

EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	DOROTHEA INVESTMENT VEHICLE
<u>Promoter and financial intermediary</u>	ASPER INVESTMENT MANAGEMENT LTD
<u>Country of implementation</u>	Netherlands
<u>Summary project description</u>	<p>The proposed transaction is an EIB equity investment in the Project Dorothea SCSp (the "Investment Vehicle" or "Dorothea"). Dorothea is a thematic equity Investment Vehicle promoted and managed by Asper Investment Management Limited ("Asper"), that will invest in a portfolio of district heating ("DH") projects in the Netherlands developed exclusively by the Dutch DH developer ZON Transitie Support with a pipeline of projects under exclusivity.</p> <p>The Investment Vehicle is structured as a close-ended fund that will invest in a "non-blindpool" of exclusive projects focused on Dutch heat networks. Dorothea will allow investors to identify the portfolio of projects acquired and funded by their equity investments in Dorothea. Therefore, EIB proposed operation would be signed in several tranches linked to the successive portfolios of DH projects presented to the Bank (and other investors) by Asper for its potential further participation through Dorothea.</p> <p>At this stage, four initial projects (the "Initial Projects") are already identified by Asper. Along other investors in Dorothea, an EIB first tranche will be signed at financial close for the purposes of the Initial Projects. The remaining would be signed by EIB in subsequent tranches once the following DH projects (the "Follow-on Projects") are "ready to build" and fulfil the conditions precedent ("CP") agreed (licenses and permits secured, project engineering completed, land secured to build biomass plant, feed-in-tariff secured and sufficient volumes contracted).</p> <p>Therefore, EIB proposed operation would be signed in several tranches linked to the successive portfolios of DH projects presented to the Bank (and other investors) by Asper for its potential further participation through Dorothea.</p>

¹ This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

Each investor will have the ability to accept or reject (at its full discretion) its investment in the Follow-on Projects proposed without any prejudice to its existing investments already done through Dorothea.

ZON is currently developing all Initial Projects [...] and carrying associated expenses in order to bring them to a "ready to build" status and fulfils the CPs previously described. Once this status achieved, Dorothea will acquire the projects. As projects are built in several phases [...], the acquisition process will take place in different phases. The projects are in advanced development status and the first phases of the projects should start in Q2 2020.

After the acquisition of the projects, these will be managed by Energie Voor Elkaar ("EVE"), where Dorothea will own more than 95% of EVE and the remaining stake will be owned by ZON. EVE will be responsible of the O&M and asset management. The construction works will be carried out, under a bankable EPC contract, by an independent constructor to be designated which will provide the standard guarantees. Furthermore, ZON will be responsible of the construction management.

The proposed investment will support the decarbonization policy of the Dutch government through the substitution of the current gas-based heating network by DH based on sustainably sourced biomass. The operation would contribute to the EU 2030 renewable energy objectives.

PROJECT PILLAR ASSESSMENT

Pillar 1

Contribution to EU policy		High
Cross-cutting objectives		
Climate Action		100.00%
EFSI		
Contribution to EFSI		100.00%
EFSI: Development of the energy sector in accordance with the Energy Union priorities		
Expansion of the use or supply of renewable energy		50.00%
Energy efficiency and energy savings (with a focus on reducing demand through demand side management and the refurbishment of buildings)		50.00%

Pillar 2

Quality and soundness of the project		Excellent
1. Growth		[...]
2. Promoter capabilities		[...]
3. Sustainability		[...]
4. Employment		[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of up to four indicators, as relevant, among which:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;
- (iii) "Sustainability" i.e. environmental and social sustainability²;
- (iv) "Employment" i.e. the project's direct employment effect;
- (v) "Increasing access to finance and improving financing conditions including for final beneficiaries".

Pillar 3

EIB Technical and financial contribution to the project		Low
1. Financial contribution		[...]
2. Financial facilitation		[...]
3. Advice		[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through up to three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor);
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments;
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer - provided in-house by the EIB or in the form of assignments to external consultants - to facilitate the preparation or implementation of a project.

² For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

Pillar 4 - Complementary indicators

Additionality

This operation will support the Promoter's activity in the district heating sector in the Netherlands. It responds to the EU and EFSI energy policy objectives of decarbonizing heat supply by using biomass as a source and building new district heating networks. These are one of the main avenues to sustainably decarbonize part of the heat supply. This operation will therefore make an important contribution to the Climate Change mitigation policies and will be fully eligible under the EIB's Climate Action objective.

The operation addresses market failures linked to investments in projects with the positive externality of CO2 emission reductions and increased security of energy supply due to a reduction of natural gas dependency, as well as suboptimal investment situation linked to the availability of financing for the development and construction of greenfield district heating projects, especially those that seek to use renewable energy sources as opposed to the traditional natural gas that has been almost exclusively used until now in the Netherlands.

As an equity fund investment, the operation falls under EIB Special Activities. The underlying equity investments to be made by the Fund/Investment Vehicle are expected to be risky as they will be exposed to a range of risks, including development and construction risk. The EIB would not be able to provide such type of financing support during the period in which the EU guarantee can be used, or not to the same extent, without EFSI.

The EFSI-supported investment will send a strong signal to crowd-in infrastructure investors, assisting the Fund to raise the necessary private investment share. In turn, projects supported by the Fund are expected to raise additional private financing, contributing to job creation and growth in Europe.

Set of indicators related to the macroeconomic environment

Netherlands - Economic environment

Economic Performance

	NL 2018	EU 2018	US 2018	NL 2001-2007
GDP per capita (EUR, PPS)	39,650.24	30,935.11	43,569.11	38,443.32
GDP growth (%)	2.67	1.97	2.86	2.00
Potential GDP growth (%)	1.80	1.60	2.24	2.09
Output gap (% of potential GDP)	1.08	0.62	0.74	-0.52
Unemployment Rate (%)	3.60	6.60	3.90	4.70
Unemployment Rate (%) - Y/Y change (% points)	-0.80	-0.60	-0.20	0.09
Bank-interest rates to non-financial corporations (%)	1.01	1.26	--	3.82
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.19	-0.06	--	-0.06
Investment rate (GFCF as % of GDP) - Total	20.94	20.54	20.84	21.27
Investment rate (GFCF as % of GDP) - Public	3.40	2.86	3.31	3.96
Investment rate (GFCF as % of GDP) - Private	17.55	17.68	17.53	17.30

Energy

	2014	2015	2016	2017	EU (latest available)
Energy consumption from renewables (%)	5.49	5.74	5.94	6.60	17.53
Energy consumption from renewables - distance to EU 2020 target (%)	8.51	8.26	8.06	7.40	2.47
Energy dependence (%)	33.80	--	--	--	53.50
Primary energy consumption (consumption in 2005 =100)	90.70	93.60	94.20	--	90.00
Energy intensity of the Economy (kg of oil equivalent per 1 000 EUR)	--	--	--	--	141.83
Primary energy consumption (Million Tonnes of Oil Equivalent)	62.40	64.40	64.80	--	1,542.70
Primary energy consumption (Million Tonnes of Oil Equivalent) - distance to EU 2020 target	1.70	3.70	4.10	--	59.70

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Electricity, gas, steam and air conditioning supply (% of total VA)	1.22	1.26	1.23	1.06	1.82
Employment in Electricity, gas, steam and air conditioning supply (% of total employment)	0.30	0.31	0.30	0.30	0.54

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial cooperations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Other indicators³

Key project characteristics	Expected value at PCR
Start of works	01.03.2020
End of works	31.12.2027
Project investment cost [MEUR]	350.00 MEUR
EIB/EFSI eligible investment mobilised [MEUR]	309.40 MEUR
External EFSI multiplier	4.42
External EIB (non-EFSI) multiplier	
Amount of private financing [MEUR]	280.00 MEUR
Quick start (% of expenditure during 2015-2018) [%]	
Co-financing with national promotional banks [MEUR]	0.00 MEUR
Co-financing with structural funds (ESIF) [MEUR]	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc) [MEUR]	
Energy efficiencies realised [MWh/a]	0.00 MWh/a
Climate Action indicator	50.00% Mitigation - Renewable Energy (transversal) / 50.00% Mitigation - Energy Efficiency (transversal)
Employment during construction - temporary jobs [person years]	600 person years
Employment during operation - new permanent jobs [FTE]	18 FTE

³ For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.