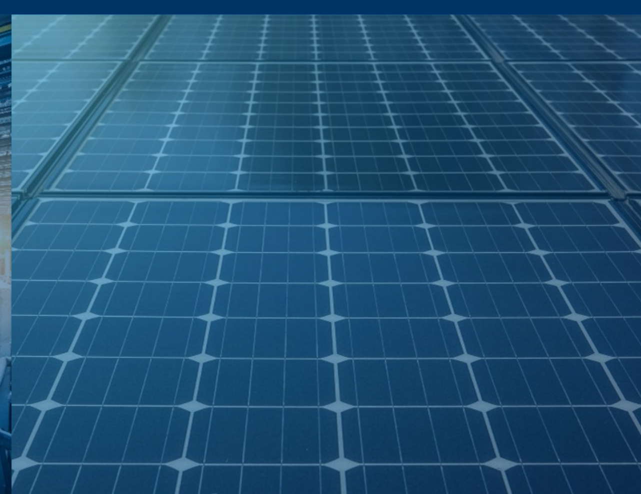
HANNON ARMSTRONG

INVESTING IN CLIMATE SOLUTIONS®

CORPORATE PROFILE

March 2022


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 for the year ended December 31, 2021 (the “Form 10-K”), which will be filed 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 ongoing impact of the current outbreak of the novel coronavirus ("COVID-19"), on the U.S., regional and global economies, the U.S. climate solutions market and the broader financial markets. The current outbreak of COVID-19 has also impacted, and is likely to continue to impact, directly or indirectly, many of the other important factors below and the risks described in the Form 10-K and in our subsequent filings under the Exchange Act. 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. In particular, it is difficult to fully assess the impact of COVID-19 at this time due to, among other factors, uncertainty regarding new virus variants and uncertainty regarding whether "herd immunity" can be achieved through vaccination campaigns.

Forward-looking statements are based on beliefs, assumptions and expectations as of December 31, 2021. This guidance 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 securitization 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) the ongoing impact of the current outbreak of COVID-19 and (vii) the general interest rate and market environment. All guidance is based on current expectations of the future impact of COVID-19 and the 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 slide of this presentation. We disclaim any obligation to publicly release the results of any revisions to these forward-looking statements reflecting 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”). Reconciliations of those non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix herein.

Estimated carbon 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 CO_2 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.

WHO WE ARE

HASI
LISTED
NYSE

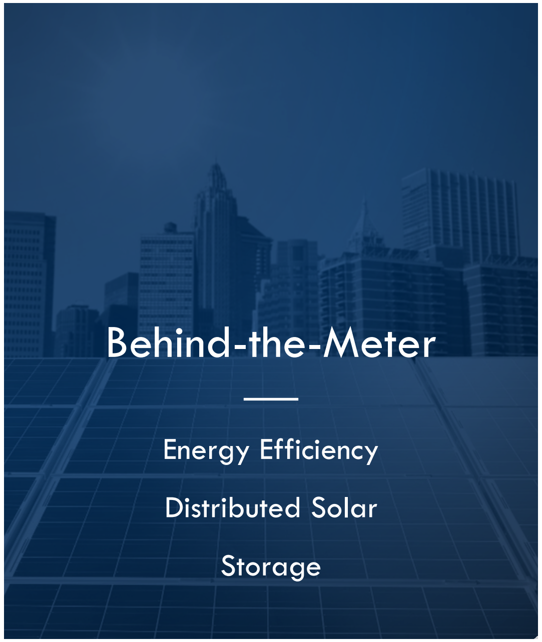
First U.S. public company solely dedicated to investments in climate solutions

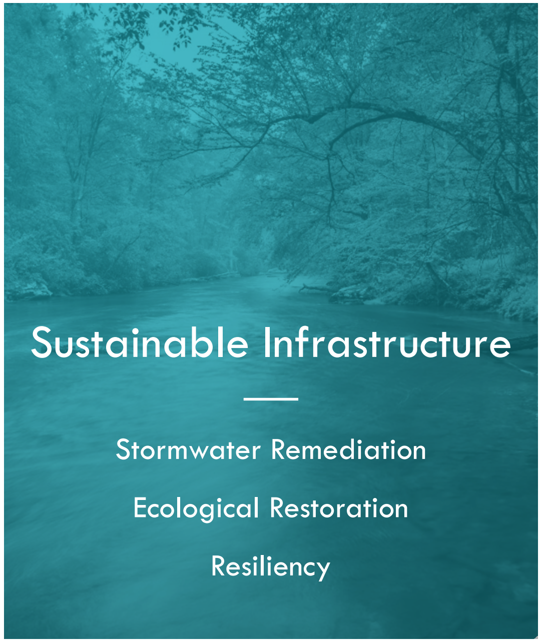
Climate Positive Investor

>$8 Billion
Managed Assets

26%
Annual Total Return[1]

Markets & Asset Classes





1) Annual average total shareholder return over five years (as of 12/31/21)

OUR VISION, PURPOSE, AND VALUES

Our Vision

Every investment improves our climate future

Our Purpose

Make climate-positive investments with superior risk-adjusted returns

Our Values

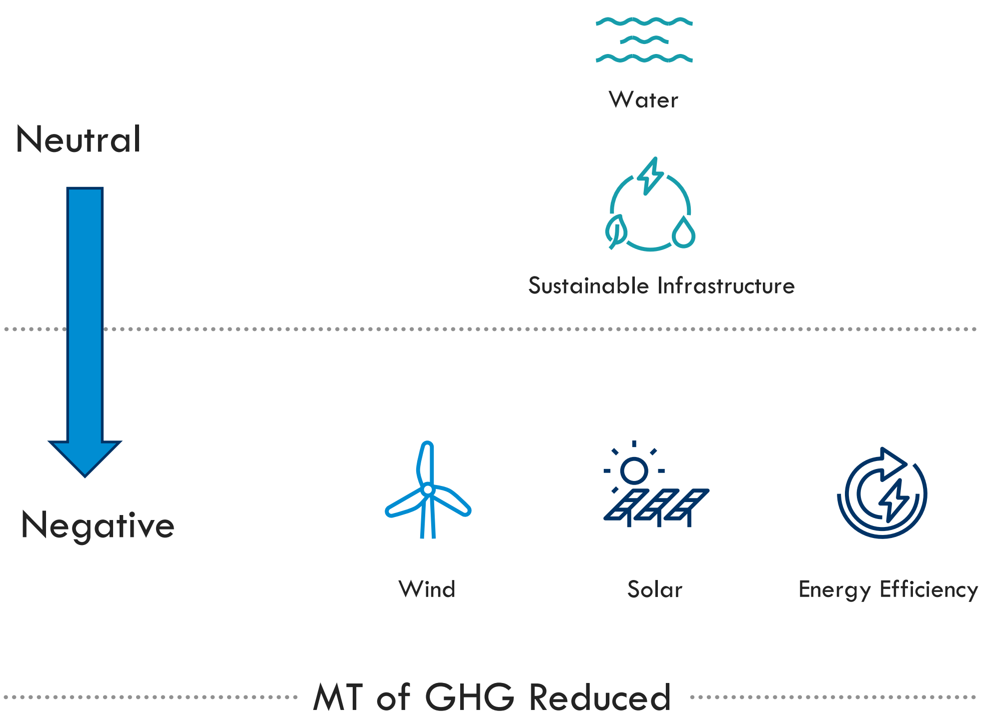
1 | Solve client problems

2 | Embrace collaboration

3 | Ask good questions

OUR INVESTMENT THESIS

We will earn superior risk-adjusted returns by investing on the right side of the climate change line



Supporting Pillars

- Smaller increments of capital expenditure create a more diversified portfolio
- More efficient technologies waste less and thus enable higher economic returns (2nd Law of Thermodynamics)
- Internalized externalities and an embedded option on carbon pricing reduce social costs and friction

PROGRAMMATIC INVESTMENT PLATFORM

Clients include >40 leading clean energy and infrastructure companies

Behind-the-Meter
>20 clients

Grid-Connected
>15 clients

Sustainable Infrastructure
>5 clients

$1.8b
Annual Programmatic Investment Platform[1]

Typical Asset Capital Stack Position

- Tax Equity (if applicable)
- Senior Debt
- Subordinated Debt
- Structured Equity
- Common Equity

Our programmatic client relationships drive execution efficiency for asset-level investments and pipeline growth

1) Annual average of volume from 2020 through 2021

BUSINESS MODEL

Dual income streams:

Investment Income

- On Balance Sheet
- Predictable
- Diversified
- Uncorrelated

Fee Income

- Securitizations
- Advisory
- Programmatic
- Deep investor base

Illustrative Summary[1]

	% of assets
Gross Asset Yield[2]	**7.5%**
- Interest Expense	(3.5%)
= Net Investment Margin	**4.0%**
+ Gain on Sale & Fees	1.5%
- SG&A	(1.5%)
= Illustrative ROA	**4.0%**
Assets/Equity	2.5x
Illustrative ROE	**10%**

Our dual revenue model is driven by relatively stable investment margins and robust gain on sale

1) This information is hypothetical and for illustrative purposes only and is not based on actual operations nor is it a prediction or projection of future results. The amounts are based on various assumptions and estimates based on the Company's model. Assumptions and estimates may prove to be inaccurate and actual results may prove materially different and will vary between periods based on market conditions and other factors. Investors should note that the illustrative model does not represent management's estimates or projections and should not be relied upon for any investment decision.
2) Gross Asset Yield represents assumed forward looking unlevered estimated return on assets (distributable) yield.

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COMPELLING VALUE PROPOSITION

Programmatic Growth

- Robust >$4b pipeline supported by deep relationships with leading clean energy and infrastructure companies

Diversified High-Quality Portfolio

- ~280 investments across ~10 asset classes

Durable Capital Structure

- Credit rating of BB+ underpinned by prudent 1.6x debt to equity ratio and 96% fixed debt

Industry-Leading ESG

- Leading investor in climate solutions with proprietary tools to evaluate portfolio carbon and water reduction impacts

Proven Track Record

- Outstanding credit history with de minimis <20 bps cumulative credit losses[3]
- Stable and growing dividend

Total Return[1]

	3yr	5yr	7yr
HASI	44%	26%	23%
S&P 500 ESG Index	27%	18%	14%
FTSE NAREIT Index	19%	11%	9%
YieldCo Index[2]	14%	11%	3%

Key Metrics[4]

5% - 8%
DPS
Compound Annual Growth Guidance

10% - 13%
Distributable EPS
Compound Annual Growth Guidance[5]

$8.8b
Managed Assets

1) As of 12/31/21
2) Global X Renewable Energy Producers ETF
3) Calculation represents credit losses as a percentage of cumulative originations, excluding equity method investments.
4) See Appendix for an explanation of Distributable Earnings and Managed Assets, including reconciliations to the relevant GAAP measures, where applicable.
5) Expectation from 2021 through 2024, relative to the 2020 baseline

INVESTMENT SPOTLIGHT: BTM PUBLIC PRIVATE PARTNERSHIP

Hawkeye Energy

- >$1b aggregate utility management concession
- Supports University of Iowa's sustainability goals, including obtaining coal-free energy production on or before 2025
- Two campuses spanning 1,700 acres – one of the largest university footprints in the U.S.

Key Investment Highlights	
HASI Investment Size	$115m
Structure	Preferred Equity
Market – Asset Class	BTM – Public Private Partnership (P3)
Term	50 years
Counterparty	University of Iowa (Aa1[1])
Clients	ENGIE North America, Meridiam
CarbonCount	0.0 (initially)

Strategic Benefits

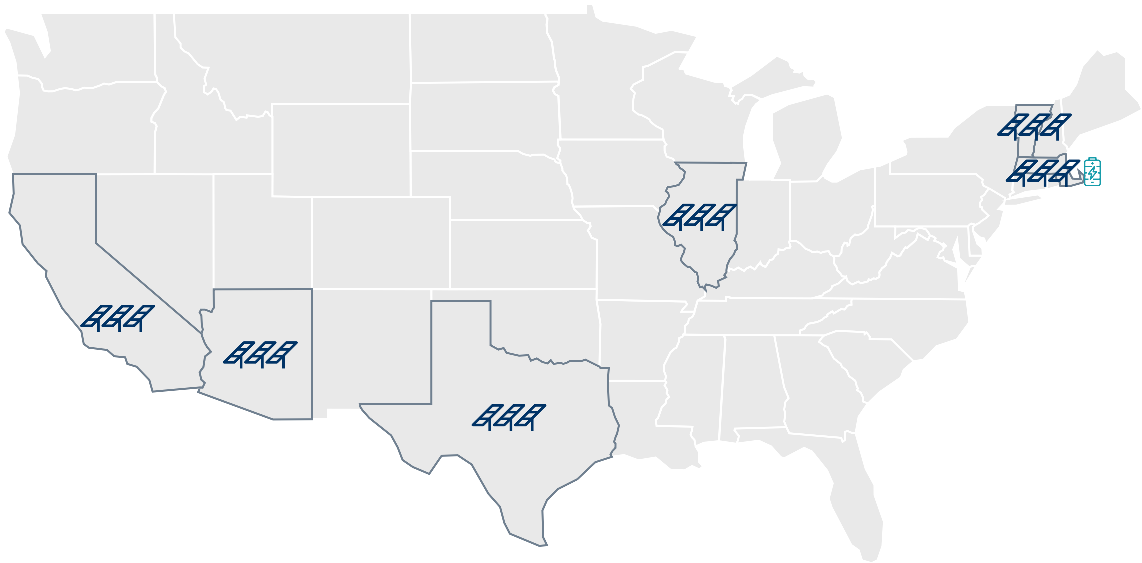
- Expected to generate attractive risk-adjusted returns
- Provides 50 years of contracted cash flows with an investment grade (IG) counterparty
- Further expansion into sizeable higher education P3 market
- Further diversifies and strengthens the credit quality of balance sheet portfolio
- Supports ESG objectives, including significant expected reductions in carbon emissions over the contract life

1) Moody's rating as of 3/31/20

INVESTMENT SPOTLIGHT: ENGIE BTM PORTFOLIO

Investment Overview

- $93m preferred equity investment with Morgan Stanley as tax equity and ENGIE as sponsor equity co-investors
- 70 MW community and C&I solar + 8 MW collocated storage projects located across multiple states
  - Contracted with highly creditworthy consumer, C&I, and co-operative offtakers
- O&M Provider: ENGIE
- CarbonCount®: 0.27



Strategic Highlights

- Unique structure leveraging tax equity financing to bring efficiency to a forward flow of projects
- Significantly grows community and C&I solar portfolios

Key Metrics

24 years	IG	0.27
WAVG Contract Life	WAVG Offtaker Credit Rating	CarbonCount®

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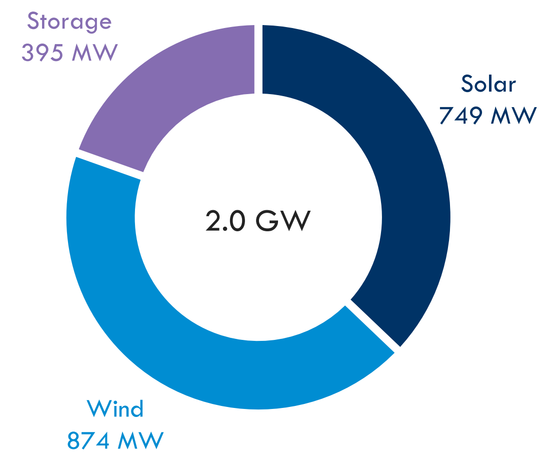
INVESTMENT SPOTLIGHT: CLEARWAY GC PORTFOLIO

Investment Overview

- $663m preferred equity investment with Clearway Energy, Inc. (CWEN) as equity co-investor
- 2.0 GW grid-connected wind, solar, and solar + storage projects
- ~90% of generation is contracted
  - Predominantly IG corporate, utility, university, and municipal offtakers (including Toyota, Cisco, Lowe's, AEP, and Brown University)
- O&M Provider: Clearway Energy Group
- CarbonCount®: 1.06

Portfolio Technology
(nameplate capacity)



Strategic Highlights

- First GC solar + storage investment
- Significantly grows portfolio and supports continued growth in recurring NII
- Continued programmatic deal flow with large, ambitious partner focused on U.S. market

Key Metrics

>14 years	IG	1.06
WAVG[1] Contract Life	WAVG Offtaker Credit Rating	CarbonCount®

1) Weighted average ("WAVG")

INVESTMENT SPOTLIGHT: RESIDENTIAL SOLAR

Sunrun Residential Solar Lease Portfolio

- Long-term, predominantly contracted cashflows with average seasoning of 3 years
- Strong counterparty credit and geographic diversity
- Significant average customer savings relative to baseline utility rates

Strategic Benefits

- Attractive risk-adjusted returns, supporting continued growth in recurring NII
- Sixth transaction with Sunrun/Vivint positions us well for more follow-on opportunities in residential solar market with storage, home EV charging, and efficiency add-ons

Key Investment Highlights	
HASI Investment	>$200m
Client	Sunrun
Structure	Mezzanine Loan
Asset	>30k resi solar systems (>200 MW)
Counterparty Credit	WAVG[1] FICO: "Very Good"
Contracted Cashflows	88% (20-25yr contracts)
Geographic Diversity	>20 states
CarbonCount	0.24

1) Weighted average ("WAVG")

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RECENT RESULTS

STRONG 2021 LEADS TO REVISED GUIDANCE

Key Performance Indicators		FY21	FY20	Growth (YOY)
EPS	GAAP	$1.51	$1.10	
	Distributable[1]	$1.88	$1.55	**+21%**
NII	GAAP-based	$11m	$29m	
	Distributable[1]	$134m	$88m	**+52%**
Portfolio Yield[1]		7.5%	7.6%	
Portfolio[2]		$3.6b	$2.9b	**+24%**
Managed Assets[1]		$8.8b	$7.2b	
Distributable ROE[3]		11.2%	10.7%	
Pipeline		**>$4b**	>$3b	
Transactions Closed		$1.7b	$1.9b	
CarbonCount®[4]		0.5	1.0	
Incremental Annual Reduction in Carbon Emissions		~817k MT	~2.0m MT	
WaterCount™[5]		140	303	
Incremental Annual Water Savings		~228 MG	~576MG	

Increased and Extended Guidance

- **Distributable EPS (2021 – 2024)[6]: 10% – 13% (CAGR)**
- **DPS: 5% – 8% (CAGR)**

Dividend Declaration

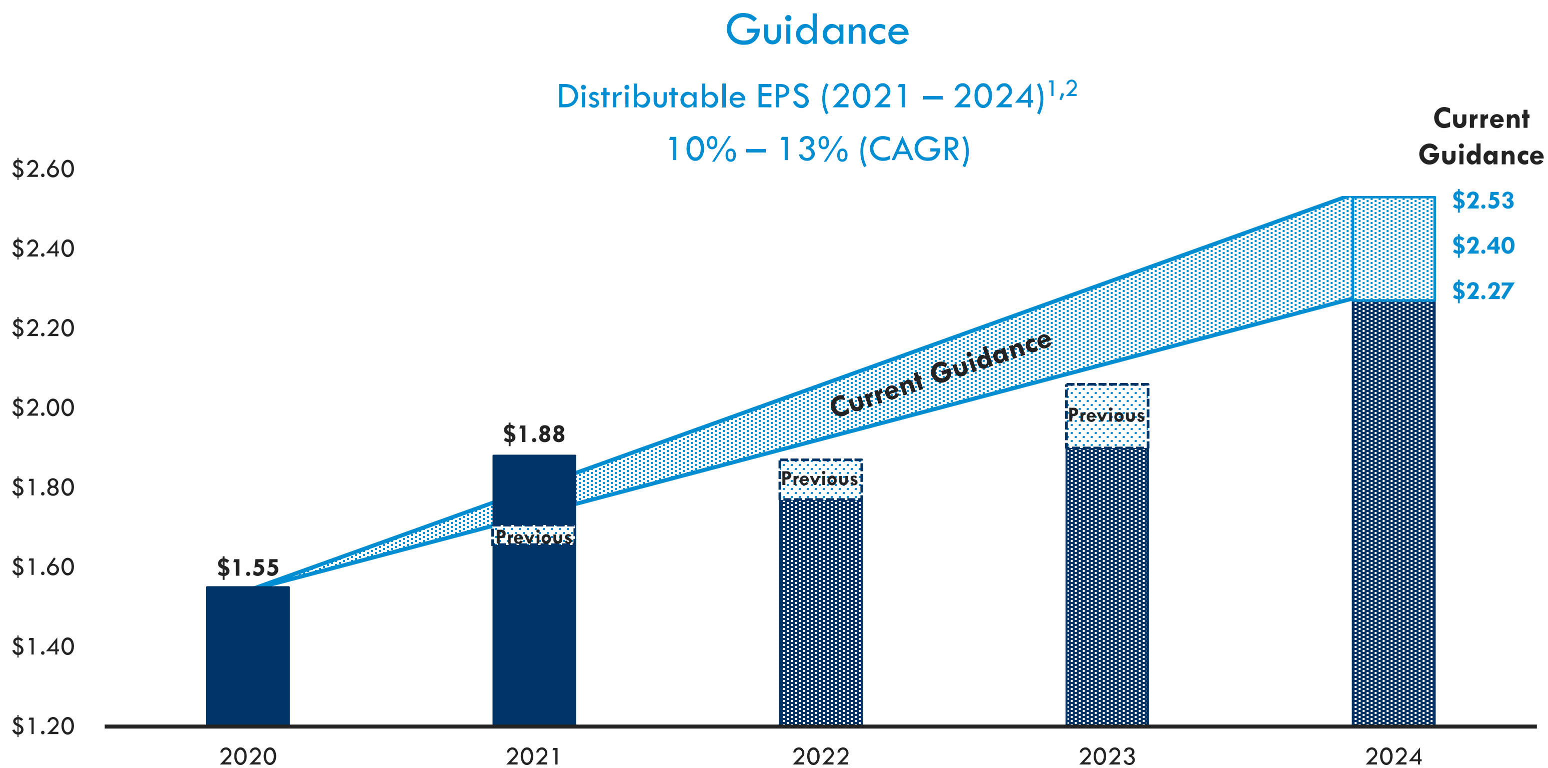
- **Increased Dividend 7% (QOQ) to $0.375**

CarbonCount Highlight

- 452 MW Grid-Connected solar project in TX
- New investment with Clearway beyond previously announced investments
- CarbonCount of 1.3 MT of GHG avoided/$1,000 invested
  - Largely offsets natural gas power generation in ERCOT

1) See Appendix for an explanation of Distributable Earnings, Distributable Net Investment Income, Portfolio Yield and Managed Assets, including reconciliations to the relevant GAAP measures, where applicable.
2) GAAP-based
3) Distributable ROE is calculated using Distributable Earnings for the period and the average of the quarterly ending equity balances for the period.
4) CarbonCount® is a scoring tool that evaluates investments in U.S.-based energy efficiency and renewable energy projects to estimate the expected CO_2 emission reduction per $1,000 of investment.
5) WaterCount™ is a scoring tool that evaluates investments in U.S.-based projects to estimate the expected water consumption reduction per $1,000 of investment.
6) Relative to 2020 baseline

INCREASE AND EXTENSION OF GUIDANCE



Expected Compounded Annual Growth
Distributable EPS (2021 – 2024)[2] : 10% – 13%
DPS: 5% – 8%

1) See appendix for an explanation of Distributable Earnings, including a reconciliation to the relevant GAAP measure.
2) Relative to the 2020 baseline

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INDUSTRY CHALLENGES AND IMPACTS

Industry Challenges	Industry Impacts	HASI Impacts
Higher Interest Rates and Inflation	• Clean energy industry preparing for higher interest rates and higher costs • PPA prices are rising to compensate • Natural gas and utility price increases would improve the economics of certain investments	• Existing portfolio largely unimpacted • New investments are made after economic terms are established so minimal impact on HASI returns
Supply Chain Disruptions	• Painful for many developers – disrupting schedules and increasing costs • Easing in some markets	• Transactions delayed 1-2 months on average
Failure of Build Back Better (BBB)	• BBB's failure was a disappointment but not essential to industry because wind, solar, and storage are already cost-competitive	• Long-term extension of tax credits and conversion to direct pay would provide strong tailwinds to already growing markets
CA NEM 3.0 Proposal	• Solar plus storage enjoys strong value proposition, particularly with rising utility rates	• Seniority of existing portfolio minimizes impact

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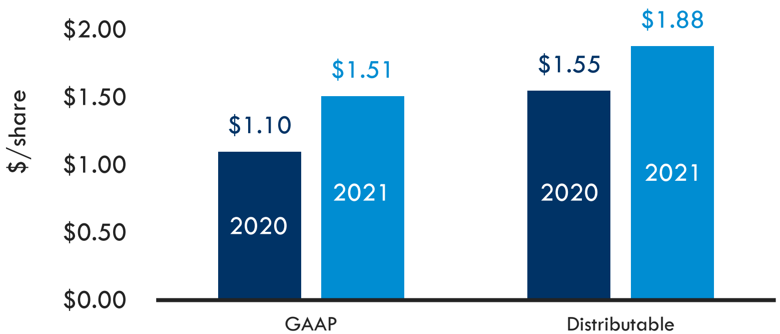
FINANCIAL RESULTS

GAAP and Distributable EPS[1]

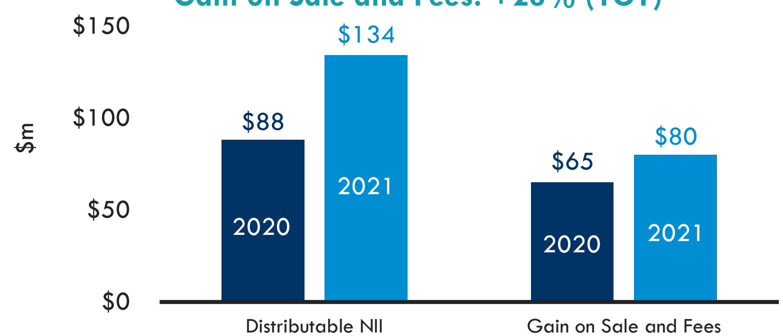
Distributable EPS: +21% (YOY)



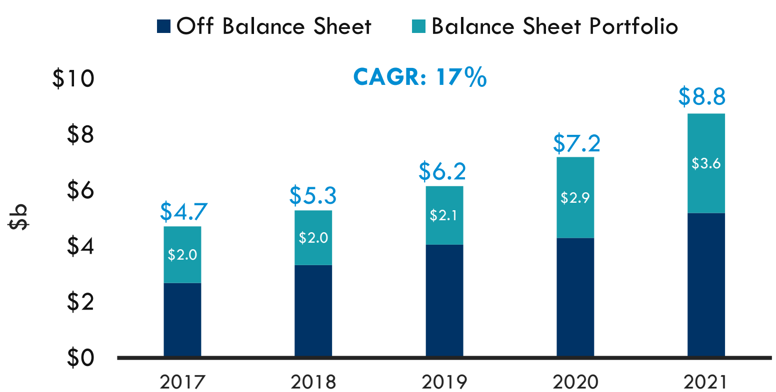
NII[1] and Gain on Sale and Fees

Distributable NII: +52% (YOY)

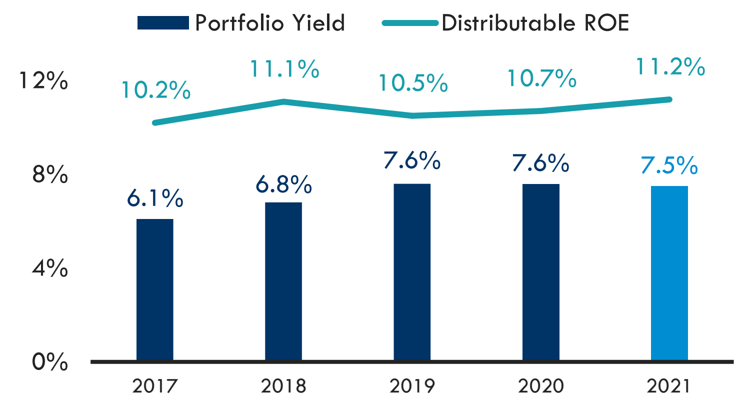
Gain on Sale and Fees: +23% (YOY)



Managed Assets[1]



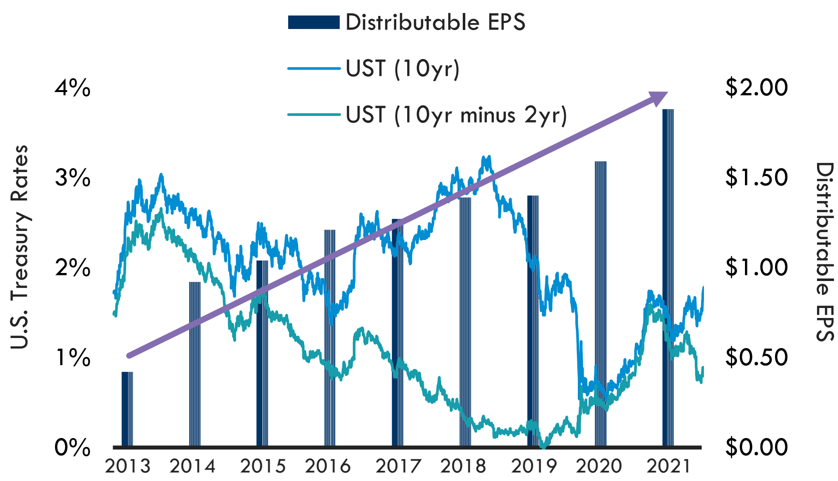
Portfolio Yield[1] and Distributable ROE[2]



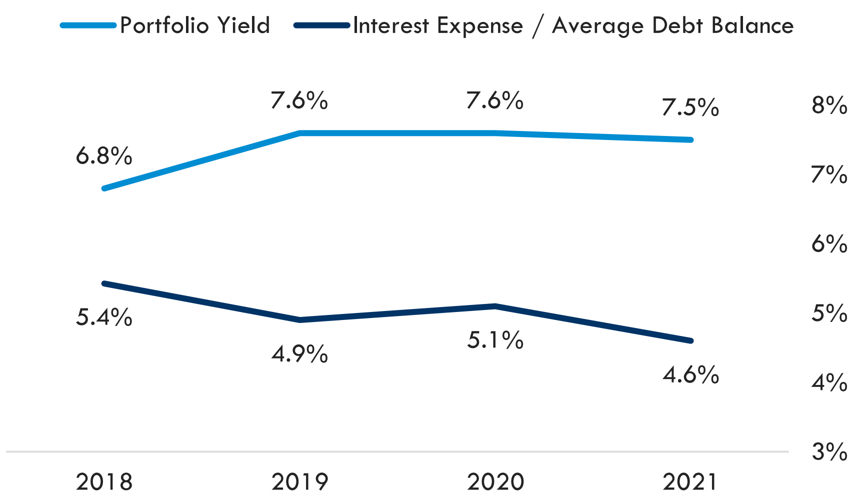
1) See Appendix for an explanation of Distributable Earnings, Distributable Net Investment Income, Managed Assets, and Portfolio Yield, including reconciliations to the relevant GAAP measures, where applicable.
2) Distributable ROE is calculated using Distributable Earnings for the period and the average of the quarterly ending equity balances.

MARGIN STABILITY FACILITATES CONSISTENT GROWTH

Interest Rates and Distributable EPS



Portfolio Yield[1] vs. Cost of Debt[2]



We have delivered consistent earnings growth in a variety of interest rate environments

1) See Appendix for an explanation of Portfolio Yield.
2) Excludes incremental interest expense related to debt prepayments

PROGRAMMATIC INVESTMENT PLATFORM

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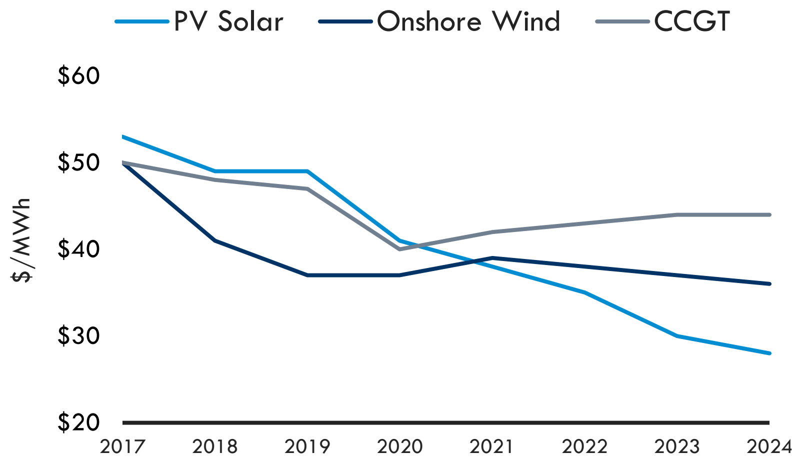
TOTAL ADDRESSABLE MARKET EXPANDS

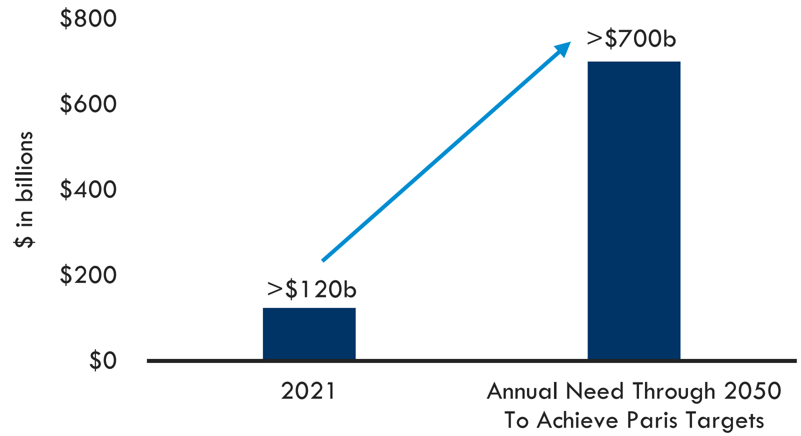
U.S. Government: Target to reduce emissions >50% by 2030[1]

Corporates: ~1000 with SBTi-approved Net Zero Targets[2]

Levelized Cost of Electricity[3]



Annual Investment
Energy Transition (North America)[4]



Driven primarily by cost declines and net zero targets, our total addressable market continues to grow

1) Relative to 2005 baseline
2) As of 12/31/2021
3) Bloomberg New Energy Finance (U.S. only)
4) Bloomberg New Energy Finance, Global Financial Markets Association, and Boston Consulting Group

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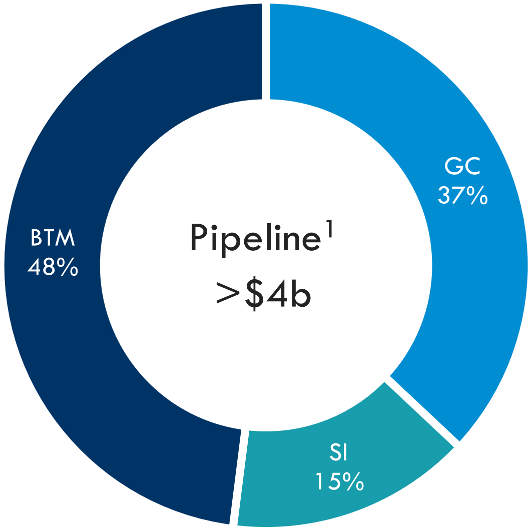
PIPELINE GROWS TO >$4B

Markets

Behind-the-Meter
- Weighted toward energy efficiency
- Solar and storage opportunities remain strong

Grid-Connected
- Weighted toward solar

Sustainable Infrastructure
- Increasingly driven by new asset classes

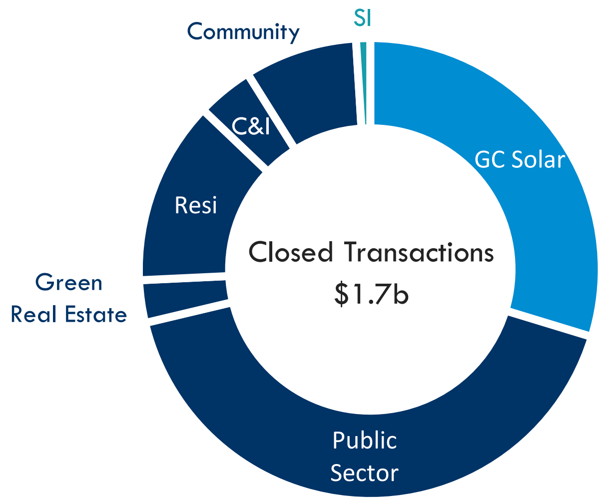


Growing pipeline driven by diverse set of >40 programmatic and prospective clients – many active in multiple asset classes

1) As of 12/31/21; reflects transactions that have the potential to close over the next 12 months

RECENT INVESTMENT ACTIVITY

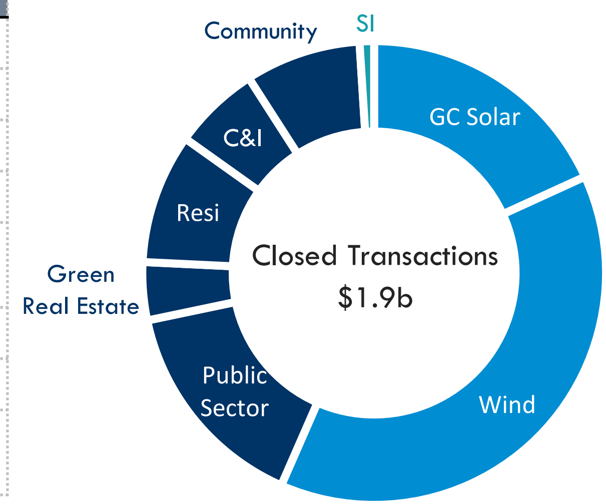
FY21



% of Closed Transactions

FY21	Asset Class	FY20
42%	Public Sector	15%
13%	Residential	9%
8%	Community	8%
4%	C&I	6%
3%	Green Real Estate	4%
30%	GC Solar	18%
--	Wind	38%
<1%	Sustainable Infrastructure	1%

FY20



The diversity of our investment platform allows us to pivot among asset classes and leads to consistent growth

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POWER OF PROGRAMMATIC RELATIONSHIPS

1
Sponsor

5
Distinct Transactions

>$800m
Committed Investment

2018

Initiate Client Partnership with ENGIE

- $50m investment in a C&I solar portfolio located across multiple states

2020 - 2021

Zippered relationship coupled with access to flexible capital enable the development of solutions embedded across client business units

- $115m structured equity investment in a P3[1] with the University of Iowa to operate and upgrade multiple campus utilities in support of university sustainability objectives
- $540m structured equity investment in a 2.3 GW portfolio of grid-connected wind and solar projects with high credit quality offtakers
- $93m structured equity investment in a 70 MW portfolio of community and C&I solar (including co-located storage) located across multiple states
- $13m securitized debt investment in a U.S. Veterans Administration energy efficiency project through the use of a Master Purchase Agreement

1) Public-private partnership

DIVERSIFIED HIGH-QUALITY PORTFOLIO

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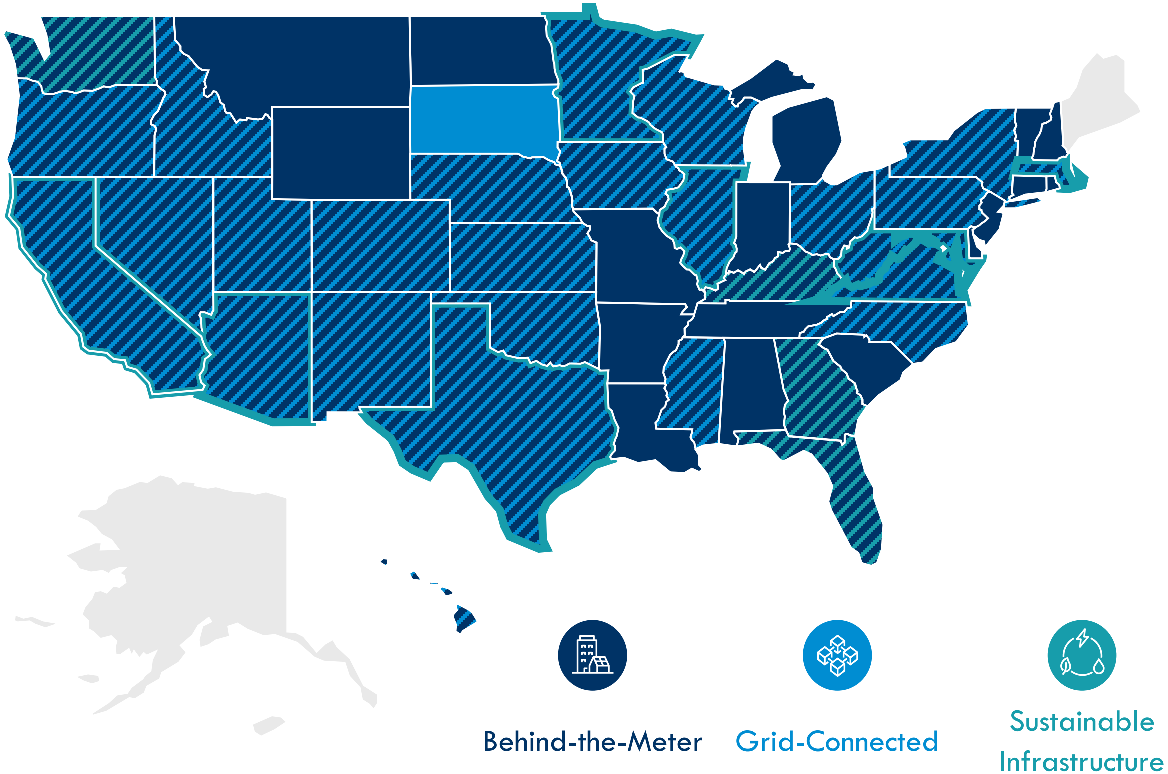
COMPELLING DIVERSITY

Our Managed Assets located across 48 U.S. states[1] support:

>290 Energy Efficiency Investments

>16 GW of Renewables

- 7.7 GW of Wind and Solar Land
- 4.1 GW of Wind
- 2.8 GW of Distributed Solar
- 1.6 GW of Grid-Connected Solar



With assets across the U.S., our Managed Assets benefit from significant technological, geographic, and resource diversity

1) States that feature multiple colors from the legend indicate Managed Assets from two or more markets.

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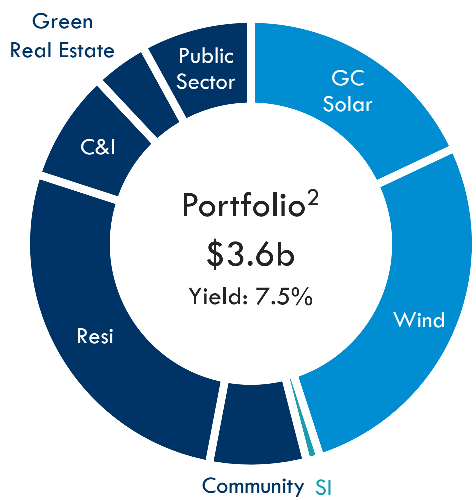
PORTFOLIO GROWS 24% AND CONTINUES TO PERFORM

Markets[1]

Behind-the-Meter
Yield: 7.8%

Grid-Connected
Yield: 7.1%

Sustainable Infrastructure[3]
Yield: 7.0%



	Portfolio (%)	Structural Seniority
Wind	27%	Preferred
Residential	27%	Preferred
GC Solar	18%	Super Senior or Preferred
Public Sector	8%	Senior
C&I	8%	Senior or Preferred
Community	7%	Preferred
Green Real Estate	4%	Super Senior or Subordinated Debt
Sustainable Infrastructure	1%	Senior

Diversified and Long-Dated Cashflows[2]

>280
Total Investments[4]

$12m
Average Investment[4]

17 yrs
WAVG Life

1) See Appendix for an explanation of Portfolio Yield.
2) GAAP-based Portfolio, as of 12/31/21; see Appendix for an explanation of Portfolio Yield.
3) Includes all other asset classes that are not specifically designated as BTM or GC
4) Individual investments with outstanding balances > $1m

RECENT AND EXPECTED PORTFOLIO GROWTH

Portfolio: +12% (QOQ)

Line Item	($m)[1]
Beginning Portfolio (9/30/2021)	$3,194
Funding of this quarter's investments	74
Funding of prior investments	341
Principal collections	(78)
Syndications and Securitizations[2]	0
Other	49
Ending Portfolio (12/31/21)	$3,580

Anticipated Funding Schedule

Period	Closed Transactions
FY22	>$400m
FY23	>$300m
Total	>$700m

Significant portfolio growth through 2023 driven by previously closed investments[3]

1) Subtotals may not sum due to rounding.
2) Includes only securitizations of assets on the balance sheet as of the end of the previous quarter (9/30/21)
3) Subject to completion milestones

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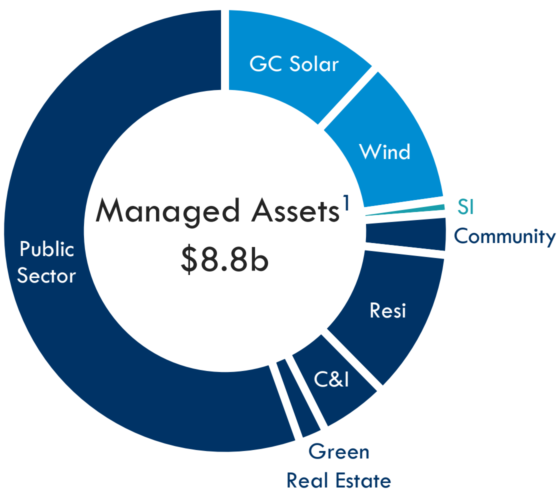
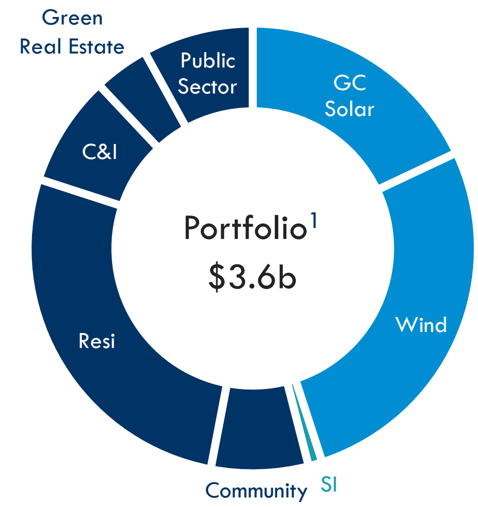
MANAGED ASSETS AND PORTFOLIO BREAKDOWN



Managed Assets (% of Total)	Asset Class	Portfolio (% of Total)
56%	Public Sector	8%
12%	GC Solar	18%
11%	Residential	27%
11%	Wind	27%
5%	C&I	8%
3%	Community	7%
2%	Green Real Estate[2]	4%
<1%	Sustainable Infrastructure[3]	1%



Managed Assets continue to be dominated by BTM Public Sector
Portfolio diversity remains strong

1) Balance Sheet Portfolio is a subset of Managed Assets; as of 12/31/21
2) Includes Freddie Mac and C-PACE investments
3) Includes all other asset classes that are not specifically designated as BTM or GC

HANNON ARMSTRONG

STRONG PORTFOLIO WITH POSITIVE CREDIT ATTRIBUTES

Recent Portfolio Performance

Rating	Description	Performance Metric
1	Performing[1]	99%
2	Slightly below metrics[2]	1%
3	Significantly below metrics[3]	~0%

Outstanding Credit History

De minimis <20 bps cumulative credit losses since 2012[4]

Positive Credit Attributes

Asset Class	Portfolio (%)	Structural Seniority	Obligor Credit
Wind	27%	Preferred	Typically IG corporates or utilities
Residential	27%	Preferred	>228k consumers WAVG FICO: "Very Good"[5]
GC Solar	18%	Super Senior or Preferred	Typically IG corporates or utilities
Public Sector	8%	Senior	Predominantly IG govt or quasi-govt entities
C&I	8%	Senior or Preferred	Typically IG corporates
Community	7%	Typically Preferred	Typically creditworthy consumers and/or IG corporates
Green Real Estate	4%	Super Senior or Subordinated Debt	Real-estate secured
Sustainable Infrastructure	1%	Senior	Predominantly IG govt entities

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. Included in this category are two commercial receivables with a combined total carrying value of approximately $8 million as of 12/31/21 which we have held on non-accrual status since 2017. We have recorded an allowance for the entire asset amounts. We expect to continue to pursue our legal claims with regards to these assets. This category previously contained an equity method investment in a wind project with no book value due to our allocation of impairment losses recorded by the project sponsor. We sold this equity method investment in the third quarter for nominal proceeds.
4) Calculation represents credit losses as a percentage of cumulative originations, excluding equity method investments.
5) As of February 2022; located across 21 states and the District of Columbia; qualitative FICO Rating corresponds to average FICO Score range for consumer obligors (as of lease origination dates).

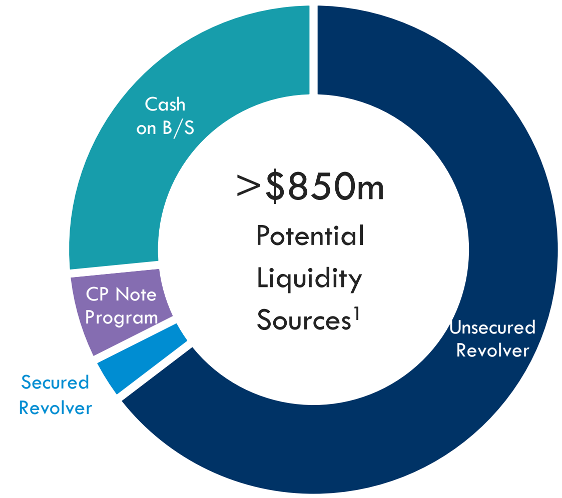
HANNON ARMSTRONG

DURABLE CAPITAL STRUCTURE

DURABLE AND FLEXIBLE FUNDING PLATFORM

Upsized CarbonCount-based Unsecured Revolving Credit Facility

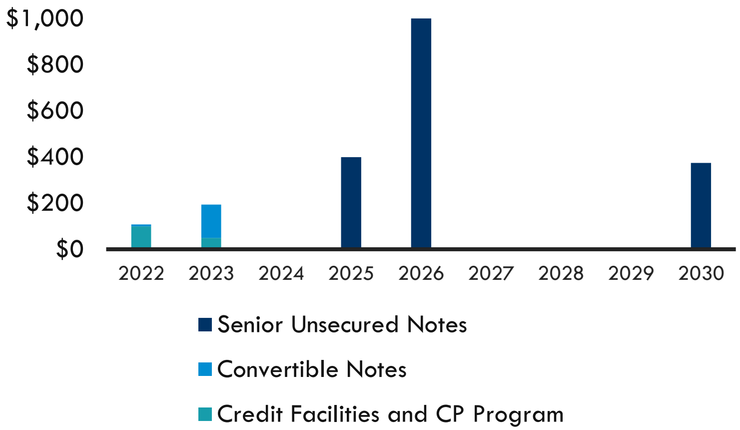
- Increased available capacity in 1Q22 from $400m to $600m, increased tenor to three years, and enhanced CarbonCount pricing discount



Successful Capital Markets Execution in 2021

- Issued $1b of CarbonCount-based bonds at 3.375% coupon
- Issued >$200m of equity at average share price of >$61
- Established CarbonCount-based Unsecured Line of Credit and Commercial Paper Program

Recourse Debt Maturities ($m)



Conservative Liquidity and Market Risk Approach

- 1.6x debt to equity[2]
- Rating of BB+ by S&P and Fitch
- 96% of debt is fixed rate
- No material maturity until 2025[3]

1) As of 12/31/21 pro forma for closing of upsized unsecured revolving credit facility in 1Q22
2) Below previously communicated target limit of less than 2.5x
3) Our convertible notes, which mature in 2022 and 2023, may be settled in shares, so this does not necessarily reflect a cash need.

HANNON ARMSTRONG

INDUSTRY LEADING ESG

RECENT ESG ACCOMPLISHMENTS

Environmental

- Every investment improves our climate future – unique among mainstream financial institutions
- Joined Net Zero Asset Managers initiative
- Submitted SBTi targets for Scope 1 and 2 emissions

Social

- Declared Social Dividend of $1.6m in 1Q22 to fund Hannon Armstrong Foundation
- HA Foundation supported initial cohort of Climate Solutions Scholars from Morgan State and Miami Universities and signed MOUs with three nonprofits to support multiple climate justice initiatives
- Reported a majority of new hires in 2021 as women or people of color[1]

Governance

- Amended bylaws to enhance shareholder rights
- Enhanced DEIJA disclosures in 10-K and Impact Report

Recognition

CORPORATE GOVERNANCE AWARDS 2021 corporatesecretary

Best ESG Reporting (small to mid-cap)

Care. Connect. Contribute. community foundation of anne arundel county

Corporate Philanthropist of the Year

STATE STREET GLOBAL ADVISORS R-Factor™

Leader Top 10th percentile

SUSTAINALYTICS

Low Risk

ISS ESG B+

Top 10th percentile

Carbon Emissions[2]

Carbon Count® 0.5 (FY21)

Aggregate Annual Metric Tons of CO_2 Avoided (m)[4]

>6.0

Water Savings[3]

Water Count™ 140 (FY21)

Aggregate Annual Gallons of Water Saved (b)[4]

>4.2

1) Includes embedded contractors and part-time employees
2) CarbonCount® is a scoring tool that evaluates investments in U.S.-based energy efficiency and renewable energy projects to estimate the expected CO_2 emission reduction per $1,000 of investment.
3) WaterCount™ is a scoring tool that evaluates investments in U.S.-based projects to estimate the expected water consumption reduction per $1,000 of investment.
4) Estimated amount to be avoided by cumulative investments from 2013 IPO through end of year 2021 on an annual basis going forward

CARBONCOUNT®: TRANSPARENT, COMPARABLE, ACCOUNTABLE

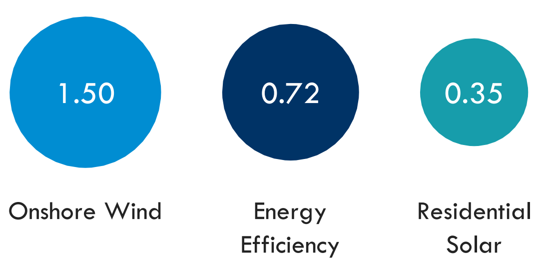
CarbonCount® is a proprietary scoring tool for evaluating investments in U.S. based renewable energy, energy efficiency, and climate resilience projects to determine the efficiency by which each dollar of invested capital reduces annual carbon dioxide equivalent (CO2e) emissions

$$\frac{\text{Annual Hourly MWh Generation Avoided by Underlying Renewable Energy and/or Efficiency Project(s)} \times \text{Location Specific Hourly Grid Emissions Factor Metric Tons of } CO_2 \text{ / MWh}}{\text{Total Capital Cost of the Projects}} = \text{carboncount®}$$

Metric Tons of CO_2 Offset Annually per $1,000 invested

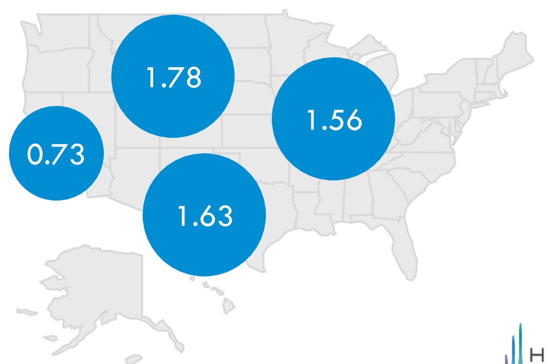
Indicative CarbonCount® by Technology Type

Impact of capacity factor and cost per MW



Indicative CarbonCount® for an Identical Sample Wind Project in Different Regions

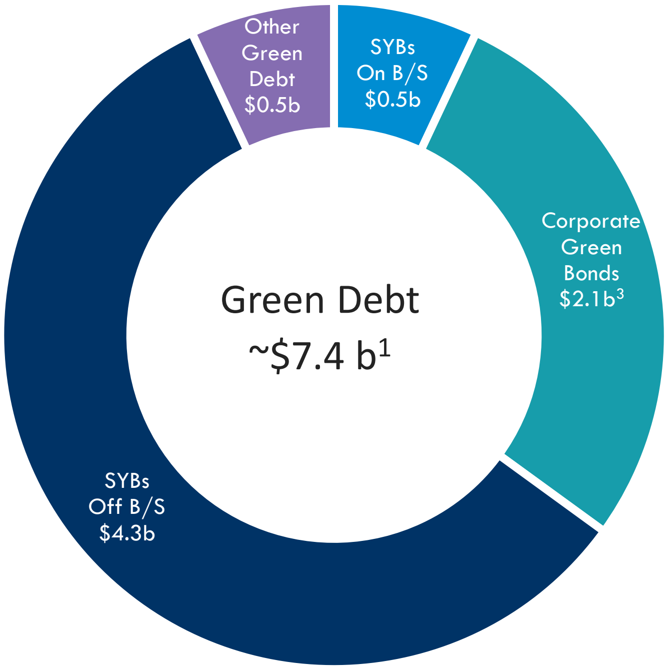
Impact of grid fuel mix



HANNON ARMSTRONG

GREEN DEBT ISSUANCES

Sustainable Yield Bonds Off Balance Sheet	Securitizations typically of public sector receivables and managed off balance sheet
Sustainable Yield Bonds On Balance Sheet	Non-recourse, asset-backed debt managed on balance sheet
Corporate Green Bonds	Senior unsecured or convertible bonds issued as corporate obligations
Other Green Debt	Senior unsecured syndicate revolving line of credit[2]



Since 2013, we have raised ~$7.4b of green debt, including securitizations and non-recourse and corporate issuances

1) From 2013 IPO through 12/31/21
2) Represents total commitments of our Sustainability Linked Unsecured RLOC and Green Carbon Count Commercial Paper Program. As of 12/31/21, our outstanding debt under the Sustainability Linked Unsecured RLOC and Green Carbon Count Commercial Paper Program was $50m and $50m, respectively.
3) ICMA's Green Bond Principles applicable to corporate unsecured green bonds and convertible green bonds due 2023 but not necessarily to convertible green bonds due 2022

STRONG COMPETITIVE POSITIONING

HANNON ARMSTRONG

COMPETITIVE ADVANTAGES

Deep Programmatic Relationships

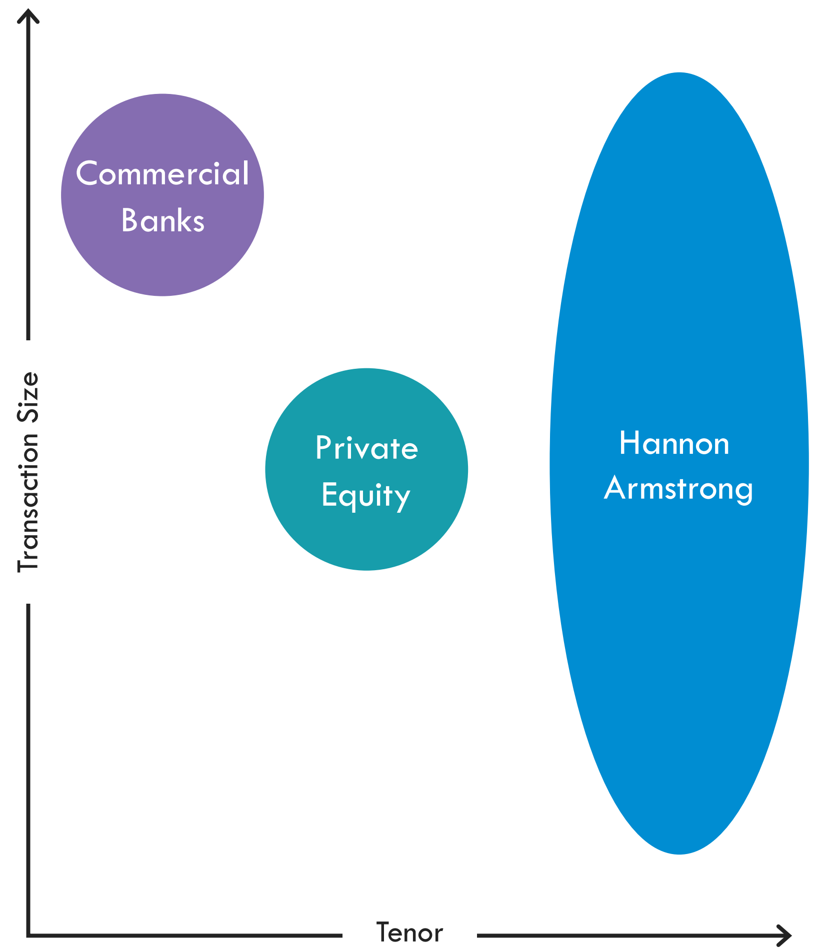
Long-term zippered relationships built on shared values, established trust, and absence of competition tension

Flexible Capital Solutions

Bespoke products specifically tailored to address client needs

Permanent Capital

Supports long duration transactions – both small and large – and the embedding of solutions across client business units

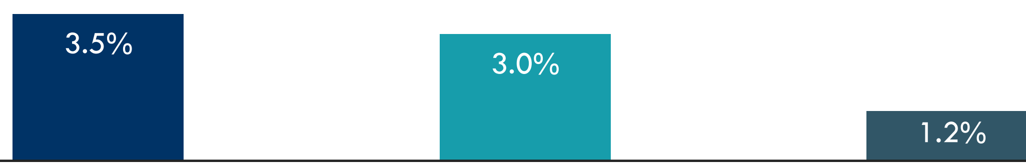


COMPETITIVE POSITIONING

HASI’s diverse portfolio provides competitive dividend protection with a total return growth track record that exceeds that of other yield sectors

	Hannon Armstrong	REITs[1]	YieldCos[2]
Cashflow Seniority	Typically senior	Typically levered	Typically levered
Portfolio Diversification	>280 investments diversified by geography, technology, and offtaker	Typically exposed to single asset class	Typically less than 100 large projects
Asset Liability Management	Primarily long-term, fixed-rate assets funded by long-term, fixed-rate debt	Often cyclical assets funded by short-term borrowing	Primarily long-term, fixed-rate assets funded by long-term, fixed-rate debt
ESG Impact	Industry-Leading	Varies	Varies
Total Average Annual Shareholder Return[3]	26%	11%	11%

Dividend Yield[4]



1) FTSE NAREIT Index
2) Global X Renewable Energy Producers ETF
3) Over five years (as of 12/31/21)
4) Indicative (as of 2/22/22)

COMPELLING VALUE PROPOSITION FOR INVESTORS

1 Outstanding Results	• Distributable EPS: +21% (YOY) • DPS: +7% (QOQ)
2 Growing Pipeline and Markets	• Pipeline of >$4b in a diversified set of growing markets
3 Durable Funding Platform Drives Stable Margins and Increased Guidance	Guidance • Distributable EPS (2021 – 2024)[1]: 10% – 13% (CAGR) • DPS: 5% – 8% (CAGR)
4 Best-in-Class ESG	• CarbonCount, Hannon Armstrong Foundation, and shareholder rights among ESG highlights

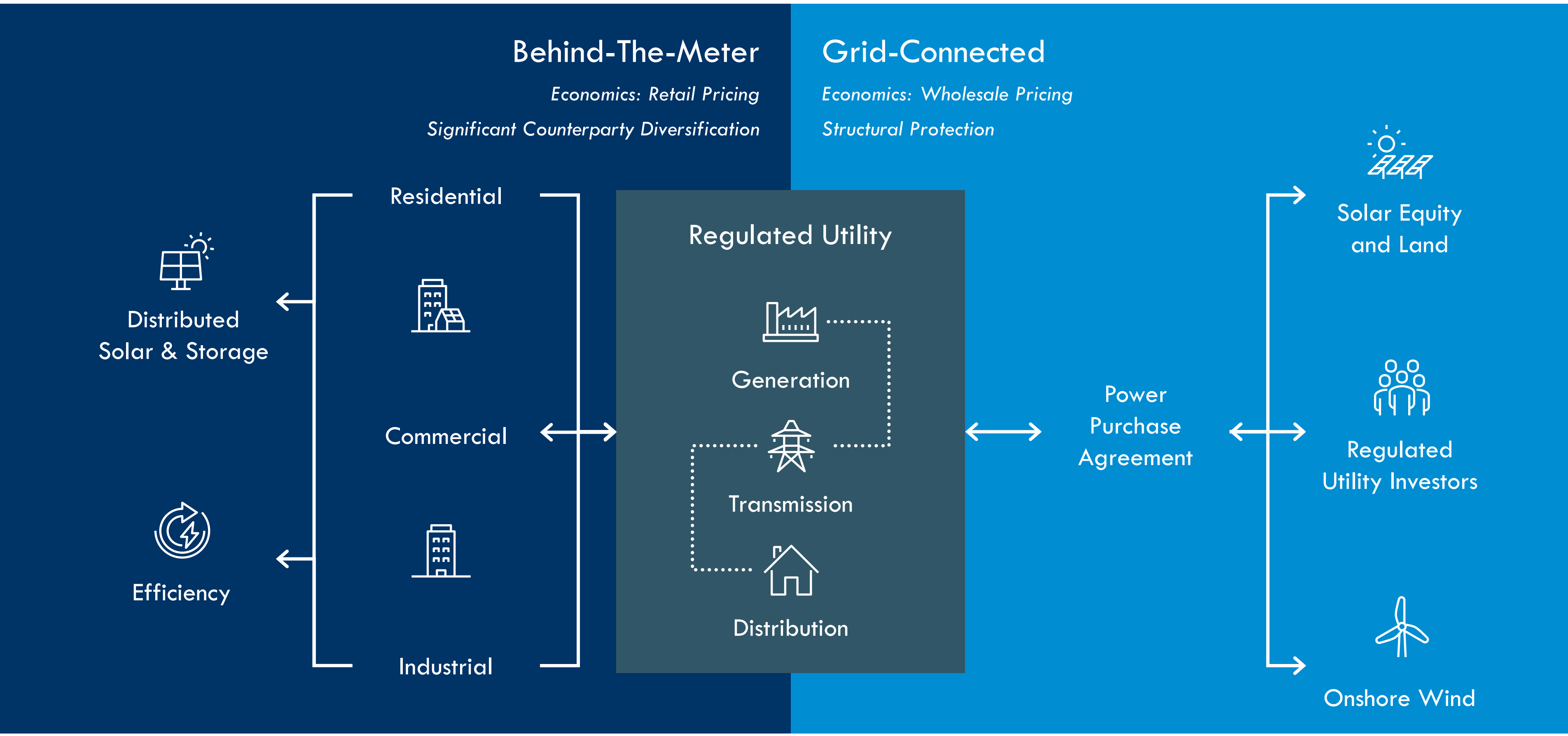
1) Relative to 2020 baseline

APPENDIX

HANNON ARMSTRONG

WHERE WE INVEST

We invest strategically in both behind-the-meter and grid-connected assets to generate superior risk-adjusted returns



HANNON ARMSTRONG

ILLUSTRATIVE INVESTMENTS

BEHIND-THE-METER

Public-Private Partnership

>$100 million

Preferred equity investment in a P3 with the University of Iowa to operate, maintain, and upgrade university energy and water utilities in support of low carbon campus sustainability objectives

Clients: Public entities; publicly traded energy service companies

BEHIND-THE-METER

C&I Solar

<$50 million

Equity investment in a distributed portfolio of ~200 C&I projects, including high credit quality corporates such as FedEx and Target

Clients: Solar sponsors

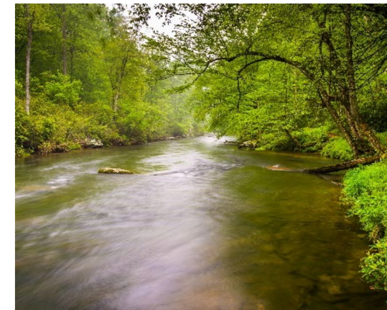
GRID-CONNECTED

Utility-Scale Wind & Solar

>$500 million

Equity investment (with preferred cash flow position) in a 2.3 GW portfolio, including high credit quality corporate and utility off-takers such as Amazon, Walmart, and Xcel Energy

Clients: Wind and solar sponsors



SUSTAINABLE INFRASTRUCTURE

Stormwater Remediation

<$10 million

Four separate projects to slow pollution runoff into downstream waterways across the Chesapeake Bay region

Clients: Environmental development firms

ILLUSTRATIVE INVESTMENTS

BEHIND-THE-METER

Residential Solar

<$30 million

Portfolio of high credit quality residential leases diversified across geographic and power markets

Clients: Residential solar providers

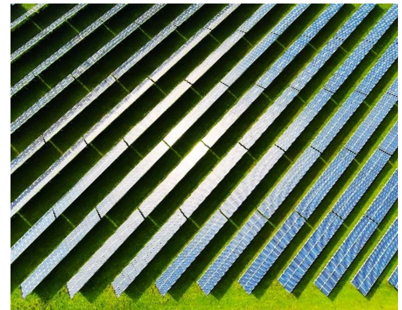
BEHIND-THE-METER

Green Real Estate

<$20 million

Joint venture to acquire securitized housing loans that incentivize energy and water efficiency investments

Clients: Government-sponsored enterprises



GRID-CONNECTED

Utility-Scale Solar Land

>$100 million

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

Clients: Utilities; solar sponsors

SUSTAINABLE INFRASTRUCTURE

Ecological Restoration

<$20 million

Investments in mitigation credits for wetland and stream restoration projects across four states

Clients: Environmental development firms

EVOLUTION AS A PUBLIC COMPANY

2013

IPO

First Sustainable Yield® Bond (SYB) issued for efficiency assets

2014 - 2015

Issued first sustainability report card

Significant utility-scale wind and solar land, and preferred equity investments

Launched CarbonCount® scoring tool

2016 - 2017

Significant microgrid investment (Parris Island Marine Base)

Managed Assets: $4.7b

First U.S. company to commit to TCFD[1]

2018 - 2019

Received inaugural corporate debt rating of BB+ from S&P and Fitch

Issued $500m in inaugural unsecured green bonds

First investments in energy management-as-a-service and community solar

2020

Issued >$900m in unsecured and convertible green bonds

Closed $1.9b of transactions, expanding programmatic relationships with industry-leading clients

Managed Assets: $7.2b

2021

Issued $1b of green bonds at 3.375%

Established $400m CarbonCount-based unsecured revolving credit facility

Launched first CarbonCount-based Commercial Paper program in the U.S.

Managed Assets: $8.8b

Over the last nine years, we have enhanced our access to the capital markets and expanded into new, growing asset classes to drive growth in Managed Assets

1) Task Force for Climate-Related Financial Disclosures

RESIDENTIAL SOLAR PORTFOLIO: POSITIVE CREDIT ATTRIBUTES

Customer

- **Priority Payment:** Monthly electricity bill savings typically range from 5% and 30%[1]
- **Affordable:** Average monthly payments typically less than $150 and paid via ACH[2]
- **Creditworthy:** Higher than average FICO scores
- **Transferrable:** UCC fixture filing typically results in lease transfers or buyouts as part of home sale

FICO Score	HASI Portfolio[3]	United States[4]
WAVG	748	703
>720	66%	45%
>660	96%	80%

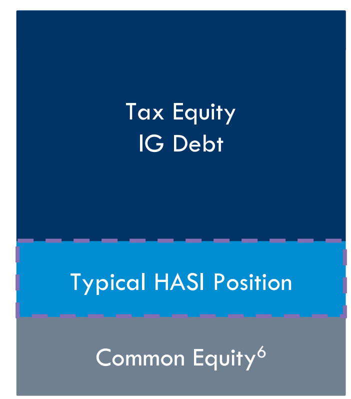
Portfolio

- **Diversity:** >228k consumers across 21 states[5] originated by reputable publicly traded providers

Capital Structure

- **Preferred Position:** Structured mezzanine or preferred equity investments
  - Subordinated to investment grade debt and tax equity
  - Senior to first-loss common equity held by providers who are motivated to hit target returns
- **Multiple Sophisticated Investors:** Large institutional investors also underwrite these portfolios
  - Along with rating agencies, require bankruptcy remote entities and backup servicing and transition plans

Illustrative Capital Stack



Internal Rigorous Underwriting and Management

- **Advance Rates:** Reflects expected portfolio default rates based on rating agency analysis and internal stress tests
- **Portfolio Management:** Sophisticated internal capabilities and detailed monthly review

1) Relative to comparable utility rates as of each investment's financial close date
2) Automated clearing house ("ACH)"
3) Consists of a total of >228k leases, which represent the funded amounts of Portfolio as of February 2022. FICO scores for the unfunded portion are not yet determined but are required to meet a certain threshold.
4) For United States, "Average" represents 2019 average for all U.S. consumers as reported by Experian (January 2020) while ">720" and ">660" represents cumulative U.S. homeowners as reported by Experian (April 2020).
5) In addition to the District of Columbia
6) In our SunStrong Joint Venture with SunPower, we also hold a stake in the common equity tranche.

HANNON ARMSTRONG

GREEN BOND FRAMEWORK

In alignment with ICMA's Green Bond Principles (2018)[1]

1 Definition of "Eligible Green Projects"	"Eligible Green Projects" means projects intended to reduce carbon emissions or provide other environmental benefits in the following categories: 1. Behind-the-Meter ("BTM"): Distributed building or facility projects that reduce energy usage or cost through the use of solar generation and energy storage or energy efficient improvements, including heating, ventilation and air conditioning systems ("HVAC"), lighting, energy controls, roofs, windows, building shells, and/or combined heat and power systems 2. Grid-Connected ("GC"): Projects that deploy cleaner energy sources, such as solar and wind to generate power where the off-taker or counterparty is part of the wholesale electric power grid; and 3. Sustainable Infrastructure: Upgraded transmission or distribution systems, water and storm water infrastructure, seismic retrofits and other projects, that improve water or energy efficiency, increase resiliency, positively impact the environment or more efficiently use natural resources.
2 Process for Project Evaluation and Selection	As part of our investment process, we intend to calculate the ratio of the estimated first year of metric tons of carbon emissions avoided (or that will be avoided) by the investment divided by the capital to be invested to understand the impact the investment is expected to have on climate change.
3 Management of Proceeds of the Notes	We intend to utilize the net proceeds of this offering to acquire or refinance, in whole or in part, Eligible Green Projects. Eligible Green Projects may include projects with disbursements made during the twelve months preceding the issue date of the Notes and projects with disbursements to be made following the issue date. Prior to the full investment of such net proceeds, we intend to invest such net proceeds in interest-bearing accounts and short-term, interest-bearing securities which are consistent with our intention to qualify for taxation as a REIT
4 Reporting	During the term of the Notes, until such time as the net proceeds from this offering have been fully allocated to Eligible Green Projects, we will publish annual updates on our website detailing, at a minimum, the allocation of the net proceeds from this offering to specific Eligible Green Projects along with the associated CarbonCount®.

1) ICMA's Green Bond Principles applicable to corporate unsecured green bonds and convertible green bonds due 2023 but not necessarily to convertible green bonds due 2022

SUPPLEMENTAL FINANCIAL DATA

Explanatory Notes

Distributable Earnings and Earnings on Equity Method Investments

We calculate distributable 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 our equity method investments in the renewable energy projects as described below. Judgment will be utilized in determining when we will reflect the losses on receivables in our distributable earnings. In making this determination, 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, distributable 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 investor, often the operator or sponsor of the project, receives 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 assessment of the expected cash flows we will receive from these projects discounted back to the net present value, based on a target investment rate, with the expected 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. 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.

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 Distributable 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 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 Distributable 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 Distributable Earnings, that adjusts for the items discussed above is and has been a meaningful indicator of our economic performance and is useful to our investors as well as management in evaluating our performance as it relates to expected dividend payments over time. As a REIT, we are required to distribute substantially all of our taxable income to investors in the form of dividends, which is a principal focus of our investors. Additionally, we believe that our investors also use Distributable 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 Distributable Earnings is useful to our investors.

However, Distributable 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 Distributable Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported Distributable Earnings may not be comparable to similar metrics reported by other companies.

SUPPLEMENTAL FINANCIAL DATA

Explanatory Notes

Managed Assets

As we both consolidate assets on our balance sheet and securitize assets off-balance sheet, 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 Assets" 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 off-balance sheet securitized receivables. Our non-GAAP Managed Assets measure may not be comparable to similarly titled measures used by other companies.

Distributable Net Investment Income

Distributable 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 Distributable 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 for the reasons discussed in our core earnings measure.

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 is the rate at which we discount the expected 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.

Guidance

We expect that annual Distributable Earnings per share will grow at a compounded annual rate of 10% to 13% from 2021 to 2024, relative to the 2020 baseline of $1.55 per share, which is equivalent to a 2024 midpoint of 2.40 per share. We also expect growth of annual dividends per share to be at a compounded annual rate of 5% to 8%. This guidance reflects our judgments and estimates of (i) yield on its existing portfolio; (ii) yield on incremental portfolio investments, inclusive of our existing pipeline; (iii) the volume and profitability of securitization 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) the ongoing impact of COVID-19 and the speed and efficacy of vaccine distribution on economic conditions and (vii) the general interest rate and market environment. All guidance is based on current expectations of the ongoing and future impact of COVID-19 and the speed and efficacy of vaccine distribution on 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 Forward-Looking Statements section of this presentation.

INCOME STATEMENT

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

	For the Three Months Ended December 31, 2021	For the Three Months Ended December 31, 2020	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
Revenue				
Interest income	$ 30,536	$ 24,512	$ 106,889	$ 95,559
Rental income	6,544	6,470	25,905	25,878
Gain on sale of receivables and investments	13,345	15,439	68,333	49,887
Fee income	3,270	2,468	12,039	15,583
Total revenue	**53,695**	**48,889**	**213,166**	**186,907**
Expenses				
Interest expense	26,311	26,299	121,705	92,182
Provision for loss on receivables	(2,399)	4,467	496	10,096
Compensation and benefits	13,124	10,543	52,975	37,766
General and administrative	5,093	3,664	19,907	14,846
Total expenses	**42,129**	**44,973**	**195,083**	**154,890**
Income before equity method investments	**11,566**	**3,916**	**18,083**	**32,017**
Income (loss) from equity method investments	56,903	15,457	126,421	47,963
Income (loss) before income taxes	**68,469**	**19,373**	**144,504**	**79,980**
Income tax (expense) benefit	(5,648)	5,640	(17,158)	2,779
Net income (loss)	**$ 62,821**	**$ 25,013**	**$ 127,346**	**$ 82,759**
Net income (loss) attributable to non-controlling interest holders	401	88	767	343
Net income (loss) attributable to controlling stockholders	**$ 62,420**	**$ 24,925**	**$ 126,579**	**$ 82,416**
Basic earnings (loss) per common share	$ 0.73	$ 0.33	$ 1.57	$ 1.13
Diluted earnings (loss) per common share	$ 0.71	$ 0.32	$ 1.51	$ 1.10
Weighted average common shares outstanding—basic	84,698,890	75,400,321	79,992,922	72,387,581
Weighted average common shares outstanding—diluted	88,609,807	84,843,939	87,671,641	74,373,169

BALANCE SHEET

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

	December 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	$ 226,204	$ 286,250
Equity method investments	1,759,651	1,279,651
Commercial receivables, net of allowance of $36 million and $36 million, respectively	1,298,529	965,452
Government receivables	125,409	248,455
Receivables held-for-sale	22,214	—
Real estate	356,088	359,176
Investments	17,697	55,377
Securitization assets	210,354	164,342
Other assets	132,165	100,364
Total Assets	**$ 4,148,311**	**$ 3,459,067**
Liabilities and Stockholders' Equity		
Liabilities:		
Accounts payable, accrued expenses and other	$ 88,866	$ 59,944
Credit facilities	100,473	22,591
Commercial paper notes	50,094	—
Non-recourse debt (secured by assets of $573 million and $723 million, respectively)	429,869	592,547
Senior unsecured notes	1,762,763	1,283,335
Convertible notes	149,731	290,501
Total Liabilities	2,581,796	2,248,918
Stockholders' Equity:		
Preferred stock, par value $0.01 per share, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, par value $0.01 per share, 450,000,000 shares authorized, 85,326,781 and 76,457,415 shares issued and outstanding, respectively	853	765
Additional paid in capital	1,727,667	1,394,009
Accumulated deficit	(193,706)	(204,112)
Accumulated other comprehensive income (loss)	9,904	12,634
Non-controlling interest	21,797	6,853
Total Stockholders' Equity	1,566,515	1,210,149
Total Liabilities and Stockholders' Equity	**$ 4,148,311**	**$ 3,459,067**

RECONCILIATION OF GAAP NET INCOME TO DISTRIBUTABLE EARNINGS

	For the three months ended December 31, 2021				For the three months ended December 31, 2020			
	(dollars in thousands, except per share amounts)							
		$		*per share*		*$*		*per share*
Net income attributable to controlling stockholders [1]	$	62,420	$	0.71	$	24,925	$	0.32
Distributable earnings adjustments:								
Reverse GAAP (income) loss from equity method investments		(56,903)				(15,458)		
Add equity method investments earnings		27,135				14,943		
Equity-based compensation charges		3,544				5,176		
Provision for loss on receivables		(2,399)				4,467		
Other adjustments [2]		6,890				(4,728)		
Distributable earnings [3]	**$**	**40,687**	**$**	**0.47**	**$**	**29,325**	**$**	**0.37**

(1) The per share amounts represent GAAP diluted earnings per share and is the most comparable GAAP measure to our distributable earnings per share.

(2) See Other adjustments table below.

(3) Distributable earnings per share for the three months ended December, 2021 and 2020, are based on 87,143,351 shares and 79,820,082 shares outstanding, respectively, which represents the weighted average number of fully-diluted shares outstanding including our 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 issuance in our distributable earnings per share calculation related to our convertible notes using the treasury stock method and any potential common stock issuances related to share based compensation units in the amount we believe is reasonably certain to vest. To the extent a convertible note is converted during the period, we include its dilution using the treasury stock method until the date of conversion, after which we include the shares issued upon conversion. We believe the use of the treasury stock method is an appropriate representation of the potential dilution when considering the economic behaviors of the holders of the instrument.

RECONCILIATION OF GAAP NET INCOME TO DISTRIBUTABLE EARNINGS

	For the year ended December 31, 2021		For the year ended December 31, 2020	
	(dollars in thousands, except per share amounts)			
	$	*per share*	*$*	*per share*
Net income attributable to controlling stockholders [1]	$ 126,579	$ 1.51	$ 82,416	$ 1.10
Distributable earnings adjustments:				
Reverse GAAP (income) loss from equity method investments	(126,421)		(47,963)	
Add equity method investments earnings	103,707		55,305	
Equity-based compensation charges	17,047		16,791	
Provision for loss on receivables	496		10,096	
(Gain) loss on debt modification or extinguishment	16,083		—	
Other adjustments [2]	21,232		855	
Distributable earnings [3]	**$ 158,723**	**$ 1.88**	**$ 117,500**	**$ 1.55**

(1) The per share amounts represent GAAP diluted earnings per share and is the most comparable GAAP measure to our distributable earnings per share.

(2) See Other adjustments table below.

(3) Distributable earnings per share for the years ended December 31, 2021 and 2020, are based on 84,268,341 shares and 75,588,286 shares outstanding, respectively, which represents the weighted average number of fully-diluted shares outstanding including our restricted stock

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RECONCILIATION OF GAAP-BASED NII TO DISTRIBUTABLE NII

	Three months ended December 31, 2021	Three months ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
	(in thousands)			
Interest income	$ 30,536	$ 24,512	$ 106,889	$ 95,559
Rental income	6,544	6,470	25,905	25,878
GAAP-based investment revenue	37,080	30,982	132,794	121,437
Interest expense	26,311	26,299	121,705	92,182
GAAP-based net investment income	10,769	4,683	11,089	29,255
Equity method earnings adjustment [1]	27,135	14,943	103,707	55,305
(Gain) loss on debt modification or extinguishment [2]	—	—	16,083	—
Amortization of real estate intangibles [3]	772	772	3,089	3,089
Distributable net investment income	**$ 38,676**	**$ 20,398**	**$ 133,968**	**$ 87,649**

(1) Reflects adjustment for equity method investments described above.

(2) Adds back losses related to debt prepayments included in interest expense in our income statement.

(3) Adds back non-cash amortization related to acquired real estate leases.

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ADDITIONAL GAAP TO NON-GAAP RECONCILIATIONS

The table below provides a reconciliation of the Other adjustments:

	For the Three Months Ended December 31, 2021	For the Three Months Ended December 31, 2020	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
	(in thousands)		*(in thousands)*	
Other adjustments				
Amortization of intangibles [1]	$ 841	$ 824	$ 3,307	$ 3,291
Non-cash provision (benefit) for income taxes	5,648	(5,640)	17,158	(2,779)
Net income attributable to non-controlling interest	401	88	767	343
Other adjustments	**$ 6,890**	**$ (4,728)**	**$ 21,232**	**$ 855**

(1) Adds back non-cash amortization of lease and pre-IPO intangibles.

The table below provides a reconciliation of GAAP SG&A expenses to Distributable SG&A expenses:

	For the Three Months Ended December 31, 2021	For the Three Months Ended December 31, 2020	For the Year Ended December 31, 2021	For the Year Ended December 31, 2020
	(in thousands)		*(in thousands)*	
GAAP SG&A expenses				
Compensation and benefits	$ 13,124	$ 10,542	$ 52,975	$ 37,766
General and administrative	5,093	3,665	19,907	14,846
Total SG&A expenses (GAAP)	**$ 18,217**	**$ 14,207**	**$ 72,882**	**$ 52,612**
Distributable SG&A expenses adjustments:				
Non-cash equity-based compensation charge [1]	$ (3,544)	$ (5,176)	$ (17,047)	$ (16,791)
Amortization of intangibles [2]	(69)	(52)	(218)	(202)
Distributable SG&A expenses adjustments	(3,613)	(5,228)	(17,265)	(16,993)
Distributable SG&A expenses	**$ 14,604**	**$ 8,979**	**$ 55,617**	**$ 35,619**

(1) Reflects add back of non-cash amortization of equity-based compensation. Outstanding grants related to equity-based compensation are included in the distributable earnings per share calculation.

(2) Adds back non-cash amortization of pre-IPO intangibles.

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ADDITIONAL GAAP TO NON-GAAP RECONCILIATIONS

The following is a reconciliation of our GAAP-based Portfolio to our Managed Assets as of December 31, 2021 and December 31, 2020:

	As of	
	December 31, 2021	December 31, 2020
	(dollars in millions)	
Equity method investments	$ 1,760	$ 1,280
Commercial receivables, net of allowance	1,299	248
Government receivables	125	965
Receivables held-for-sale	22	—
Real estate	356	359
Investments	18	55
GAAP-Based Portfolio	3,580	2,907
Assets held in securitization trusts	5,199	4,308
Managed assets	**$ 8,779**	**$ 7,215**

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