

# GreenStream Network

Your Partner for Carbon and Renewable Value

November 2011







# GreenStream in Brief

- GreenStream is a Nordic leading company focusing on:
  - Asset Management and investments in carbon and renewable energy markets
  - Climate Services covering tailored advisory and intermediary services
- GreenStream is licensed by the Finnish FSA
- GreenStream's clients are financial institutions, energy companies, companies operating in energy intensive sectors and governments
- Some 40 professionals, representations in Helsinki, Beijing, Berlin, Kiev, Moscow, Oslo
- China is a key market in which GreenStream is engaged in a considerable number of projects. China GreenStream Holdings is a Hong Kong based JV established with Juno Capital Group with WFOE in mainland China for cooperation on climate investments
- Voted the Best Broker in green certificate markets in EU (excl. UK) seven years in a row by the readers of Environmental Finance as well as runner-up in the category EU Emissions Trading Scheme – Best Advisory in 2006











# Investment Vehicles managed by GreenStream

Current Investment Vehicles

  	<p>€45 million</p>	<ul style="list-style-type: none"> <li>Carbon Manager for the fund's carbon investments in Russia, Ukraine, Belarus and Kazakhstan</li> </ul>	 
 <p><b>Fine Carbon Fund</b></p>	<p>Capped at €30 million</p>	<ul style="list-style-type: none"> <li>Carbon credits primarily from CDM projects in Asia</li> <li>Investors include 2 listed industry companies and 6 energy companies</li> <li>Co-purchasing agreement with the State of Finland</li> </ul>	 <p><i>Six Energy Companies</i></p>

# Investment Vehicles managed by GreenStream

Current investment vehicles	 <b>Nordic Carbon Fund</b>	Capped at €40 million	<ul style="list-style-type: none"> <li>NCF acquires carbon credits primarily from CDM projects in Asia and Africa</li> <li>Investors include Ilmarinen Mutual Pension Insurance Company, 4 compliance investors and GreenStream</li> </ul>	  
	 <b>Fine Post-2012 Carbon Fund</b>	Approx. €20 million	<ul style="list-style-type: none"> <li>FPCF provides access to post-2012 carbon credits, for compliance or capital gain, to those investors within FCF and NCF wanting to establish a separate vehicle for this purpose</li> </ul>	<b>Energy Companies among FCF and NCF investors</b>
	 <b>Climate Opportunity Fund</b>	Approx. €30 million	<ul style="list-style-type: none"> <li>COF provides access to post-2012 carbon credits for compliance or capital gain</li> <li>Wide investor base, includes industry and energy companies</li> </ul>	   Eesti Energia

# China is our key market

- Carbon Manager for Multilateral Carbon Credit Fund in Russia and Ukraine and Fund Manager for 5 proprietary funds: Blåfall, Fine Carbon Fund, Nordic Carbon Fund, Fine Post-2012 Carbon Fund and Climate Opportunity Fund; with a total of approximately EUR 140 million in assets under management
- Successfully closed contracts with more than 70 projects for the purchase of carbon credits
- Unrivaled contact network in China providing access to quality projects and reliable project owners
- Experience with a variety of project types including hydro, wind, biomass, biogas, waste management, solar and energy efficiency in power production and industry



# Advisory track record

ALSTOM

BOTNIA  
ANDRITZ

Outotec  
More out of ore

RUKKI

WÄRTSILÄ

metso  
power

VATTENFALL

SCA

NEFCO

FORMIN, FINLAND, FI  
ULKOASIAINMINISTERIÖ  
UTRIKESMINISTERIET

YMPÄRISTÖMINISTERIÖ  
MILJÖMINISTERIET  
MINISTRY OF THE ENVIRONMENT

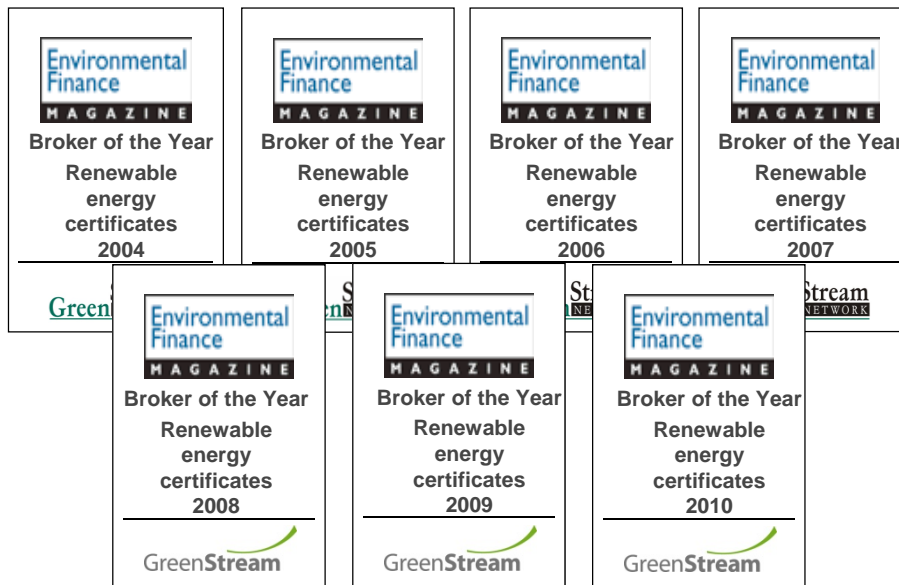
The  
World  
Bank

- Advisory and financing assignments for some 200 clients, including a range of well-known international companies
- In 2006 GreenStream was nominated runner-up in the category EU Emissions Trading Scheme – Best Advisory by the Environmental Finance magazine
- Assignments include for example
  - CDM, JI and GIS project cycle management
  - Investment opportunities and financing solutions for renewable energy
  - Market analysis, policy design, carbon and renewable energy business strategies
- GreenStream has advised governments and public institutions on carbon and renewable energy markets
  - Finnish, Swedish, Estonian and Latvian Ministries of the Environment
  - Several other ministries and public institutions
- GreenStream has assisted several International Financial Institutions, e.g.
  - Fund marketing for the World Bank
  - Fund preparation and launch for Nefco
  - Management of the Finnish Government's CDM/JI project portfolio

# Intermediary track record

## Acknowledged expertise

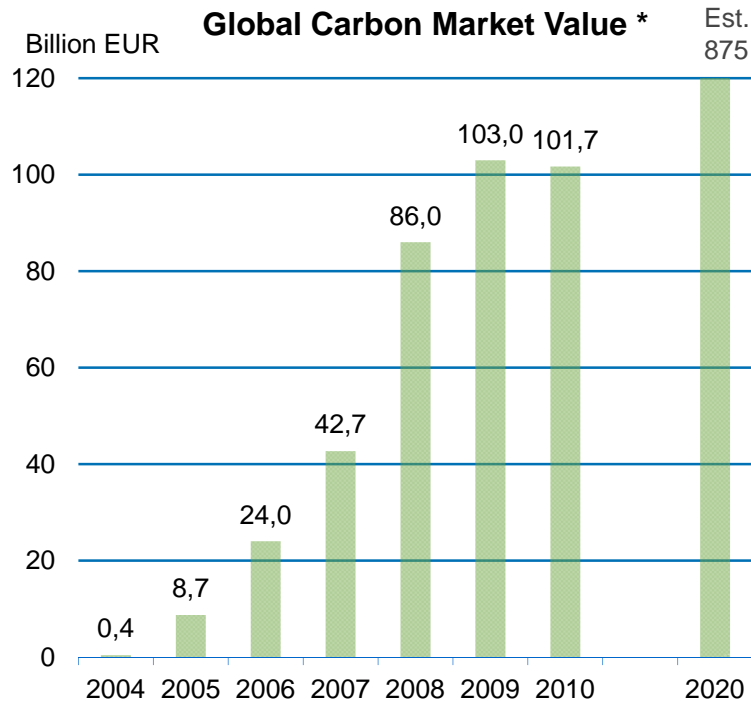
- Intermediary offers services related to:
  - Carbon credit brokerage
  - Renewable energy certificates brokerage
  - Portfolio management
- GreenStream has been voted broker of the year in renewable energy certificates for seven consecutive years



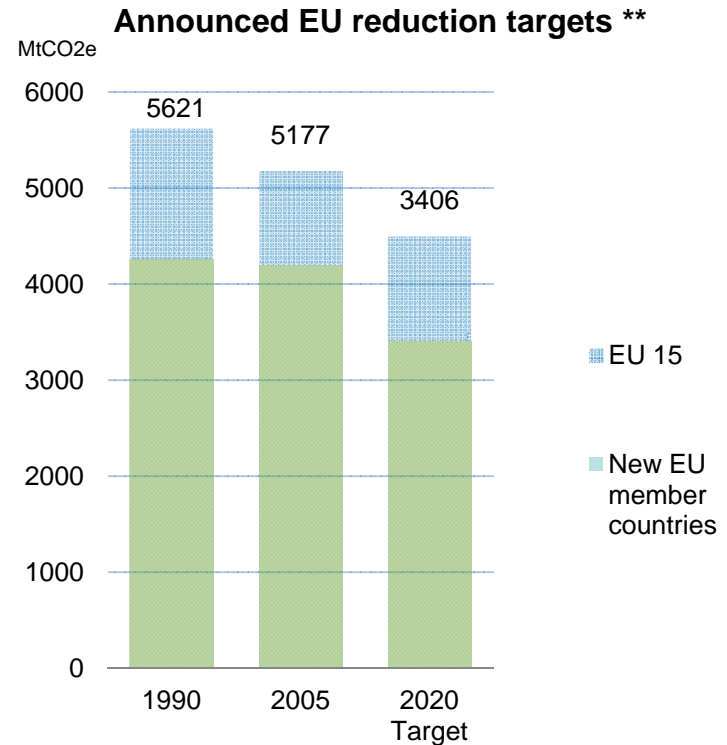
## Milestones in Intermediary Business

- 2010:** Brought ERUs to the market after support throughout the JI project cycle commodity derivate brokerage
- 2008:** Brokered multiple EUA-CER swap transactions
- 2006:** FSA license enabling commodity derivate brokerage
- 2005:** Contracted to broker 2.5 million EUAs on behalf of the Danish State
- 2004:** GreenStream brokered the first ever cash-settled forward with EUAs
- 2003:** Brokered the first ever EUA trade between Nordic companies
- 2001:** GreenStream established brokerage activities as one of the pioneers in the environmental markets

# The rise of the global carbon market

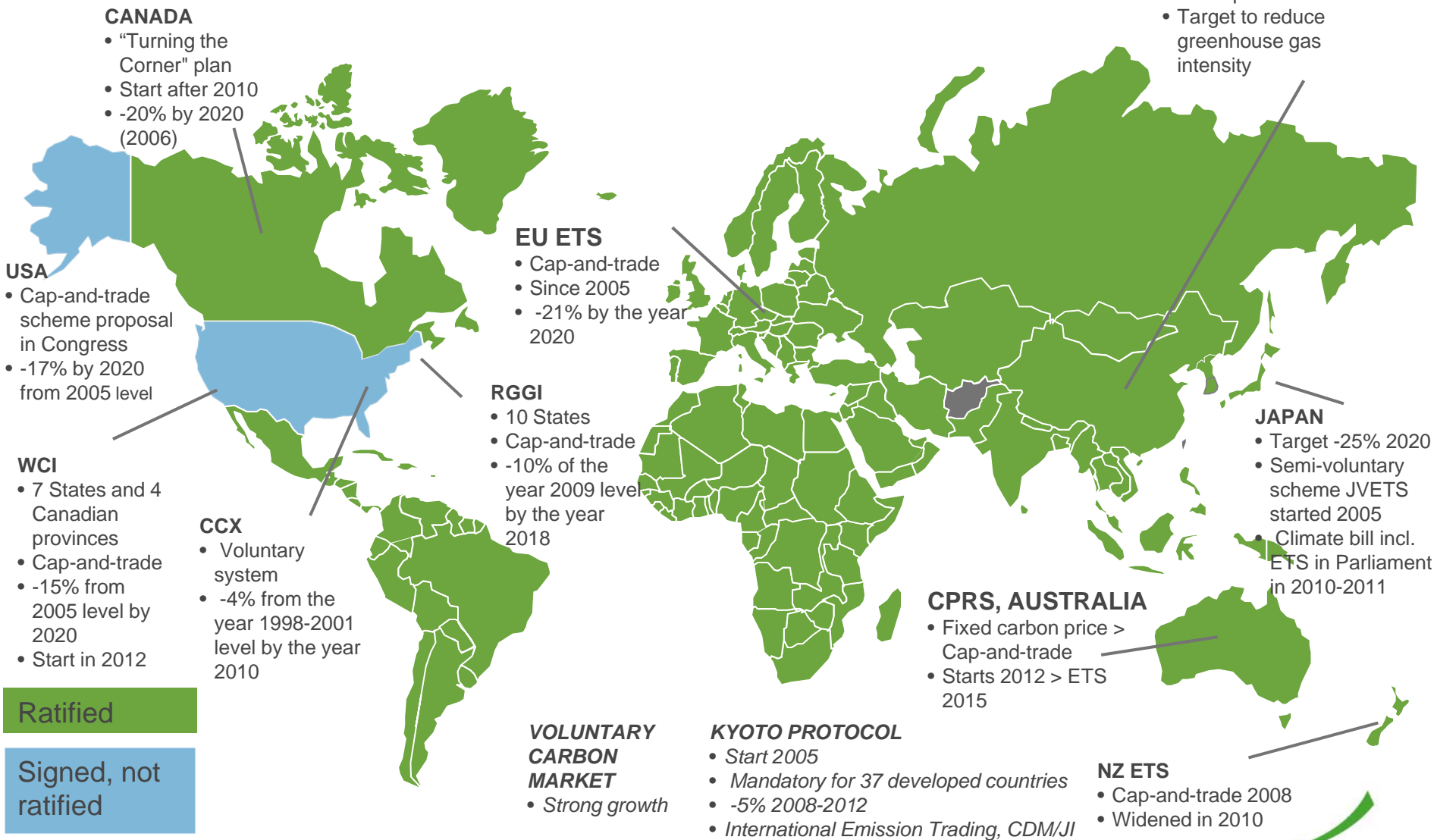


\* Source: State and Trends of the Carbon Market 2006, 2007, 2008, 2009, 2010 and 2011, The World Bank and Point Carbon; estimate for 2020: CMA May 2008 Point Carbon (the US ETS share here reduced to 10% of the CMA est.)



\*\* Sources: Communication "Limiting Global Climate Change to 2° Celsius: The way ahead for 2020 and beyond, EU and Annual European Community greenhouse gas inventory 1990-2005 and inventory report 2007, EEA

# Kyoto Protocol and regional schemes



**Ratified**

**Signed, not ratified**

**No position**

# How to invest in the climate markets?

1. Buy shares, either directly or through investment funds, in listed companies that develop clean technology or provide other climate risk exposure
2. Invest venture capital in non-listed companies providing climate risk exposure
3. Provide equity to projects that promote renewable energy, or reduce greenhouse gas emissions by other means
4. Purchase carbon credits from the primary market, either directly or by participating in a purchase pool
5. Invest in carbon market commodities and derivatives on the secondary market

# Leading Expertise – GreenStream

- Leading manager of climate investment vehicles in Northern Europe and projects in China
  - Track record of managing up to 100 projects globally. Approximately 70 of these contracted projects are in China with estimated carbon reductions of about 50 Mt CO<sub>2</sub>e, a nominal value of carbon reductions of 500 MEUR and underlying investments of approximately 5 billion EUR
  - Manager of four proprietary carbon funds and one renewable energy fund
  - Selected by the EBRD and the EIB as Carbon Manager in the Multilateral Carbon Credit Fund
  - Entrusted by the Finnish Government to manage its CDM/JI project portfolio
- A pioneer in the environmental commodities market globally
  - Seven times Best broker of renewable energy certificates in Europe (Environmental Finance)
  - Runner-up in category consultancy services, EU Emissions Trading (Environmental Finance)
  - Active member in the International Emissions Trading Association (IETA), RECS International, Principles for Responsible Investments, Project Developers Forum, FINSIF and others
  - One of the first providers of intermediary services to join the BlueNext exchange
  - Experience from a large pool of CDM projects in China and CDM/JI projects in other key host countries

# Entrusted by prominent clients

- Selected clients
  - The World Bank; marketing selected carbon funds in Europe
  - The European Bank for Reconstruction and Development and the European Investment Bank; Carbon Manager for the Multilateral Carbon Credit Fund
  - Nefco; fund tranche planning and capitalisation; structuring an emissions trading scheme for water pollutants
  - Ilmarinen Mutual Pension Insurance Company, Neste Oil Corporation, Rautaruukki Corporation, Eesti Energia; examples of investors in GreenStream's climate funds
  - The Danish government; management of EUA sales
  - The Finnish government; management of portfolio of CDM and JI projects
  - Vattenfall; power and emissions trading simulation
  - Major energy and industrial companies in Europe engaged in emissions trading
  - Brokerage of green certificates corresponding to some 50 TWh of electricity production
- Carbon market analysis skills
  - Dedicated carbon market analysts with access to vast market information
  - Regular commercial carbon market watch: the Emissions Trading Weekly

# Your Partner for Carbon and Renewable Value

GreenStream Network is a forerunner in the carbon and renewable energy markets. GreenStream currently manages several investment vehicles in the renewable energy and carbon field. Greenstream is also your partner when it comes to trading carbon credits or renewable energy certificates – or when you need business advice from our carbon and renewable energy experts.





Thank you for your trust – voted Runner-up "Best Advisor, EU Emissions Trading Scheme" in 2006 and 7 times in a row "The best Broker for Renewable Energy Certificates – Europe (excl. UK)" by the readers of Environmental Finance.



**GreenStream**



# GreenStream's Businesses

Core competence	Services offered	
<p><b>Green Investment</b></p>	 	<ul style="list-style-type: none"> <li>• Fund management (carbon and renewable energy); current investment vehicles include               <ul style="list-style-type: none"> <li>- Multilateral Carbon Credit Fund (EBRD and EIB)</li> <li>- Fine Carbon Fund and Fine Post-2012 Carbon Fund</li> <li>- Nordic Carbon Fund and Climate Opportunity Fund</li> <li>- Planned: China GreenStream Fund</li> <li>- Planned: GreenStream Climate Market Fund</li> </ul> </li> <li>• Own direct investments</li> </ul>
<p><b>Intermediary</b></p>	 <p>Green Certificates, Broker of the Year in years 2004-2010</p>	<ul style="list-style-type: none"> <li>• Brokerage of carbon credits and green certificates</li> <li>• Portfolio management services</li> </ul>
<p><b>Advisory</b></p>		<ul style="list-style-type: none"> <li>• Climate and renewable energy strategies, market analysis, financing solutions</li> <li>• CDM/JI/GIS project sourcing and development</li> </ul>

# GreenStream's Management Team



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