

Press Release

Aquila Capital confirms EUR 250m hydropower investment

- **Dutch pension investor APG increases its hydropower commitment**
- **Investment will enable Småkraft AS to continue its expansion**

Hamburg, 18 February 2020 – Real asset specialist Aquila Capital has announced an expansion of its partnership with Dutch pension investor APG in European hydropower by EUR 250m to now EUR 550m. With this new mandate, Aquila Capital's assets under management increase to EUR 10.75 billion.

The investment will facilitate the expansion of Norwegian-based Småkraft AS, the largest operator of small-scale hydropower plants in Europe. It currently has 110 operational plants, producing nearly 1.2 TWh of electricity annually. In late 2018, the company announced its plans to expand in order to produce 2 TWh annually through new run-of-river plants and the acquisition of existing plants. The investment will support Småkraft's aim of building 10 new small hydropower plants each year.

Roman Rosslenbroich, Co-Founder and CEO of Aquila Capital, comments: "We are delighted to expand our long-running and successful partnership with APG. As we increase the share of renewables in Europe, Norwegian hydropower will play a vital role."

Tor Syverud, Head of Hydropower at Aquila Capital, stated: "Our local management and on-site teams are specialized on developing hydro plants. The small hydropower sector is attractive to investors due to the long-term nature of the assets, the technological robustness and its sustainability credentials."

Patrick Kanters, Managing Director Global Real Assets at APG, said: "As a pension investor, we are continuously looking for attractive infrastructure investments worldwide that help us realize long-term and responsible returns for ABP and other pension fund clients we work for."

"Over the last years, we have made significant progress in realising our pension fund clients' stated ambitions in the areas of sustainability and responsible investment. At the end of

2019, we had € 5.8 billion invested in renewable energy. By increasing our commitment to Småkraft, we are enabling the European energy transition from fossil fuels and contribute to reducing carbon emissions, in line with the ambitions of our pension fund clients. Aquila Capital, with its on-the-ground knowledge and recognized track record on hydro, has proven to be a strong partner for APG.”

In a recent GRESB assessment of Aquila Capital’s assets, Småkraft was awarded the maximum five-star rating. It was ranked second out of 24 in an analysis of the Northern European renewable power maintenance and operation sector.

About Aquila Capital:

Aquila Group is an experienced and long-term investor in essential, real asset investments. Founded in 2001 by Dr. Dieter Rentsch and Roman Rosslenbroich, the Group currently manages EUR 10.75 billion (AuM/AuA) for its clients worldwide¹. Last year Aquila entered into a strategic partnership with Daiwa Energy & Infrastructure.

The business centres on secular and sustainable trends in renewable energy, social housing, green logistics, infrastructure, timber and agriculture. Dedicated specialist investment teams with entrepreneurial mindsets draw on their sector networks and experience to screen, develop, finance, manage and operate investments along the entire value chain.

As this concept requires local management teams and a local presence, Aquila Capital is represented with 14 investment offices in 12 countries. Comprehensive operational capabilities, more than 300 employees at group level, intensive asset management and a passion for detail ensure asset and product performance as well as the timely deployment of capital.

Aquila Group believes in stringent corporate governance. With its two AIFMs in Luxembourg and Germany, it is subject to the highest European regulatory standards.

Embedded in its activities lies a passion for real assets and living ESG, better every day

About APG Group NV:

APG is the largest pension delivery organization in the Netherlands; its approximately 3,000 employees provide executive consultancy, asset management, pension administration, pension communication and employer services. APG performs these services on behalf of (pension) funds and employers in the sectors of education, government, construction, cleaning and window cleaning, housing associations, energy and utility companies, sheltered employment organizations, and medical specialists. APG manages approximately €538 billion (December 2019) in pension assets for the pension funds in these sectors. APG works for approximately 21,000 employers, providing the pension for one in five families in the Netherlands (about 4.6 million participants). APG has offices in Heerlen, Amsterdam, Brussels, New York and Hong Kong. Visit www.apg.nl/en for more information.

¹ as at 31.12.2019

Press enquiries:

Aquila Capital

Daniela Hamann
Aquila Capital
Valentinskamp 70
20355 Hamburg
Tel: +49 40 87 5050-150
Email: daniela.hamann@aquila-capital.com

Johannes Braun
PB3C GmbH
Rankestraße 17
10789 Berlin
Tel.: +49 30 72 62 76 1544
Fax: +49 30 72 62 76 163
E-Mail: braun@pb3c.com

APG Group NV

Michael Vos
Spokesperson
Tel.: +31 6 12 11 37 57
E-mail: michael.vos@apg.nl