THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should consult your accountant, legal or professional adviser, financial adviser or a person authorised for the purposes of the Financial Services and Markets Act 2000, as amended ("FSMA") who specialises in advising on the acquisition of shares and other securities.

This document comprises a supplementary prospectus (the "**Supplementary Prospectus**") relating to Aquila European Renewables Income Fund PLC (the "**Company**") prepared in accordance with the Prospectus Regulation Rules (the "**Prospectus Regulation Rules**") of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA. A copy of this document has been filed with, and approved by, the FCA pursuant to section 87A of FSMA and will be made available to the public in accordance with Article 21 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**").

This document has been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

This document is supplemental to, and should be read in conjunction with, the prospectus published by the Company on 17 September 2020 (the "**Prospectus**") in connection with the issue of Ordinary Shares pursuant to the Issue and the Placing Programme. The attention of potential investors in the Company is drawn to the Risk Factors set out on pages 11 to 27 of the Prospectus.

Words or expressions defined in the Prospectus have the same meaning when used in this document unless the context requires otherwise.

The Company and each of the Directors, whose names appear on page 35 of the Prospectus, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Supplementary Prospectus is in accordance with the facts and this Supplementary Prospectus makes no omission likely to affect its import.

Aquila European Renewables Income Fund PLC

(incorporated in England and Wales with company number 11932433

and registered as an investment company under section 833 of the Companies Act 2006)

Supplementary Prospectus

This Supplementary Prospectus includes particulars given in compliance with the Listing Rules and Prospectus Rules of the FCA for the purpose of giving information with regard to the Company. The information contained in this Supplementary Prospectus should be read in the context of, and together with, the information contained in the Prospectus.

This Supplementary Prospectus does not contain or constitute an offer to sell or to issue any Ordinary Shares or the solicitation of **an offer to buy or subscribe for Ordinary Shares.**

Numis Securities Limited ("**Numis**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no-one else in connection with the Issue or the Placing Programme or in relation to the matters referred to in the Prospectus and will not regard any other person (whether or not a recipient of this document) as its client in relation to the Issue or the Placing Programme and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Issue or the Placing Programme, the contents of this document or any transaction or arrangement referred to in the Prospectus.

Kempen & Co, which is authorised and regulated in the Netherlands by the Dutch Authority for Financial Markets and the Dutch Central Bank, is acting exclusively for the Company and no-one else in connection with the Placing and the Placing Programme or in relation to the matters referred to in the Prospectus, will not regard any other person (whether or not a recipient of this document) as its client in relation to the Placing or the Placing Programme and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the

Placing or the Placing Programme, the contents of this document or any transaction or arrangement referred to in the Prospectus. Kempen & Co is not acting for or providing services to the Company or any other person in respect of the Offer for Subscription and will not be responsible to any person in respect of any claim or any other matter arising from the Offer for Subscription.

This document is dated 31 March 2021.

EVENTS ARISING SINCE PUBLICATION OF THE PROSPECTUS

This Supplementary Prospectus is being published in relation to the Placing Programme. This Supplementary Prospectus is a regulatory requirement under Article 23 of Regulation (EU) 2017/1129 and amendments thereto as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, and is being published to ensure compliance with Regulation (EU) 2019/2088 of the European Parliament of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector. This Supplementary Prospectus has been approved for publication by the FCA.

1. IMPORTANT INFORMATION

1.1 ***The information in this paragraph 1.1 supplements the information in the "Important Information" section of the Prospectus, as if it were a new paragraph inserted above the paragraph entitled "Data Protection: Personal Data Collection Note" on page 29 of the Prospectus.***

This Prospectus contains the information required to be disclosed under Article 6 and Article 8 of Regulation (EU) 2019/2088 of the European Parliament of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector (SFDR) as at 31 March 2021.

The exact technical requirements of SFDR are still being clarified at this stage and market participants are awaiting the publication of the Level 2 Regulation and additional delegated acts which will set out the rules for full compliance with SFDR. Also, the Taxonomy Regulation is not yet applicable and the publication of its delegated act supplementing the technical assessment criteria is pending.

The attention of Shareholders is drawn to the fact that, following the adoption of the Level 2 Regulation and the relevant delegated acts, the Prospectus may need to be amended in order to comply with the above requirements.

2. PART IV - THE COMPANY

2.1 ***The information in this paragraph 2.1 supplements the information in Part IV of the Prospectus (The Company), as if it were a new paragraph inserted above the paragraph entitled "Asset Management" on page 63 of the Prospectus.***

The integration of Sustainability Risks

Introduction

The AIFM and the Company are subject to disclosure obligations under SFDR.

As a result of these obligations, the AIFM is required to make certain disclosures in respect of its own approach to the integration of Sustainability Risks as well as specific disclosures on the likely impacts of Sustainability Risks on the returns of the Company.

The Company promotes environmental or sustainable characteristics and is considered by the AIFM and the Investment Adviser to fall within the scope of Article 8 of SFDR.

The information set out below reflects the requirements of Article 6 of SFDR and will be updated from time to time. Detailed sustainability disclosures as required by Article 8 of SFDR are set out in Annex 1 of this Prospectus.

AIFM disclosure

The AIFM is required, under Article 6 of SFDR, to describe the manner in which Sustainability Risks are integrated into its decision making process. As the AIFM relies on the recommendations of the Investment Adviser on the day to day operation of the investments of the Company, the AIFM has accepted the Investment Adviser's own Sustainability Risk policy in respect of the

Company (the "**ESG Policy**"). However, the AIFM remains responsible for making the final recommendation to the Board in respect of the investments for the Company, as is further described in this Prospectus, and may choose not to follow the Investment Adviser's recommendations.

How the Investment Adviser integrates Sustainability Risks

This disclosure is not intended to reflect a material risk relevant to the Company but is a required disclosure under SFDR, using the term "Sustainability Risk" as defined under the SFDR, to explain how the AIFM and in turn the Investment Adviser generally approach the identification and integration of Sustainability Risks in the way they manage assets.

The Investment Adviser believes in the importance of taking a responsible approach to investment and that incorporating Sustainability Risks into the investment decision making process is integral to understanding the true value of an investment. The Investment Adviser believes that this will lead to better long-term investment outcomes for the assets on which it advises.

Sustainability Risks are integrated by the Investment Adviser throughout the various phases of the investment process on an ongoing basis. This involves the identification, monitoring and management of Sustainability Risks throughout the lifecycle of investments.

In accordance with the Investment Adviser's ESG Policy, the first step of the Investment Adviser's process is to carry out due diligence on the Sustainability Risks of any potential investment.

The aim of the due diligence is to identify any Sustainability Risks of proposed investment, which are recorded in a standardised form, to be subsequently taken into account in the investment decision-making process.

Depending on the underlying asset class, different risks are measured and documented on a qualitative and/or quantitative basis. If necessary, additional due diligence may also take place in order to consider specific identified risks.

The results of the due diligence are then taken into account as part of the overall investment proposal. As such, the result of the due diligence may have a significant impact on the recommendations submitted to the Board and may lead to a decision not to make a particular investment.

After an investment has been successfully made and forms part of the portfolio ongoing monitoring is carried out both at portfolio and asset level by the responsible risk management functions. The aim of ongoing monitoring is to minimise Sustainability Risks over the entire term of the investment.

Likely impacts of Sustainability Risks on the Company

This disclosure is required under SFDR, using the term "Sustainability Risk" as defined under the SFDR, to explain the AIFM's and the Investment Adviser's assessment of the impact of Sustainability Risks on the outcomes of the Company. This is a disclosure required for all financial products subject to SFDR and is not intended to represent a material risk factor in relation to the Company.

The Investment Adviser believes that integrating Sustainability Risks into the investment decision-making process is key to understanding the true value of investments and is a key factor in mitigating negative financial impacts on the Company.

However, there is no guarantee that integrating Sustainability Risks into the decision-making process will, of itself, ensure better returns over the long-term. There are many Sustainability Risks that can arise in relation to the types of investments the Company makes, including certain climate risks, energy risks and social risk that it may be difficult to identify, measure and mitigate over the course of the investment. In addition, the Sustainability Risks, and the impact of these, may change over time.

The Investment Adviser and the AIFM consider, following their assessment of the likely impacts of Sustainability Risks, that as a result of the assets in which the Company invests Sustainability Risks may have a material impact on the returns of Company. Although there will remain a level of uncertainty on the impact of Sustainability Risks, as is the case with any applicable risks, Sustainability Risks and Sustainability Factors are taken into account not only through their integration in the investment process, but as a fundamental aspect of the strategy of the Company. As such, the AIFM and the Investment Adviser consider that the Company may not be as exposed to Sustainability Risks as it could be if these processes were not followed.

3. DEFINITIONS

3.1 ***The information in this paragraph 3.1 supplements the information in the (Definitions) section of the Prospectus, as if it were a new definition inserted above the definition of "Listing Rules" on page 139 of the Prospectus.***

Level 2 Regulation	means the current draft of Commission Delegated Regulation (EU) [No …/..] of [XXX] supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector with regard to regulatory technical standards specifying the content, methodologies and presentation of information in relation to sustainability indicators and the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, websites and periodic reports

3.2 ***The information in this paragraph 3.2 supplements the information in the (Definitions) section of the Prospectus, as if it were a new definition inserted above the definition of "Shares" on page 141 of the Prospectus.***

SFDR	means Regulation (EU) 2019/2088 of the European Parliament of the Council of 27 November 2019 on sustainability-related disclosure requirements in the financial services sector

3.3 ***The information in this paragraph 3.3 supplements the information in the (Definitions) section of the Prospectus, as if it were a new definition inserted above the definition of "Svindbaek I & II" on page 141 of the Prospectus.***

Sustainability Factor	means, within the scope of Article 2(24) of the SFDR, environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters
Sustainability Risk	means, within the scope of Article 2(22) of the SFDR, an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment
Sustainable Investment	means, within the scope of Article 2(17) of the SFDR, an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance

3.4 ***The information in this paragraph 3.4 supplements the information in the (Definitions) section of the Prospectus, as if it were a new definition inserted above the definition of "TCM" on page 141 of the Prospectus.***

Taxonomy Regulation	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088

4. ANNEX 1 – SFDR DISCLOSURES REQUIRED FOR ARTICLE 8 PRODUCTS

4.1 ***The information in this paragraph 4.1 supplements the information in the Prospectus as if it were a new annexure inserted on a new page after page 151 of the Prospectus.***

Annex 1 – SFDR disclosures required for Article 8 products

Introduction

The Company intends to invest at least partially in Sustainable Investments. The Company promotes environmental or social characteristics but does not have Sustainable Investment as its objective.

The Company has not designated a benchmark for the purpose of attaining the environmental or social characteristics promoted by the Company.

What environmental and/or social characteristics are promoted by this financial product?

The environmental characteristics promoted by the Company are focussed on renewable energy. The Company invests in assets the Investment Adviser has identified as renewable energy infrastructure investments. Renewable energy infrastructure investments are defined for the purposes of the Company as:

(i) wind, photovoltaic and hydropower plants that generate electricity through the transformation of the energy of the wind, the sunlight and running water as naturally replenished resources, and/or any portfolio thereof; and

(ii) non-generation renewable energy related infrastructure associated with the storage (such as batteries) and transmission (such as distribution grids and transmission lines) of renewable energy, in each case either already operating or in construction/development.

There are significant number of sustainability indicators which may be used in respect of any particular investment and full details of the measures the Investment Adviser may use are set out in the ESG Policy.

For the Company, the Investment Adviser will, as relevant for each investment, consider the following indicators to measure the attainment of each of the environmental characteristics promoted by the financial product:

(i) Greenhouse gas emissions reduced and/or avoided; and

(ii) Total energy production from renewable and non-renewable sources.

What investment strategy does this financial product follow?

The investment strategy used to attain the environmental or social characteristics promoted by the Company is detailed in the Company's Investment Policy and further explained in detail in the "What environmental and/or social characteristics are promoted by the financial product?" section above.

The Company will invest predominantly in operating renewable energy assets which are expected to generate renewable energy output for at least 25 years from their relevant commercial operation date.

All elements of the strategy to invest in renewable energy assets are binding on the Company, as these are set out in the Investment Policy of the Company. After an investment has been successfully made, or with regard to the existing portfolio, ongoing monitoring is carried out both at portfolio level and at asset level by the responsible risk management functions. The aim of ongoing monitoring is to identify, monitor and minimise Sustainability Risks over the entire term of the investment.

The Investment Adviser has a structured screening, due diligence and investment process. This process is designed to ensure that investments are reviewed and compared on a consistent basis. Execution of this process is facilitated by the team's deep experience in energy infrastructure investing.

The Investment Adviser puts an emphasis on the demonstration of strong governance during the due diligence process. In doing so, the respective regional specifics of the assets are taken into account.

Additional information on how the Investment Adviser integrates sustainability into its investment process to ensure that it is applied on a continuous basis, and in particular its approach to due diligence and ongoing monitoring of investments, can be found at www.aquila-capital.com.

What is the asset allocation planned for this financial product?

As explained in the Investment Policy of the Company, the Company invests predominantly in a diversified portfolio of renewable energy infrastructure assets, encompassing a wide range of environmental standards, and including a mix of wind, solar and hydro technologies.

Investments will be made through one or more SPVs and the Company may use a range of investment instruments in the pursuit of its investment objective, including but not limited to equity, mezzanine or debt investments.

The Company's portfolio will comprise no fewer than six renewable energy infrastructure investments. The Company may also invest in a limited number of assets in construction/ development.

As a result of the focus of the Company on renewable energy investments, it will hold Sustainable Investments. These investments, the proportion of these investments and, as such, the description of how these investments contribute to a Sustainable Investment objective, will change over time. These investments contribute to Sustainable Investment by focussing on renewable energy and in particular assets which are expected to generate renewable energy output for at least 25 years from their relevant commercial operation date.

All assets are assessed with regard to their sustainability as part of the due diligence process to ensure that, while promoting Sustainable Investment in the area of renewable energy, the principle of "do no significant harm" is taken into account. The investment decision is always based on the inclusion of sustainability criteria. If it becomes apparent that an investment under consideration could cause significant harm to the Sustainable Investment objectives or there is no clear means to mitigate and improve the sustainability characteristics of an investment, the Company may not commit to that investment.

To the extent that the Company is not fully invested in renewable energy infrastructure assets, it may hold cash for liquidity purposes and not for the attainment of the environmental characteristics of the Company. Minimum ESG safeguards will be applied by ensuring that cash is held across various well rated institutions.

In addition, the Company does not intend to use hedging or derivatives for investment purposes but may from time to time use derivative financial instruments such as futures, options, futures contracts and swaps (collectively "**Derivatives**") to protect the Company from fluctuations of interest rates or electricity prices. The Derivatives will not be used as a means to promote the environmental characteristics of the Company, but the Company does consider minimum ESG safeguards, including that the Derivatives must be traded on a regulated market or by private agreement (OTC) entered into with first class financial institutions or reputable entities specialised in this type of transactions.

Does this financial product take into account principal adverse impacts on Sustainability Factors?

As part of its overall approach to the integration of Sustainability Risks into the decision-making process and management of the Company in its promotion of environmental characteristics, the Investment Adviser identifies and considers the principal adverse impacts on Sustainability Factors.

Further detail on the way in which the Investment Adviser considers such principal adverse impacts will be disclosed in alignment with the requirements of SFDR. In particular, the Investment Adviser shall produce a statement on due diligence policies with respect to principal adverse impacts of investment decisions on Sustainability Factors including:

(i) information on policies on the identification and prioritisation of principal adverse sustainability impacts and indicators;

(ii) a description of the principal adverse sustainability impacts and of the actions taken and, where relevant, planned;

(iii) brief summaries of engagement policies; and

(iv) reference to the adherence to responsible business conduct codes and internationally recognised standards for due diligence and reporting and, where relevant, the degree of alignment with the long-term global warming targets of the Paris Climate Agreement.

These will be provided during the course of 2021 and disclosures will be updated as relevant.

Can I find more product specific information online?

More product-specific information can be found on the Company's website at www.aquila-european-renewables-income-fund.com and on the AIFM's website at www.intfundmanagement.com/.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Currently (as of 31 March 2021), no index is designated as a benchmark for determining the sustainability of the Company.

5. AVAILABILITY OF THIS SUPPLEMENTARY PROSPECTUS AND PROSPECTUS

Copies of this Supplementary Prospectus will be made available free of charge from the National Storage Mechanism (www.morningstar.co.uk/uk/NSM) and, until 16 September 2021, at the registered office of the Company, 1st Floor Senator House, 85 Queen Victoria Street, London, EC4V 4AB. The Supplementary Prospectus will also be added to the Company's website, which is located at www.aquila-european-renewables-income-fund.com.

6. GENERAL

To the extent that there is any inconsistency between any statement in this Supplementary Prospectus and any other statement in the Prospectus, the statements in this Supplementary Prospectus will prevail.

7. SIGNIFICANT CHANGES

Save as disclosed in this Supplementary Prospectus, no significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus has arisen or been noted since the publication of the Prospectus.