



Fourth Annual Meeting of the San Giorgio Group

CEO Torben Möger Pedersen | tmp@pension.dk

Low interest rates are a potential driver for RE-investments

PensionDanmark's investment criteria

Overall Objective: Stable and non-cyclical cash flows

Investment characteristics

- > Long term investment horizon (+10 years)
- > Maximum equity stake of 50 per cent
- > Minimum ticket size of EUR 100m

Risk Profile

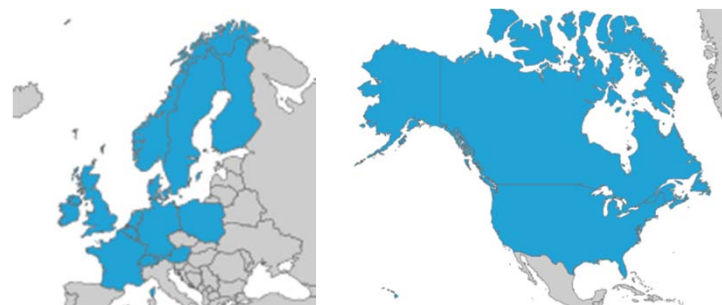
- > Limited regulatory and political risk
- > Low demand risk
- > Low correlation to the business cycle
- > No/negligible construction risk
- > Limited pricing risk (e.g. fixed power price)

Capital Structure

- > Flexibility to participate in all layers of the capital structure
- > Not necessarily preference for leverage
- > Partnering with experienced industrial player + alignment of interest

Geography

- > Northern Europe and North America

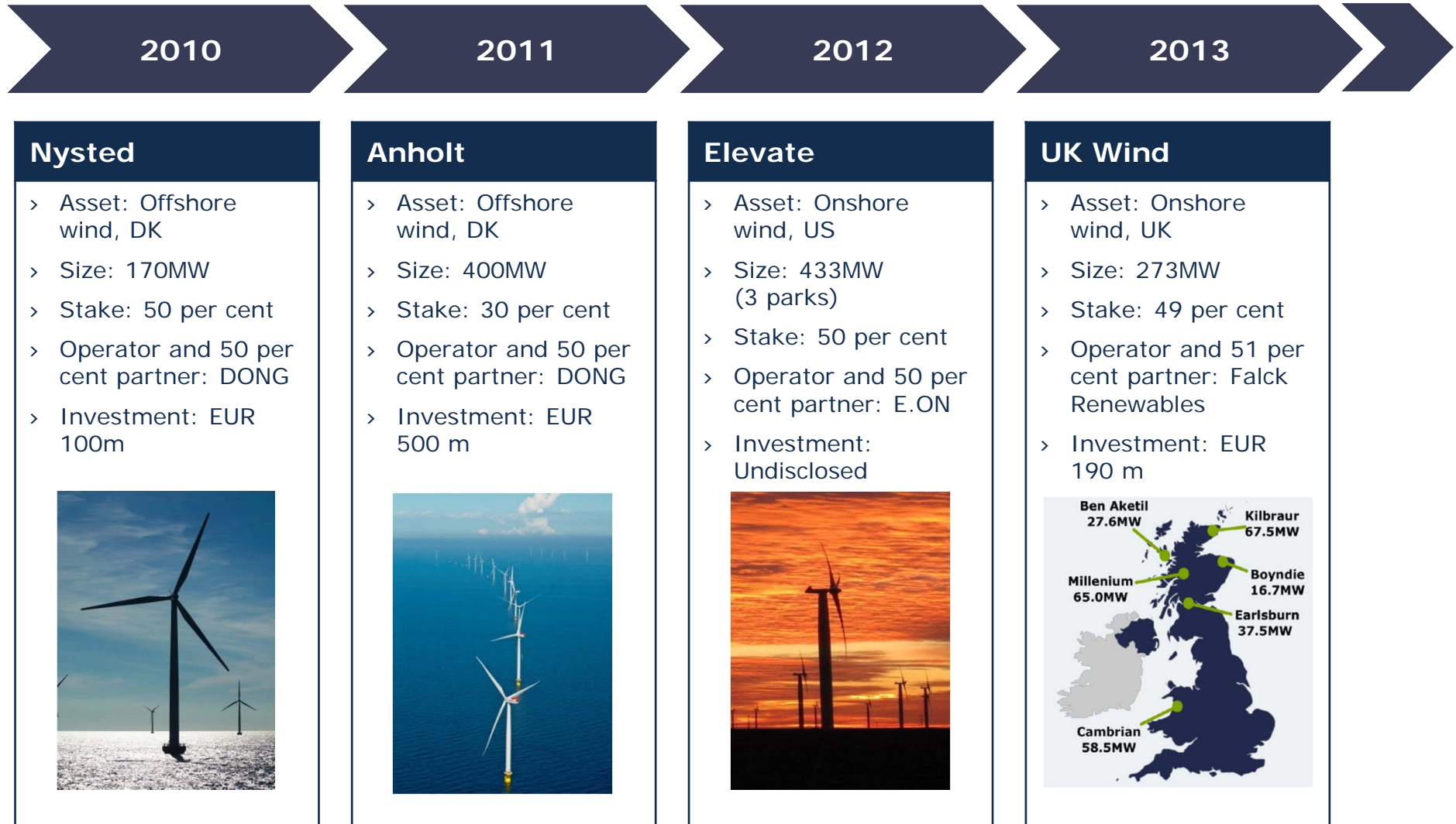


Potential Asset Classes

- > Renewable energy (wind, solar, biomass, waste-to-energy)
- > Distribution and transmission networks and pipelines
- > Regulated utilities and assets
- > Transportation infrastructure
- > Availability based infrastructure
- > PPPs

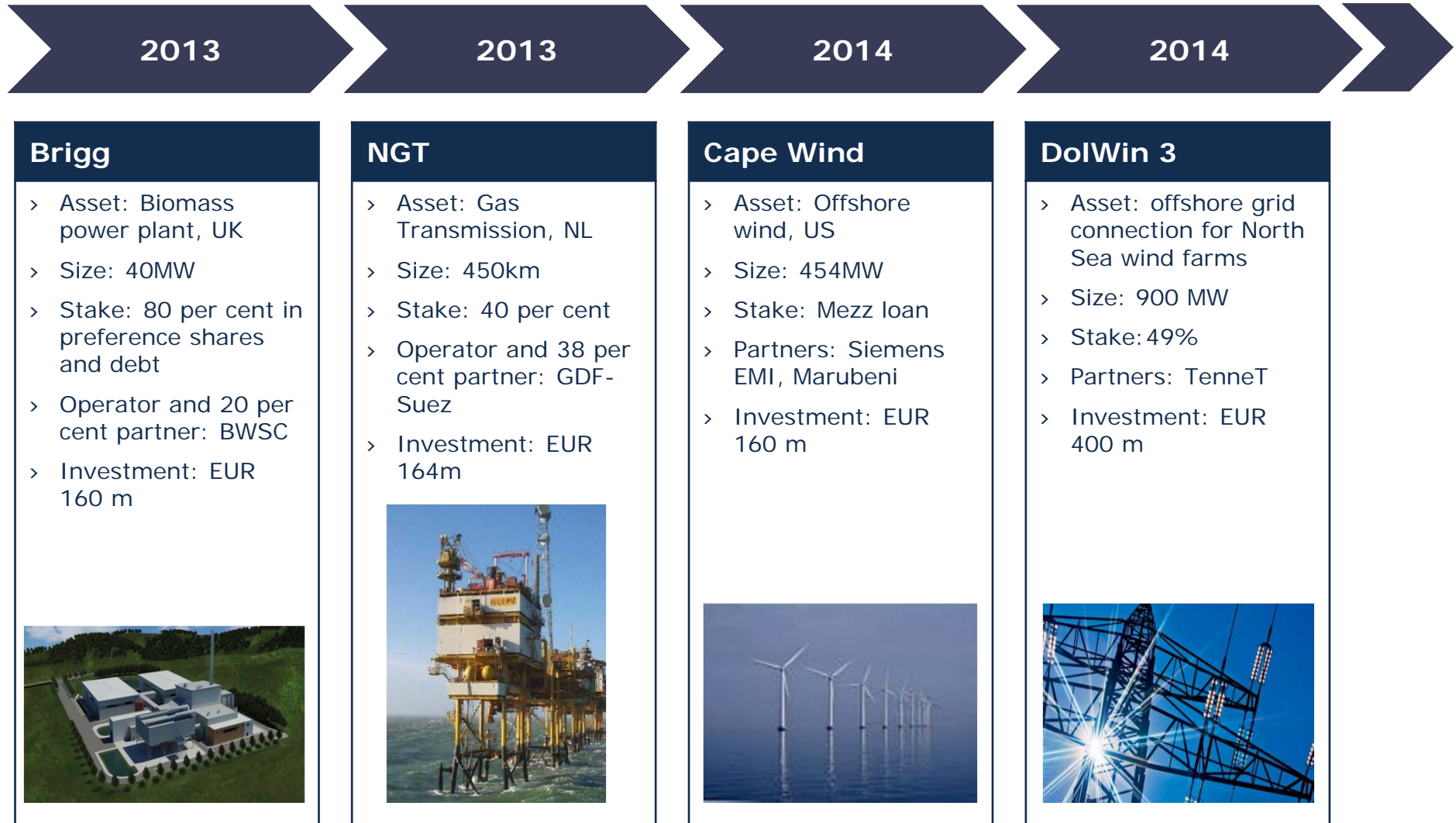
Main new infrastructure investments

On- and offshore wind farms with 1.700 MW...



Main new infrastructure investments

...and now also investments in biomass and transmission

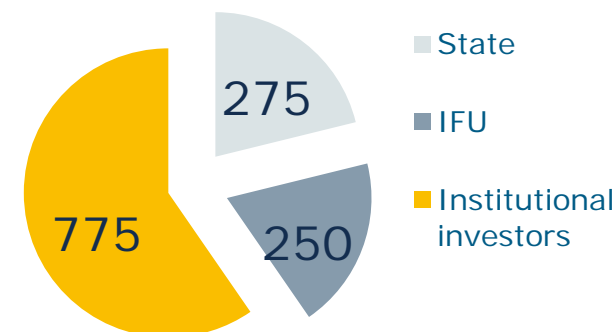


Mobilising climate investments in emerging markets

Danish Climate Investment Fund (DCIF)

- › PPP with blended finance
 - › Between the Danish Government, IFU and institutional investors
 - › Operates on commercial terms
 - › Government involvement limits investment risks for investors in emerging markets
 - › Returns are distributed in a waterfall model
- › Investment strategy
 - › Active minority investor
 - › Equity focus
 - › Investment size DKK 10m to DKK 100m
 - › Pre-agreed exit strategy
- › DCIF can invest in
 - › RE energy projects, e.g. wind, solar or hydro
 - › Energy efficient projects
 - › Production of energy saving material

Capital structure



Investment in DKKm

