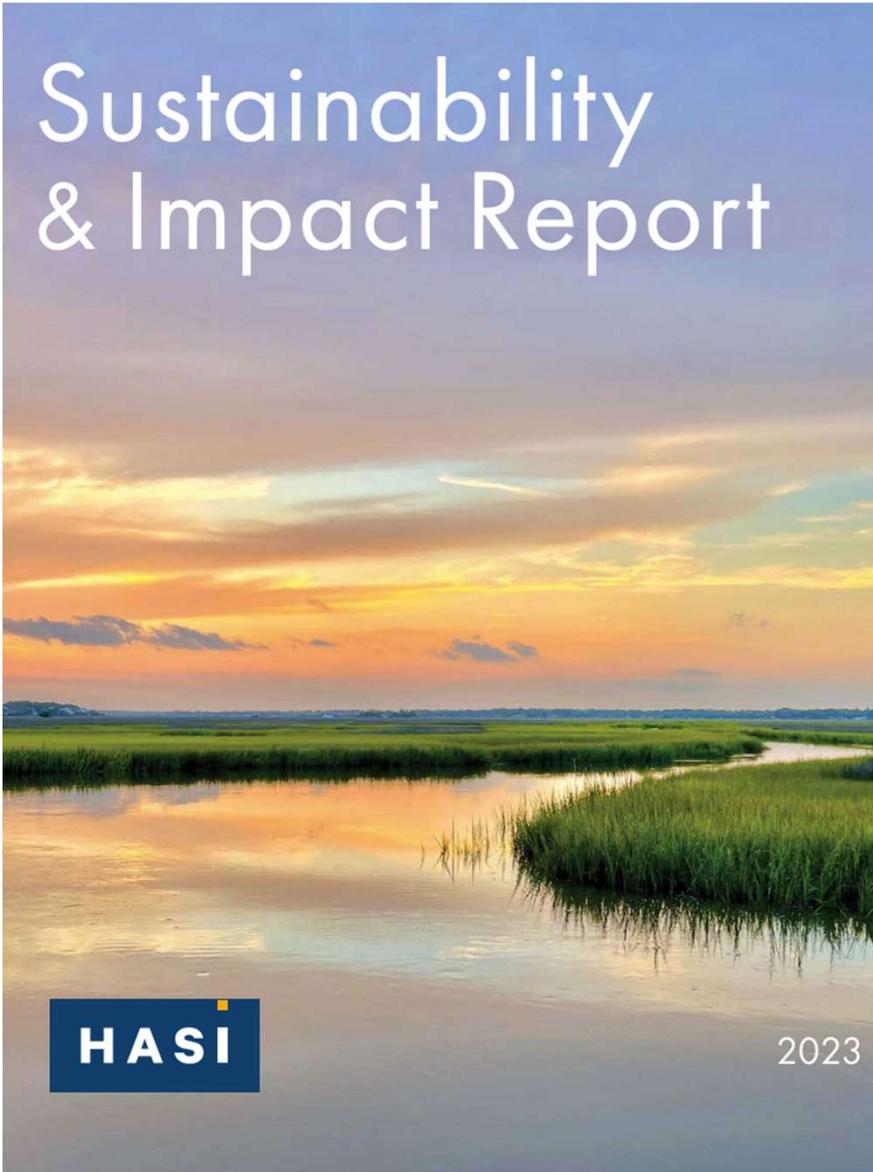
3. CP is renewed periodically on short term basis

4. 2026 Sr. Note Hedges have a mandatory early termination provision by 9/15/2026

5. 2027 Sr. Note Hedges have a mandatory early termination provision by 6/15/2027

# Sustainability & Impact





## Sustainability & Impact Report



2023

### Engage in Meaningful Community Investment through the HASI Foundation

Since its inception in 2020, HASI has declared over \$6.5m in social dividends to fund the Foundation's climate justice initiatives



**Climate Solutions for Disadvantaged Communities**



**Climate Solutions Career Pathways**



**Local Impact**



**Carbon Reduction**  
CarbonCount®: 0.33 (FY23)

8 million cumulative metric tons of CO<sub>2</sub> Avoided Annually



**Water Savings**  
WaterCount™: 300 (FY23)

~8 billion cumulative Gallons of Water Saved Annually

HASI maps investment and corporate activities to the UN SDGs



### Recognition that Matters



CCC | B | BB | BBB | A | AA | AAA



# 3Q24 Sustainability and Impact Highlights



Ranked top 95<sup>th</sup> Percentile of Peer Group by S&P Corporate Sustainability Assessment



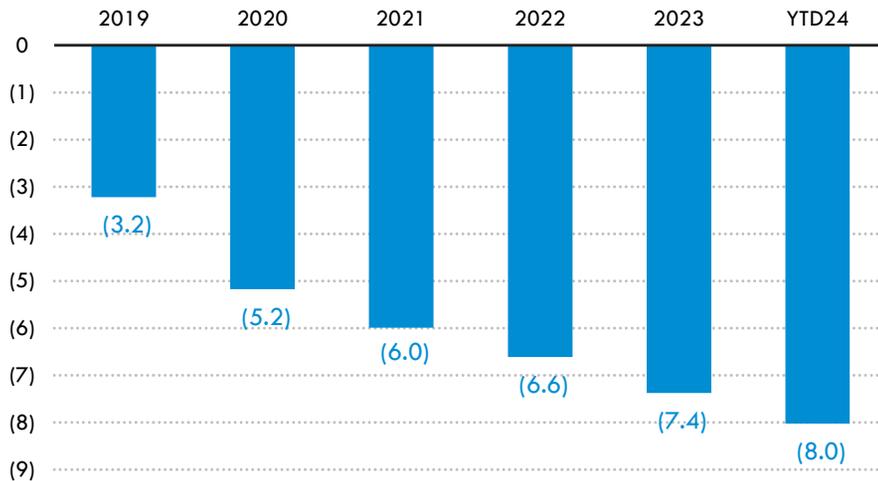
Named Among Newsweek's Greenest Companies 2025 in Specialty Finance Category



HASI Foundation Grant to Support Energy Industry Fellowships for HBCU Students

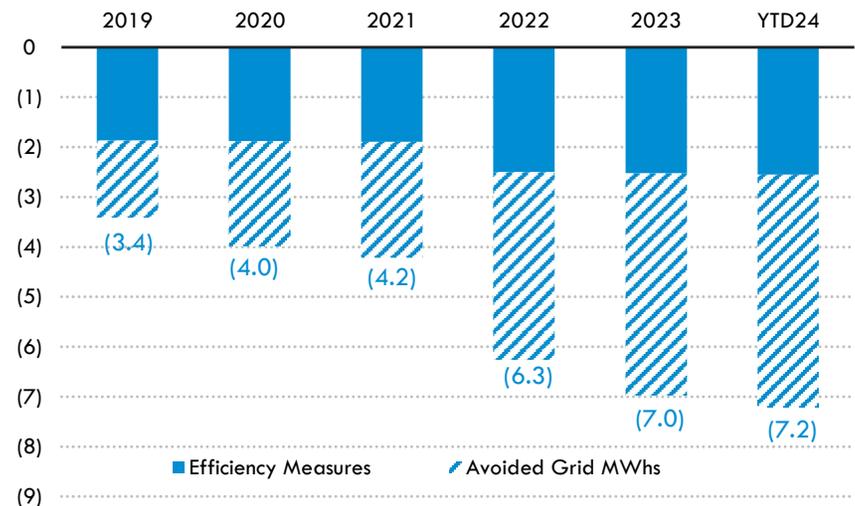
## CO<sub>2</sub> Carbon Emissions<sup>1</sup> CarbonCount<sup>®</sup>: 0.18 (3Q24)

Cumulative Metric Tons of CO<sub>2</sub> Avoided Annually (million tons)



## Water Savings<sup>2</sup> WaterCount<sup>™</sup>: 1 60 (3Q24)

Cumulative Gallons of Water Saved Annually (billion gallons)



1. CarbonCount<sup>®</sup> is a proprietary scoring tool for evaluating real assets to determine the efficiency by which each dollar of invested capital avoids annual carbon dioxide equivalent (CO<sub>2</sub>e) emissions.  
 2. WaterCount<sup>™</sup> is a scoring tool that evaluates investments in U.S.-based projects to estimate the expected water consumption reduction per \$1,000 of investment.

# CarbonCount: Transparent, Comparable, Accountable



## Measuring the Climate Impact of Every Investment

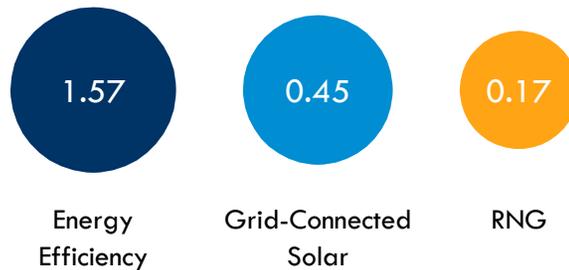
CarbonCount is a proprietary scoring tool for evaluating real assets to determine the efficiency by which each dollar of invested capital avoids annual carbon emissions (CO<sub>2</sub>e)

$$\frac{\text{Annual Hourly MWh Generation Avoided by Project} \times \text{Locational Marginal Emissions Factor (Metric Tons of CO}_2\text{e / MWh)}^1}{\text{Total Capital Cost of the Project}} = \text{carboncount}^{\text{®}}$$

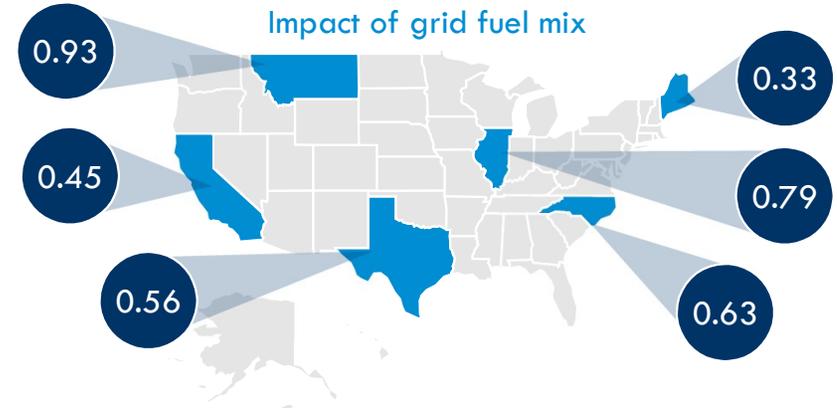
Metric Tons of CO<sub>2</sub>e Avoided Annually per \$1,000 Invested

### Indicative CarbonCount by Technology Type

Impact of capacity factor and cost per MW



### Indicative CarbonCount for an Identical Sample Solar Project in Different Regions



1. Where available; find more details in the HASI White Paper [CarbonCount 2.0: Carbon Confidence in Climate Finance \(April 2023\)](#)



# Appendix

## Market Highlights & Investment Examples

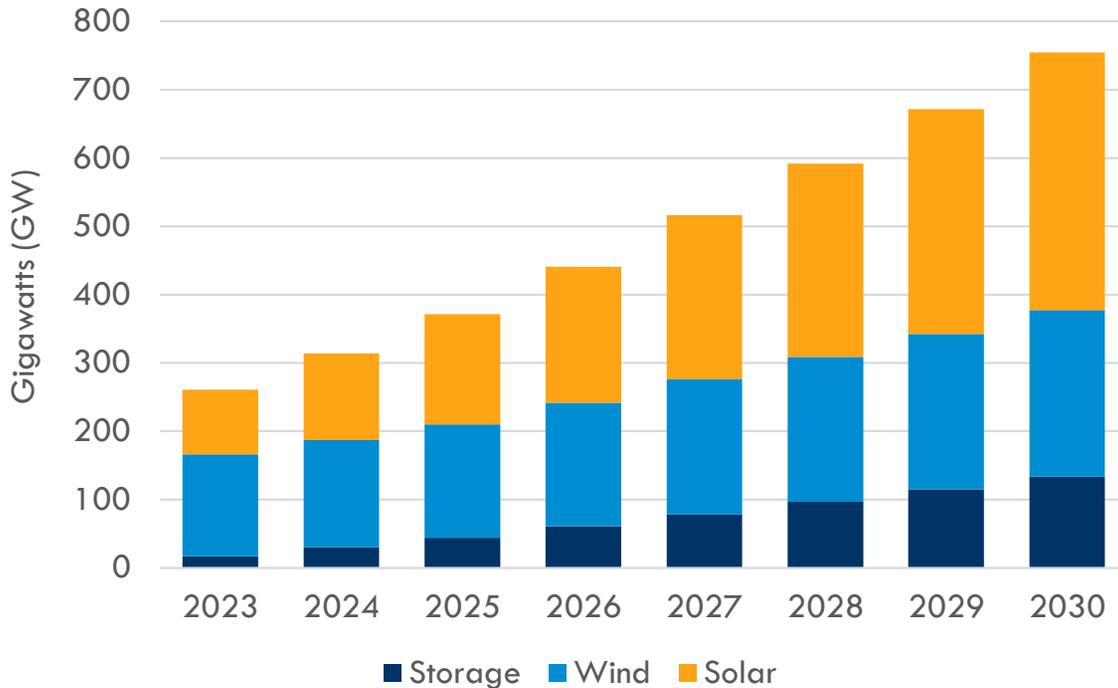


# GC Market Outlook



HASI's GC business consists of utility-scale wind, solar and storage investments

GC Capacity Forecast to Grow by ~450 GW by 2030<sup>1</sup>

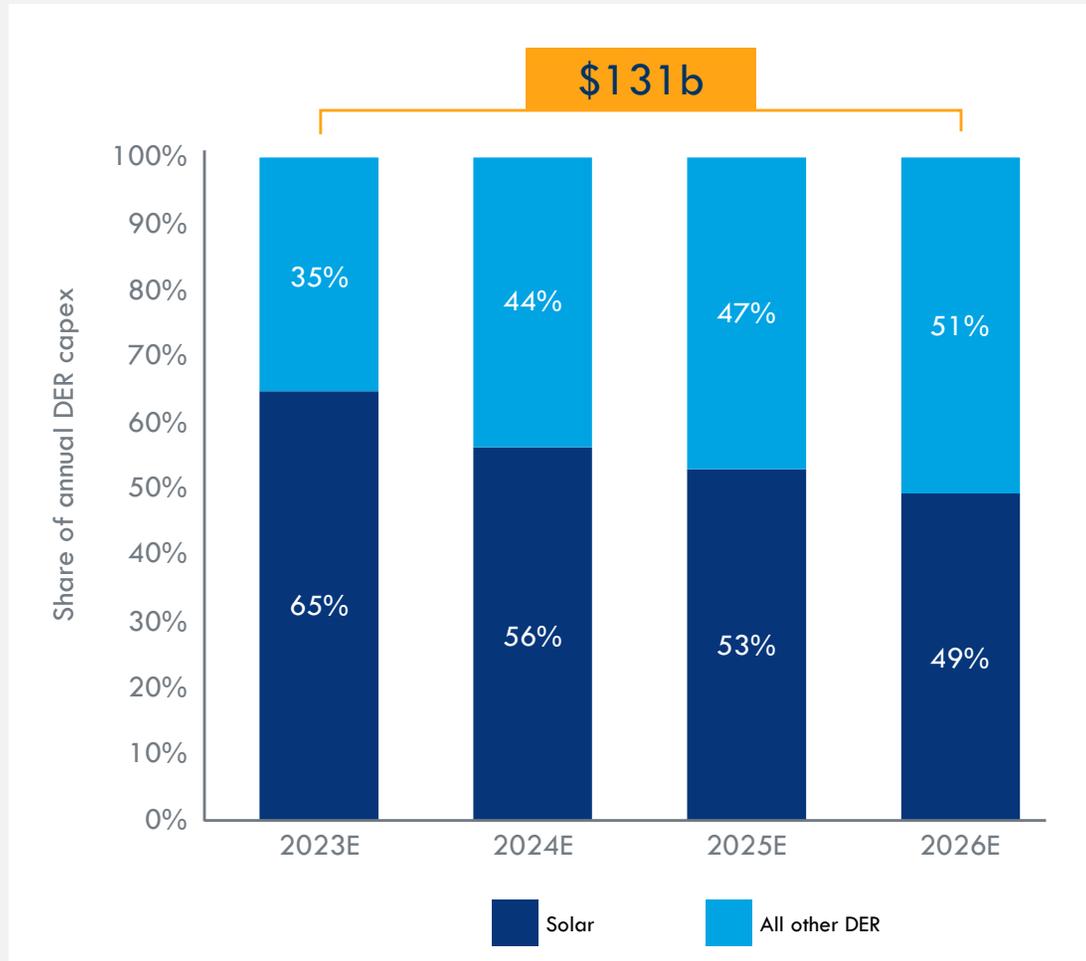


## Strong Fundamentals With Tremendous Growth

- ✓ Most cost-effective energy source
- ✓ Required for corporates and utilities to meet their renewable energy transition targets
- ✓ Inflation Reduction Act provides long-term certainty to enable long term investments

1. Energy Information Association's "Short-Term Energy Outlook" (January 2024), American Clean Power Association's "Annual Market Report," and BNEF's "1H 2024 US Clean Energy Outlook"

High growth enabled by favorable legislation, technology advancement and strong demand



✓ \$131b of cumulative investments through 2026<sup>1</sup>

### Key Demand Drivers:

✓ Emissions / Resilience / Energy Cost

### Key Enablers:

✓ Legislation / Digitalization / Market Design

1. Woodmac's 2021 U.S. DER Outlook

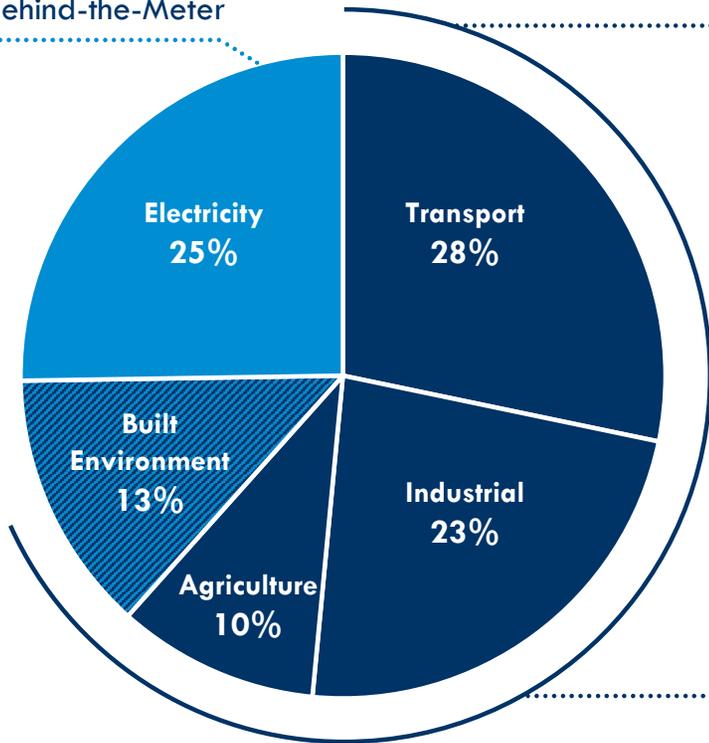
# Capturing Decarbonization Opportunities Beyond the Power Sector



## Carbon is Everywhere

U.S. GHG Emissions by Sector<sup>1</sup>

Grid-Connected /  
Behind-the-Meter

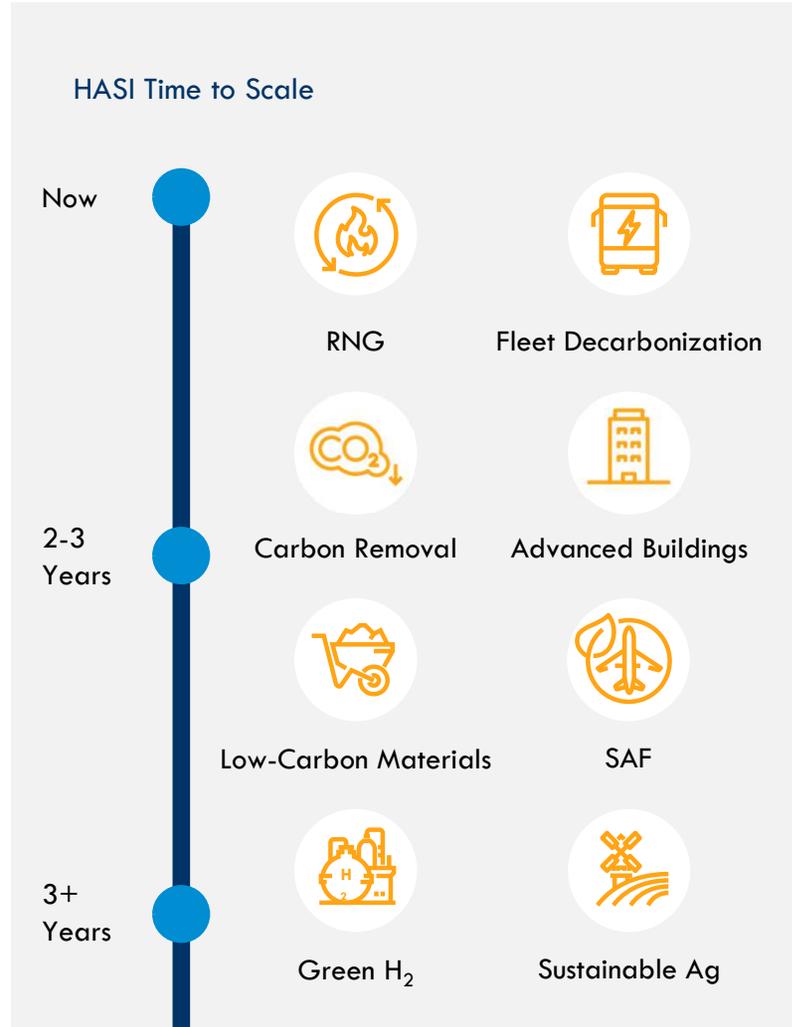


Climate Solutions expanding to include Industrial, Transport, Agriculture, and Built Environment comprising 75% of U.S. GHG emissions<sup>1</sup>



Fuels, Transport & Nature

## HASI Time to Scale



1. 2022 data from the Environmental Protection Agency's "Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2022"; subtotals may not sum due to rounding

# Illustrative Investments



## Fuels, Transport & Nature

Renewable  
Natural Gas

\$125 million

Senior debt investment with an energy service company in a portfolio of operating Landfill Gas (LFG)-to-RNG and Wastewater Treatment Biogas (WWTPB)-to-RNG plants



## Behind-the-Meter

C&I  
Solar

<\$30 million

Equity investment with a solar sponsor in a high-quality 131 MW portfolio of distributed solar and solar-plus-storage projects across 10 states



## Grid-Connected

Wind  
& Solar

>1.3 GW

Minority stake, common equity investment in a portfolio of 17 operating solar projects and one operating wind project located across six states



## Fuels, Transport & Nature

Ecological  
Restoration

>\$40 million

Receivables investment with an environmental development firm in a tidal restoration project to restore wetland habitat and mitigate flood risk in the Sacramento River Delta

# Illustrative Investments



## Behind-the-Meter

### Residential Solar

>\$200 million

Investment in a portfolio of high credit quality residential leases with a residential solar provider, totalling 335 MW with more than 45,000 separate homeowners.

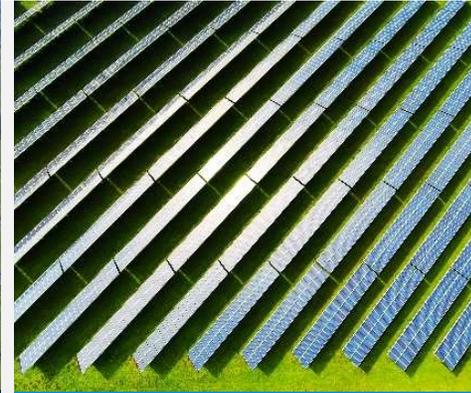


## Behind-the-Meter

### Microgrid Resiliency

>\$20 million

Investment in energy savings performance contract project featuring a 5 MW solar, 11.6 MWh energy storage microgrid at The United States Coast Guard's Petaluma Training Center



## Grid-Connected

### Solar Land

>\$100 million

Acquisition of 4,000 acres of land and lease streams with utilities and solar sponsors, underlying dozens of utility-scale solar projects with a capacity of nearly 700 MW



## Fuels, Transport & Nature

### Fleet Decarbonization

>\$70 million

Investment with a sustainable transportation fleet provider to modernize the fleet services through software for a major metropolitan school district, and eventual electrification of the bus fleet



# Appendix

## Risk & Underwriting



# Strong Portfolio with Positive Credit Attributes



## Recent Portfolio Performance

Rating	Description	Performance Metric
1	Performing <sup>1</sup>	~99%
2	Slightly below metrics <sup>2</sup>	~1%
3	Significantly below metrics <sup>3</sup>	~0%

## Positive Credit Attributes

Asset Class	Portfolio(%) <sup>6</sup>	Structural Seniority	Obligor Credit
Residential	29%	Typically Preferred	> 355k consumers WAVG FICO: "Very Good" <sup>5</sup>
GC Solar	19%	Typically Super Senior or Preferred	Typically IG corporates or utilities
Wind	19%	Typically Preferred	Typically IG corporates or utilities
Fuels, Transport & Nature	14%	Senior	Various incentivized offtakers
Community	8%	Typically Preferred	Typically creditworthy consumers and/or IG corporates
C&I	7%	Senior or Preferred	Typically IG corporates
Public Sector	3%	Senior or Preferred	Predominantly IG govt or quasi-govt entities

## Outstanding Credit History

Average annual realized loss on underwritten investment (Non-GAAP) <sup>4</sup>	0.07%
Average annual recognized loss on underwritten investment (GAAP) <sup>4</sup>	0.12%

1. This category includes our assets where based on our credit criteria and performance to date we believe that our risk of not receiving our invested capital remains low. | 2. This category includes our assets where based on our credit criteria and performance to date we believe there is a moderate level of risk to not receiving some or all of our invested capital | 3. This category includes our assets where based on our credit criteria and performance to date, we believe there is substantial doubt regarding our ability to recover some or all of our invested capital | 4. Average Annual Recognized (GAAP)/ Realized (Non-GAAP) Loss on Managed Assets is the average rate of our annual recognized (GAAP)/ realized (Non-GAAP) losses, calculated as a percentage of recognized (GAAP)/ realized (Non-GAAP) losses incurred in each year relative to average Managed Assets. This metric includes the 10 year period ending September 30, 2024. These losses include both losses related to equity method investments and receivables and investments. | 5. As of September 30, 2024; located across 21 states and the District of Columbia, Puerto Rico and Guam; qualitative FICO Rating corresponds to average FICO Score range for consumer obligors (as of lease origination dates) | 6. Total may not sum due to rounding

# Robust and Disciplined Underwriting and Monitoring

	Primary Underwriting Metrics	Variability of Performance	Primary Post-Closing Activities
<b>Residential Solar</b>	Credit Quality Re-contracting Regulatory	Collection Revenue Savings to Customer	Monitoring delinquencies and defaults (% of total value)
<b>Grid-Connected Wind/Solar</b>	Generation/Availability Curtailment Revenue Contract Structure Market/Regulatory	Volume Hedge Effectiveness Commodities/Basis	Monitoring resource and operational variability (Actual/expected gwh) Contract management and hedging support Industry group participation/regulatory support
<b>Community Solar</b>	Generation/Availability Pricing/Tariff Subscription Level	Volume Revenue	Monitoring resource and operational variability Engineering and operational assistance
<b>C&amp;I Solar</b>	Generation/Availability Credit Quality Post Contract	Volume Revenue	Monitoring resource and operational variability Engineering and operational assistance
<b>Renewable Natural Gas</b>	Gas Production Market/Policy Feedstock Contracts	Feedstock Quality and Energy Content Upgrading Performance Environmental Commodity Value	Performance monitoring (pipeline quality mmbtu) Commercial and contracting support

# Diversified Offtakers with Limited Concentration



## Residential Solar

# of active customers	>310k
WA FICO	746
Avg Monthly Payment	~\$150
Customer Savings <sup>2</sup>	5-45%
# of States <sup>3</sup>	23

## Community Solar

# of Projects	>80
# of States	5

- Diversified high credit quality portfolio
- Significant customer savings
- Excellent payment history
- Prompt replacement of delinquent CS customers

## Other Offtakers

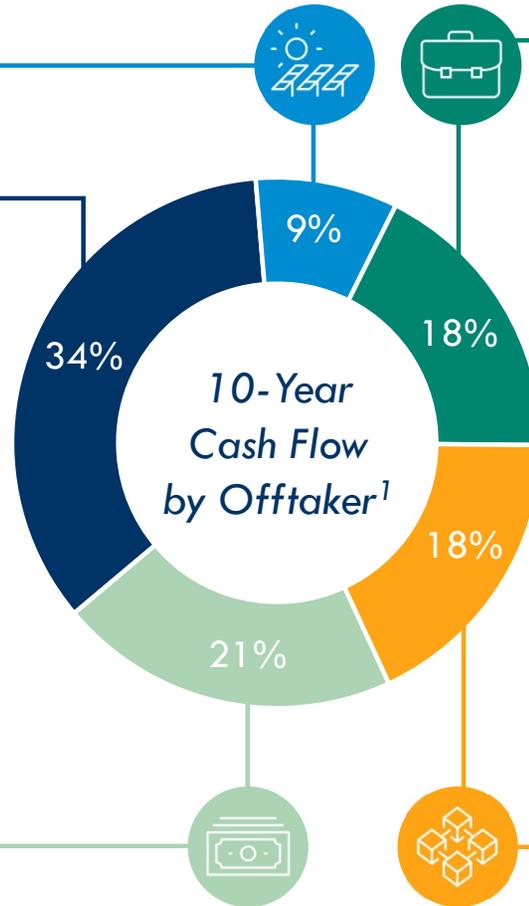
Primarily super senior payments (such as rent) or highly creditworthy parties (public sector)

Federal Government, State & Local	Solar Project Land (Rent)
-----------------------------------	---------------------------

## Corporate / Utilities / P3

>130 High Quality and Primarily Investment Grade Offtakers

LA Unified School District	1.9%
University of Iowa	1.9%
Walmart	1.2%
Lincoln Electric System	1.1%
Xcel	0.9%
Target	0.7%
Microsoft	0.5%
Apple Inc	0.4%
Ahold USA Inc	0.3%
3M	0.3%
Amazon	0.3%
Dairyland Power	0.3%
T-Mobile	0.1%
Other Corporate (~120)	7.9%



## ISOs<sup>4</sup> / Spot Power

ISO new england	California ISO
ercot	New York ISO Independent System Operator
pjm	SPP Southwest Power Pool
MISO	

1. Data represents HASI on-balance sheet portfolio as of 12/31/22, based on 10 years of forecasted cashflows.
2. First year savings compared to electric utility bills, sourced from Sunrun's Investor Presentation as of 9/30/22, and indicative of HASI portfolio.
3. Including DC and PR.
4. ("ISO") independent system operator, an organization formed that coordinates, controls and monitors electric grid in specific geographical, multi-state areas.



# Appendix

## Recent Financials

## **Adjusted Cash Flow from Operations plus Other Portfolio Collections**

We operate our business in a manner that considers total cash collected from our portfolio and making necessary operating and debt service payments to assess the amount of cash we have available to fund dividends and investments. We believe that the aggregate of these items, which combine as a non-GAAP financial measure titled Adjusted Cash Flow from Operations plus Other Portfolio Collections, is a useful measure of the liquidity we have available from our assets to fund both new investments and our regular quarterly dividends. This non-GAAP financial measure may not be comparable to similarly titled or other similar measures used by other companies. Although there is also not a directly comparable GAAP measure that demonstrates how we consider cash available for dividend payment, set forth further in the Appendix is a reconciliation of this measure to GAAP Net cash provided by operating activities.

Also, Adjusted Cash Flow from Operations plus Other Portfolio Collections differs from Net cash provided by (used in) investing activities in that it excludes many of the uses of cash used in our investing activities such as in Equity method investments, Purchases of and investments in receivables, Purchases of real estate, Purchases of investments, Funding of escrow accounts, and excludes Withdrawal from escrow accounts, and Other.

In addition, Adjusted Cash Flow from Operations plus Other Portfolio Collections is not comparable to Net cash provided by (used in) financing activities in that it excludes many of our financing activities such as proceeds from common stock issuances and borrowings and repayments of unsecured debt.

## Adjusted Earnings and Earnings on Equity Method Investments

We calculate Adjusted earnings as GAAP net income (loss) excluding non-cash equity compensation expense, provisions for loss on receivables, amortization of intangibles, non-cash provision (benefit) for taxes, gains or (losses) from modification or extinguishment of debt facilities, any one-time acquisition related costs or non-cash tax charges and the earnings attributable to our non-controlling interest of our Operating Partnership. We also make an adjustment to eliminate our portion of fees we earn from related-party co-investment structures, and for our equity method investments in the renewable energy projects as described below. We will use judgment in determining when we will reflect the losses on receivables in our Adjusted earnings, and we will consider certain circumstances such as, the time period in default, sufficiency of collateral as well as the outcomes of any related litigation. In the future, Adjusted earnings may also exclude one-time events pursuant to changes in GAAP and certain other adjustments as approved by a majority of our independent directors.

Certain of our equity method investments in renewable energy and energy efficiency projects are structured using typical partnership “flip” structures where the investors with cash distribution preferences receive a pre-negotiated return consisting of priority distributions from the project cash flows, in many cases, along with tax attributes. Once this preferred return is achieved, the partnership “flips” and the common equity investors, often the operator or sponsor of the project, receive more of the cash flows through its equity interests while the previously preferred investors retain an ongoing residual interest. We have made investments in both the preferred and common equity of these structures. Regardless of the nature of our equity interest, we typically negotiate the purchase prices of our equity investments, which have a finite expected life, based on our underwritten cash flows projects discounted back to the net present value, based on a target investment rate, with the cash flows to be received in the future reflecting both a return on the capital (at the investment rate) and a return of the capital we have committed to the project. We use a similar approach in the underwriting of our receivables.

Under GAAP, we account for these equity method investments utilizing the HLBV method. Under this method, we recognize income or loss based on the change in the amount each partner would receive, typically based on the negotiated profit and loss allocation, if the assets were liquidated at book value, after adjusting for any distributions or contributions made during such quarter. The HLBV allocations of income or loss may be impacted by the receipt of tax attributes, as tax equity investors are allocated losses in proportion to the tax benefits received, while the sponsors of the project are allocated gains of a similar amount. The investment tax credit available for election in solar projects is a one-time credit realized in the quarter when the project is considered operational for tax purposes and is fully allocated under HLBV in that quarter (subject to an impairment test), while the production tax credit required for wind projects and electable for solar projects is a ten year credit and thus is allocated under HLBV over a ten year period. In addition, the agreed upon allocations of the project’s cash flows may differ materially from the profit and loss allocation used for the HLBV calculations. We also consider the impact of any other-than-temporary impairment in determining our income from equity method investments.

The cash distributions for those equity method investments where we apply HLBV are segregated into a return on and return of capital on our cash flow statement based on the cumulative income (loss) that has been allocated using the HLBV method. However, as a result of the application of the HLBV method, including the impact of tax allocations, the high levels of depreciation and other non-cash expenses that are common to renewable energy projects and the differences between the agreed upon profit and loss and the cash flow allocations, the distributions and thus the economic returns (i.e., return on capital) achieved from the investment are often significantly different from the income or loss that is allocated to us under the HLBV method. Thus, in calculating Adjusted Earnings, for certain of these investments where there are characteristics as described above, we further adjust GAAP net income (loss) to take into account our calculation of the return on capital (based upon the underwritten investment rate) from our renewable energy equity method investments, as adjusted to reflect the performance of the project and the cash distributed. We believe this equity method investment adjustment to our GAAP net income (loss) in calculating our Adjusted Earnings measure is an important supplement to the HLBV income allocations determined under GAAP for an investor to understand the economic performance of these investments where HLBV income can differ substantially from the economic returns.

We believe a non-GAAP measure, such as Adjusted Earnings, that adjusts for the items discussed above is and has been a meaningful indicator of our economic performance in any one period and is useful to our investors as well as management in evaluating our performance as it relates to expected dividend payments over time. We believe that our investors also use Adjusted Earnings, or a comparable supplemental performance measure, to evaluate and compare our performance to that of our peers, and as such, we believe that the disclosure of Adjusted Earnings is useful to our investors in any one period.

However, Adjusted Earnings does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP), or an indication of our cash flow from operating activities (determined in accordance with GAAP), or a measure of our liquidity, or an indication of funds available to fund our cash needs, including our ability to make cash distributions. In addition, our methodology for calculating Adjusted Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported Adjusted Earnings may not be comparable to similar metrics reported by other companies.

# Supplemental Financial Data

The logo for HASI, consisting of the letters 'H', 'A', 'S', and 'I' in white, bold, sans-serif font, set against a dark blue rectangular background.

## **Managed Assets**

As we both consolidate assets on our balance sheet and securitize assets, certain of our receivables and other assets are not reflected on our balance sheet where we may have a residual interest in the performance of the investment, such as servicing rights or a retained interest in cash flows. Thus, we present our investments on a non-GAAP managed basis, which assumes that securitized receivables are not sold. We believe that our Managed Asset information is useful to investors because it portrays the amount of both on- and off-balance sheet receivables that we manage, which enables investors to understand and evaluate the credit performance associated with our portfolio of receivables, investments and residual assets in securitized receivables. Our management also uses Managed Assets in this way. Our non-GAAP Managed Assets measure may not be comparable to similarly titled measures used by other companies.

## **Adjusted Net Investment Income**

Adjusted Net Investment Income is calculated as GAAP-based Net Investment Income (Interest Income and Rental Income less Interest Expense) as reported within our financial statements prepared in accordance with US GAAP plus Adjusted Earnings from our Equity Method Investments when allocating cash distributions between a return on and return of invested capital plus amortization of real estate intangibles. We utilize this measure in operating our business and believe it is useful information for our investors and management for the reasons discussed in our Adjusted Earnings measure. Our Adjusted Net Investment Income measure may not be comparable to similarly titled measures used by other companies.

## **Portfolio Yield**

We calculate portfolio yield as the weighted average underwritten yield of the investments in our Portfolio as of the end of the period. Underwritten yield for both our portfolio and individual assets is the rate at which we discount the cash flows from the assets in our portfolio to determine our purchase price. In calculating underwritten yield, we make certain assumptions, including the timing and amounts of cash flows generated by our investments, which may differ from actual results, and may update this yield to reflect our most current estimates of project performance. We believe that portfolio yield provides an additional metric to understand certain characteristics of our Portfolio as of a point in time. Our management uses portfolio yield this way and we believe that our investors use it in a similar fashion to evaluate certain characteristics of our portfolio compared to our peers, and as such, we believe that the disclosure of portfolio yield is useful to our investors. Our Portfolio Yield measure may not be comparable to similarly titled measures used by other companies.

## **Guidance**

The Company expects that annual Adjusted earnings per share will grow at a compounded annual rate of 8% to 10% from 2024 to 2026, relative to the 2023 baseline of \$2.23 per share, which is equivalent to a 2026 midpoint of \$2.89 per share. The Company also expects distributions of annual dividends per share from 2024 to 2026 to be set at a payout ratio of 60-70% of annual Adjusted earnings per share. This guidance reflects the Company's judgments and estimates of (i) yield on its existing portfolio; (ii) yield on incremental portfolio investments, inclusive of the Company's existing pipeline; (iii) the volume and profitability of transactions; (iv) amount, timing, and costs of debt and equity capital to fund new investments; (v) changes in costs and expenses reflective of the Company's forecasted operations; and (vi) the general interest rate and market environment. In addition, distributions are subject to approval by the Company's Board of Directors on a quarterly basis. The Company has not provided GAAP guidance as discussed in the Forward-Looking Statements.

# Income Statement

HA SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Revenue</b>				
Interest income	\$ 64,068	\$ 54,295	\$ 195,539	\$ 145,624
Rental income	83	6,039	2,012	19,013
Gain on sale of assets	7,678	22,405	62,084	52,915
Securitization asset income	9,082	5,620	19,197	13,381
Other income	1,054	1,492	3,466	2,353
<b>Total revenue</b>	<b>81,965</b>	<b>89,851</b>	<b>282,298</b>	<b>233,286</b>
<b>Expenses</b>				
Interest expense	59,401	43,295	180,804	120,413
Provision (benefit) for loss on receivables and securitization assets	1,233	9,792	(944)	12,481
Compensation and benefits	17,221	16,296	58,711	48,527
General and administrative	6,993	6,708	24,001	24,826
<b>Total expenses</b>	<b>84,848</b>	<b>76,091</b>	<b>262,572</b>	<b>206,247</b>
<b>Income (loss) before equity method investments</b>	<b>(2,883)</b>	<b>13,760</b>	<b>19,726</b>	<b>27,039</b>
Income (loss) from equity method investments	(23,405)	2,759	162,019	27,429
<b>Income (loss) before income taxes</b>	<b>(26,288)</b>	<b>16,519</b>	<b>181,745</b>	<b>54,468</b>
Income tax (expense) benefit	7,112	5,128	(49,429)	5,299
<b>Net income (loss)</b>	<b>\$ (19,176)</b>	<b>\$ 21,647</b>	<b>\$ 132,316</b>	<b>\$ 59,767</b>
Net income (loss) attributable to non-controlling interest holders	440	201	2,367	692
<b>Net income (loss) attributable to controlling stockholders</b>	<b>\$ (19,616)</b>	<b>\$ 21,446</b>	<b>\$ 129,949</b>	<b>\$ 59,075</b>
Basic earnings (loss) per common share	\$ (0.17)	\$ 0.20	\$ 1.12	\$ 0.59
Diluted earnings (loss) per common share	\$ (0.17)	\$ 0.20	\$ 1.09	\$ 0.59
Weighted average common shares outstanding—basic	116,584,392	107,715,057	114,518,199	98,665,598
Weighted average common shares outstanding—diluted	116,584,392	109,145,088	129,562,436	101,142,782

# Balance Sheet

HA SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)  
(UNAUDITED)

	September 30, 2024 (unaudited)	December 31, 2023
<b>Assets</b>		
Cash and cash equivalents	\$ 44,053	\$ 62,632
Equity method investments	3,353,224	2,966,305
Receivables, net of allowance of \$49 million and \$50 million, respectively	2,899,707	3,073,855
Receivables held-for-sale	22,183	35,299
Real estate	2,987	111,036
Investments	17,576	7,165
Securitization assets, net of allowance of \$3 million and \$3 million, respectively	257,537	218,946
Other assets	75,257	77,112
<b>Total Assets</b>	<b>\$ 6,672,524</b>	<b>\$ 6,552,350</b>
<b>Liabilities and Stockholders' Equity</b>		
Liabilities:		
Accounts payable, accrued expenses and other	\$ 218,844	\$ 163,305
Credit facilities	116,388	400,861
Commercial paper notes	18,265	30,196
Term loans payable	412,309	727,458
Non-recourse debt (secured by assets of \$302 million and \$239 million, respectively)	130,347	160,456
Senior unsecured notes	2,840,077	2,318,841
Convertible notes	613,195	609,608
Total Liabilities	4,349,425	4,410,725
Stockholders' Equity:		
Preferred stock, par value \$0.01 per share, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, par value \$0.01 per share, 450,000,000 shares authorized, 118,194,568 and 112,174,279 shares issued and outstanding, respectively	1,182	1,122
Additional paid-in capital	2,567,654	2,381,510
Accumulated deficit	(318,084)	(303,536)
Accumulated other comprehensive income (loss)	7,537	13,165
Non-controlling interest	64,810	49,364
Total Stockholders' Equity	2,323,099	2,141,625
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 6,672,524</b>	<b>\$ 6,552,350</b>

# Statement of Cashflows



HA SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(DOLLARS IN THOUSANDS)  
(UNAUDITED)

	Nine Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Cash flows from operating activities</b>				
Net income (loss)	\$ 132,316	\$ 59,767		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Provision for loss on receivables	(944)	12,481		
Depreciation and amortization	690	2,746		
Amortization of financing costs	12,994	9,347		
Equity-based compensation	19,002	14,977		
Equity method investments	(122,042)	(937)		
Non-cash gain on securitization	(58,978)	(34,080)		
(Gain) loss on sale of receivables and investments	7,717	1,305		
Changes in receivables held-for-sale	(16,763)	40,183		
Changes in accounts payable and accrued expenses	69,357	8,952		
Change in accrued interest on receivables and investments	(52,244)	(26,087)		
Cash received (paid) upon hedge settlement	19,261	—		
Other	7,689	3,686		
Net cash provided by (used in) operating activities	18,055	92,340		
<b>Cash flows from investing activities</b>				
Equity method investments	(200,202)	(583,323)		
Equity method investment distributions received	26,705	20,259		
Proceeds from sales of equity method investments	2,107	—		
Purchases of and investments in receivables	(501,548)	(1,016,467)		
Principal collections from receivables	508,704	167,406		
Proceeds from sales of receivables	124,150	7,634		
Proceeds from sale of real estate	115,767	—		
Purchases of investments and securitization assets	(10,537)	(14,404)		
Posting of hedge collateral	(26,380)	—		
Receipt of hedge collateral	16,150	—		
Other	(845)	(285)		
Net cash provided by (used in) investing activities	54,071	(1,419,180)		
<b>Cash flows from financing activities</b>				
Proceeds from credit facilities	831,792	777,000		
Principal payments on credit facilities	(1,116,792)	(342,000)		
Proceeds from issuance of term loan	250,000	200,000		
Principal payments on term loan	(563,148)	(9,575)		
Proceeds from issuance of non-recourse debt	94,000	—		
Principal payments on non-recourse debt	(72,302)	(14,714)		
Proceeds from issuance of commercial paper notes	—	49,775		
Principal payments of commercial paper notes	(12,000)	—		
Proceeds from issuance of senior unsecured notes	900,355	—		
Proceeds from issuance of convertible notes	—	402,500		
Principal payments on convertible notes	—	(143,748)		
Purchase of capped calls related to the issuance of convertible notes	—	(37,835)		
Redemption of senior unsecured notes	(400,000)	—		
Net proceeds of common stock issuances	179,722	465,015		
Payments of dividends and distributions	(142,178)	(115,087)		
Withholdings on employee share vesting	(502)	(1,466)		
Payment of financing costs	(27,100)	(13,302)		
Posting of hedge collateral	(134,150)	—		
Receipt of hedge collateral	124,700	106,330		
Other	(969)	(2,493)		
Net cash provided by (used in) financing activities	(88,572)	1,320,400		
Increase (decrease) in cash, cash equivalents, and restricted cash	(16,446)	(6,440)		
Cash, cash equivalents, and restricted cash at beginning of period	75,082	175,972		
<b>Cash, cash equivalents, and restricted cash at end of period</b>	<b>\$ 58,636</b>	<b>\$ 169,532</b>		
Interest paid	\$ 142,808	\$ 91,988		
<b>Supplemental disclosure of non-cash activity</b>				
Residual assets retained from securitization transactions	\$ 31,662	\$ 26,020		
Equity method investments retained from securitization transactions	32,564	144,603		
Equity method investments retained from sale of assets upon establishment of co-investment structure	54,655	—		
Deconsolidation of non-recourse debt	51,233	257,746		
Deconsolidation of assets pledged for non-recourse debt	51,761	374,608		

# Cash Available for Reinvestment

	For the year ended,	For the year ended,	Plus: For the nine months ended,	Less: For the nine months ended,	For the TTM ended,
	December 31, 2022	December 31, 2023	September 30, 2024	September 30, 2023	September 30, 2024
	<i>(in thousands)</i>				
Net cash provided by operating activities	\$ 230	\$ 99,689	\$ 18,055	\$ 92,340	\$ 25,404
Changes in receivables held-for-sale	62,953	(51,538)	16,763	(40,183)	5,408
Equity method investment distributions received	110,064	30,140	26,705	20,259	36,586
Proceeds from sales of equity method investments	1,700	—	2,107	—	2,107
Principal collections from receivables	125,976	197,784	508,704	167,406	539,082
Proceeds from sales of receivables	5,047	7,634	124,150	7,634	124,150
Proceeds from sales of land	4,550	—	115,767	—	115,767
Principal collection from investments <sup>(1)</sup>	171	3,805	266	313	3,758
Proceeds from sales of investments and securitization assets	7,020	—	—	—	—
Principal payments on non-recourse debt	(30,581)	(21,606)	(72,302)	(14,714)	(79,194)
Adjusted cash flow from operations plus other portfolio collections	287,130	265,908	740,215	233,055	773,068
Less: Dividends	(132,198)	(159,786)	(142,178)	(115,087)	(186,877)
<b>Cash Available for Reinvestment</b>	<b>\$ 154,932</b>	<b>\$ 106,122</b>	<b>\$ 598,037</b>	<b>\$ 117,968</b>	<b>\$ 586,191</b>

(1) Included in Other in the cash provided (used in) investing activities section of our statement of cash flows.

# Reconciliation of GAAP Net Income to Adjusted Earnings

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024		2023		2024		2023	
	\$	Per Share	\$	Per Share	\$	Per Share	\$	Per Share
<i>(dollars in thousands, except per share amounts)</i>								
Net income (loss) attributable to controlling stockholders <sup>(1)</sup>	\$ (19,616)	\$ (0.17)	\$ 21,446	\$ 0.20	\$ 129,949	\$ 1.09	\$ 59,075	\$ 0.59
Adjustments:								
Reverse GAAP (income) loss from equity method investments	23,405		(2,759)		(162,019)		(27,429)	
Equity method investments earnings adjustment <sup>(2)</sup>	59,436		41,034		174,189		113,453	
Elimination of proportionate share of fees earned from co-investment structures <sup>(3)</sup>	(236)		—		(347)		—	
Equity-based expenses	4,118		3,499		21,459		16,372	
Provision for loss on receivables <sup>(4)</sup>	1,233		9,792		(944)		12,481	
Amortization of intangibles	3		716		177		2,260	
Non-cash provision (benefit) for income	(7,112)		(5,128)		49,429		(5,299)	
Current year earnings attributable to non-controlling interest	440		201		2,367		692	
Adjusted earnings	<u>\$ 62,624</u>	<u>\$ 0.52</u>	<u>\$ 68,801</u>	<u>\$ 0.62</u>	<u>\$ 215,213</u>	<u>\$ 1.83</u>	<u>\$ 171,605</u>	<u>\$ 1.70</u>
Shares for adjusted earnings per share <sup>(5)</sup>	119,799,985		110,290,640		117,568,734		101,046,485	

(1) The per share data reflects the GAAP diluted earnings per share and is the most comparable GAAP measure to our adjusted earnings per share.

(2) This is a non-GAAP adjustment to reflect the return on capital of our equity method investments as described above.

(3) This adjustment is to eliminate the intercompany portion of fees received from co-investment structures that for GAAP net income is included in the Equity method income line item. Since we remove GAAP Equity method income for purposes of our Adjusted Earnings metric, we add back the elimination through this adjustment.

(4) In addition to these provisions, in the nine months ended September 30, 2024, we concluded that an equity method investment, along with certain loans we had made to this investee, were not recoverable. The equity method investment and loans had a carrying value of \$0 due to the losses already recognized through GAAP income from equity method investments as a result of operating losses sustained by the investee. We have excluded this write-off from Adjusted earnings, as this investment was an investment in a corporate entity which is not a part of our current investment strategy and is immaterial to our Portfolio. The loss associated with this investment is included in our Average Annual Realized Loss on Managed Assets metric disclosed below.

(5) Shares used to calculate adjusted earnings per share represents the weighted average number of shares outstanding including our issued unrestricted common shares, restricted stock awards, restricted stock units, long-term incentive plan units, and the non-controlling interest in our Operating Partnership. We include any potential common stock issuances related to share based compensation units in the amount we believe is reasonably certain to vest. As it relates to Convertible Notes, we will assess the market characteristics around the instrument to determine if it is more akin to debt or equity based on the value of the underlying shares compared to the conversion price. If the instrument is more debt-like then we will include any related interest expense and exclude the underlying shares issuable upon conversion of the instrument. If the instrument is more equity-like and is more dilutive when treated as equity then we will exclude any related interest expense and include the weighted average shares underlying the instrument. We will consider the impact of any capped calls in assessing whether an instrument is equity-like or debt like.

# Reconciliation of GAAP-based NII to Adjusted NII

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	<i>(in thousands)</i>			
Interest income	\$ 64,068	\$ 54,295	\$ 195,539	\$ 145,624
Rental income	83	6,039	2,012	19,013
GAAP-based investment revenue	64,151	60,334	197,551	164,637
Interest expense	59,401	43,295	180,804	120,413
GAAP-based net investment income	4,750	17,039	16,747	44,224
Equity method earnings adjustment	59,436	41,034	174,189	113,453
Loss (gain) on debt modification or extinguishment	953	—	953	—
Amortization of real estate intangibles	3	716	177	2,260
Adjusted net investment income	<u>\$ 65,142</u>	<u>\$ 58,789</u>	<u>\$ 192,066</u>	<u>\$ 159,937</u>

# Additional GAAP to Non-GAAP Reconciliations

	As of	
	September 30, 2024	December 31, 2023
	<i>(in millions)</i>	
Equity method investments	\$ 3,353	\$ 2,966
Receivables, net of allowance	2,900	3,074
Receivables held-for sale	22	35
Real estate	3	111
Investments	18	7
GAAP-based Portfolio	6,296	6,193
Assets held in securitization trusts	6,747	6,060
Assets held in co-investment structures	74	\$ —
<b>Managed Assets</b>	<b>\$ 13,117</b>	<b>\$ 12,253</b>

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