



Panel I: Green infrastructure financing: Main investment trends and attractiveness for the private sector

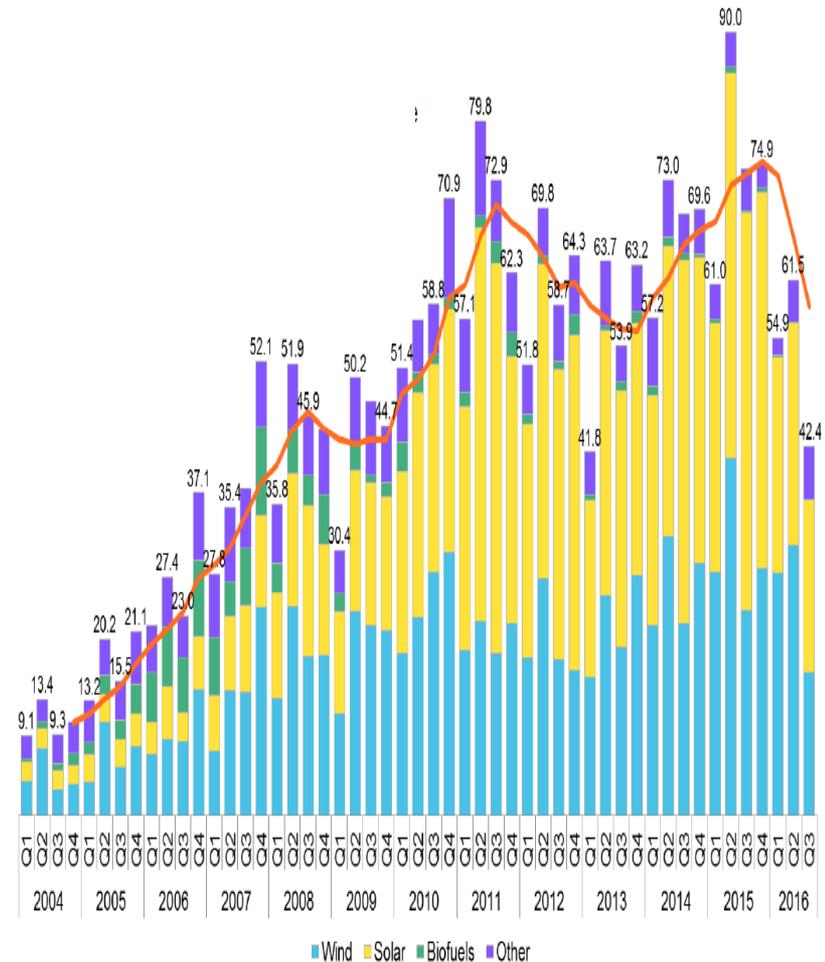
November 3rd 2016 | OECD Workshop on Financing Green Infrastructure

Green Energy Investment are Becoming Main Stream

Despite the recent downturn that is due to lower investments in China

- > Zero interest rates and search for yield drives the demand
- > Expected returns going down
 - > Technology is maturing
 - > Market for brown field assets has become increasingly crowded
 - > Investing in green field assets and/or taking developer risks requires highly specialized teams with deep industry, technical and M&A expertise
- > Green bond market on track to USD 70bn in issuance in 2016

New investment in clean energy, USDbn

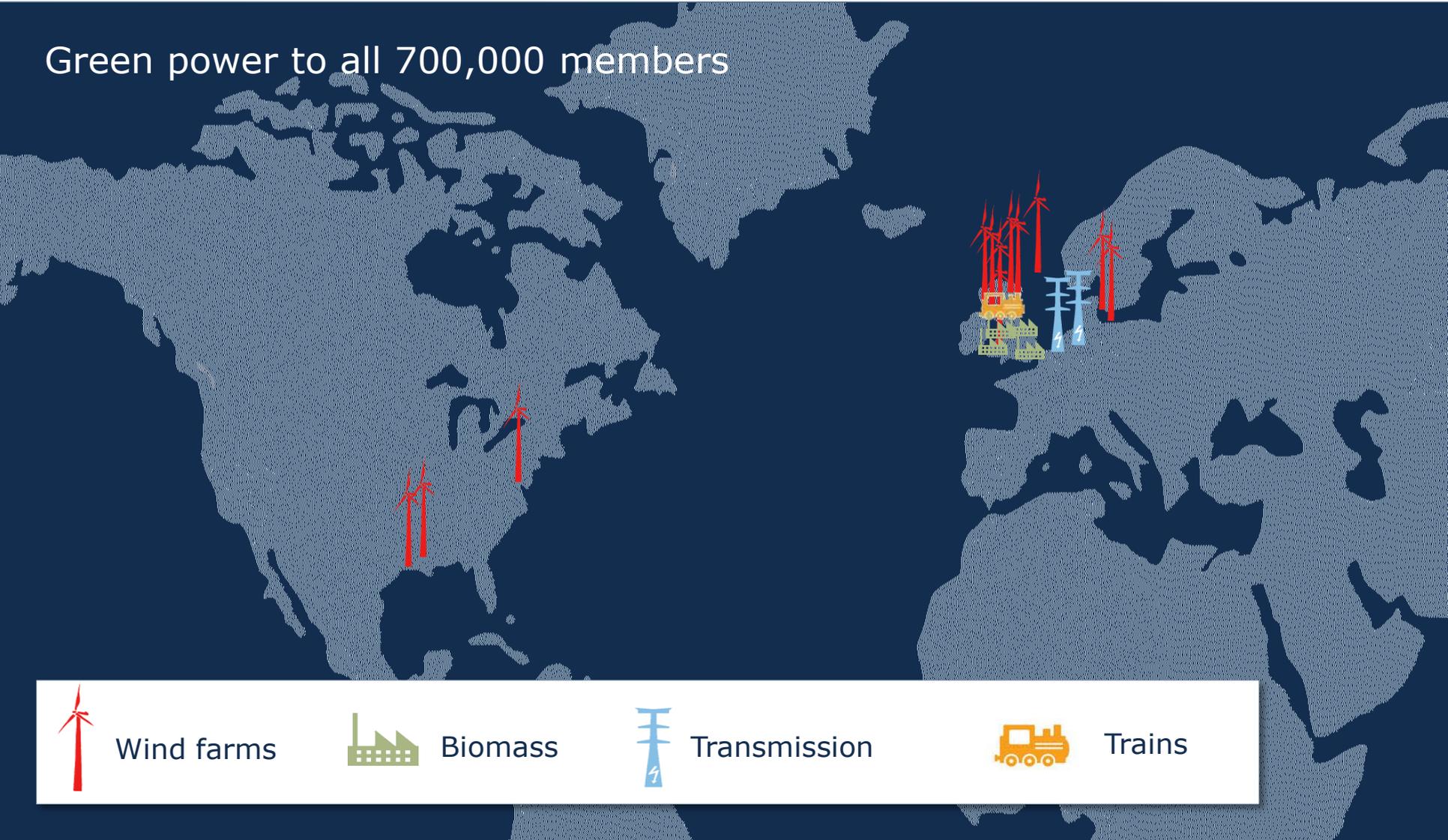


Source: Bloomberg New Energy Finance.

Overview: Investments in Energy Infrastructure

PensionDanmark: USD 3bn in approx. 2,000MW of green power production facilities

Green power to all 700,000 members



Wind farms



Biomass



Transmission



Trains

CIP: Highly Specialized Fund Within Energy and Transmission

Since 2012 CIP has committed EUR 2.1bn to 9 projects

Copenhagen Infrastructure I



- UK biomass project (40MW)
- Senior Debt and preferred equity
- In operation
- JV with BWSC
- Investment: EUR 190m



- UK biomass project (44MW)
- Senior Debt and preferred equity
- Under construction
- JV with BWSC
- Investment: EUR 210m



- UK onshore wind (273 MW)
- Common equity
- In operation
- Partnership with Falck renewables
- Investment: EUR 210m



- UK offshore wind (664 MW)
- Levered equity
- Under construction
- Partnership with SSE
- Investment: EUR 130m



CI Artemis



- German transmission (900MW)
- Structured regulated equity
- Under construction
- Partnership with TenneT
- Investment: EUR 387m



Copenhagen Infrastructure II



- UK biomass project (39MW)
- Unlevered Equity
- Under construction
- 100% owned by CIP II
- Investment: EUR 210m



- German offshore wind (402 MW)
- Mezzanine debt
- Under construction
- Partnership with Siemens
- Investment: EUR 250m



- UK offshore wind (664 MW)
- Unlevered equity
- Under construction
- Partnership with SSE
- Investment: EUR 350m



- UK biomass project (28 MW)
- Unlevered equity
- Under construction
- JV with BWSC Inv. EUR 190m



PensionDanmark is the sole investor in CI I and CI Artemis and is the largest investor in CI II with a commitment of EUR 0.55bn. amounting to 26% of total commitments to CI II

Paris Agreement and the SDG's are Investment Opportunities

Many openings for different types of investors

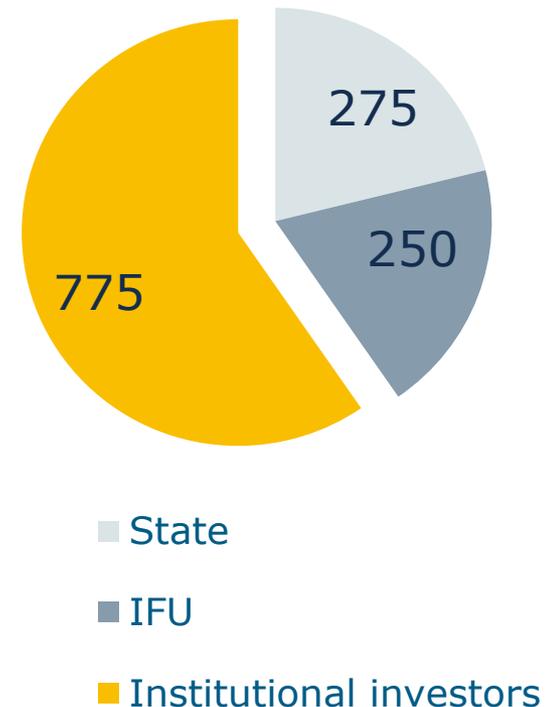
- > The capital requirements are in the trillions of dollars
- > Limiting warming to below 2 degrees Celsius implies clean energy and transmission investment opportunities. Paris Agreement's INDC's can be transformed into national investment catalogues => Reducing political and regulatory risks for investors
- > SDG's can be transformed into investment areas, including infrastructure (energy access and low-carbon energy, water and sanitation, transport and telecommunications)
- > Some will turn out to be attractive direct investment opportunities others only feasible through blended finance

Blended Finance as Part of the Solution

Provides risk capital for climate investments in emerging markets

- > Danish Climate Investment Fund (DCIF)
 - > Investments in renewables and energy efficiency in developing and frontier markets
 - > Operates on commercial terms – government has accepted a first loss position
 - > Investment capacity of > EUR 1bn
 - > Investments have so far included a wind farm in Kenya, solar in the Maldives and bioethanol in China
- > Danish Agribusiness Fund was established in January 2016 on the same terms and the Danish Government recently announced a blended finance fund focusing on the SDG's

Capital structure (DKK m)





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