



7.6 billion people.

A number that is growing by 10,000 every hour.



People seeking prospects for the future – work, education, prosperity. These are some of the many catalysts that cause people to move into cities, where these basic desires are more easily met. In 1980, only 39% of the world's inhabitants lived in cities, but since then this percentage has risen to more than half of the world's population.<sup>2</sup> Every week cities around the world grow by 1.5 million people, with a total increase of 2 billion people by 2050, predicted by the United Nations.<sup>3</sup>

The consequences of this urbanisation: ever-growing agglomerations with millions of people. While in 1960 there were just over one hundred cities worldwide with more than one million inhabitants, today there are nearly five times as many.<sup>4</sup> There are already 37 megacities of more than 10 million inhabitants – the eight largest of which are in Asia.<sup>5</sup>

#### Cities: powerhouses of social development

Cities offer work and educational opportunities. The middle class emerges and grows. Consumption becomes affordable. 85% of global GDP is generated in cities.<sup>3</sup> The World Bank has observed that only countries that go through the urbanisation process have been or are able to attain medium-income status.

#### Infrastructure deficits: hinder growth

At the same time, one of the greatest challenges of our time is emerging: infrastructure development, which has to keep up with the phenomenal growth in population numbers and economic output.

In essence: If there is no suitable infrastructure, the backbone of today's society is already missing. And tomorrow at the latest, it will be the prospects for the future that are missing.









Infrastructure – the key to prosperity and progress in our world.

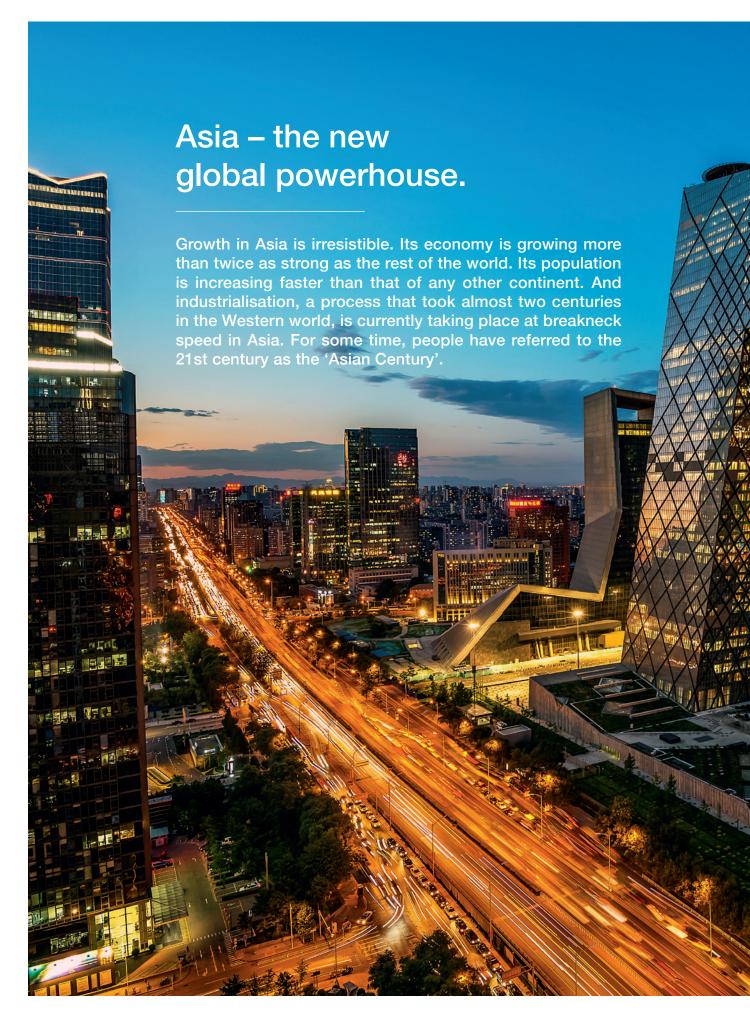
All humans need infrastructure. It is the backbone of our daily supply. Bringing us clean water. Providing modern transportation routes so that goods and people can be transported quickly, efficiently, and in an environmentally friendly way. Supplying sustainable energy. Allowing everfaster communication technologies. And underlying a social system that supports our health and secures the future through education.

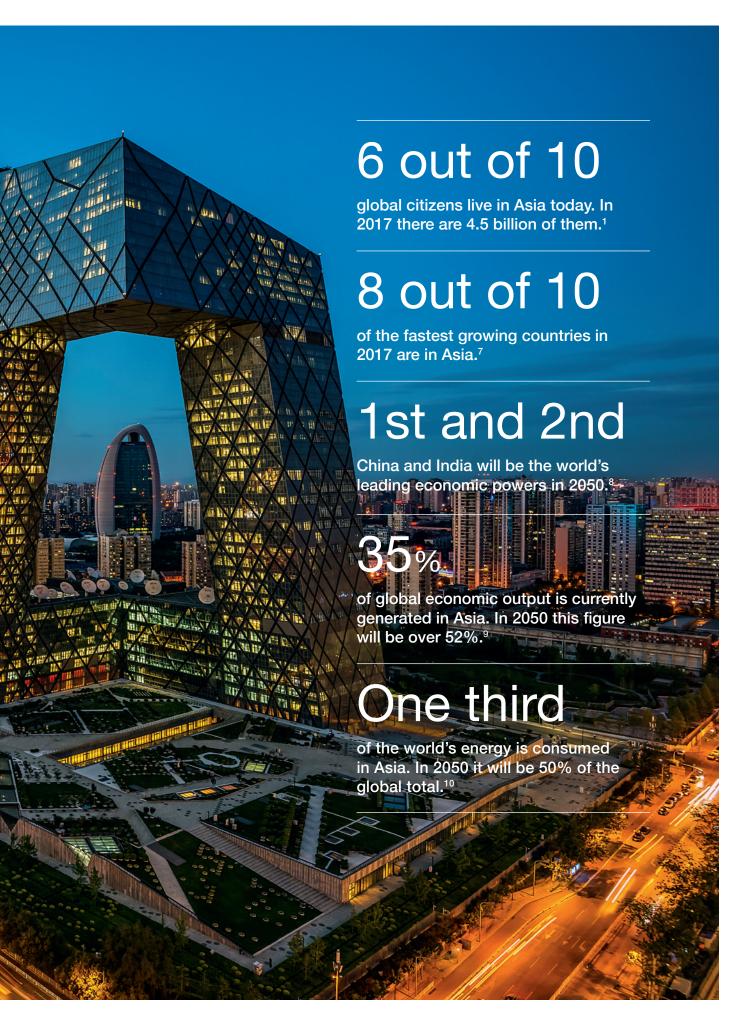
Infrastructure also represents an enormous dynamic growth market, with a global capital requirement of 94 trillion USD by 2040.6

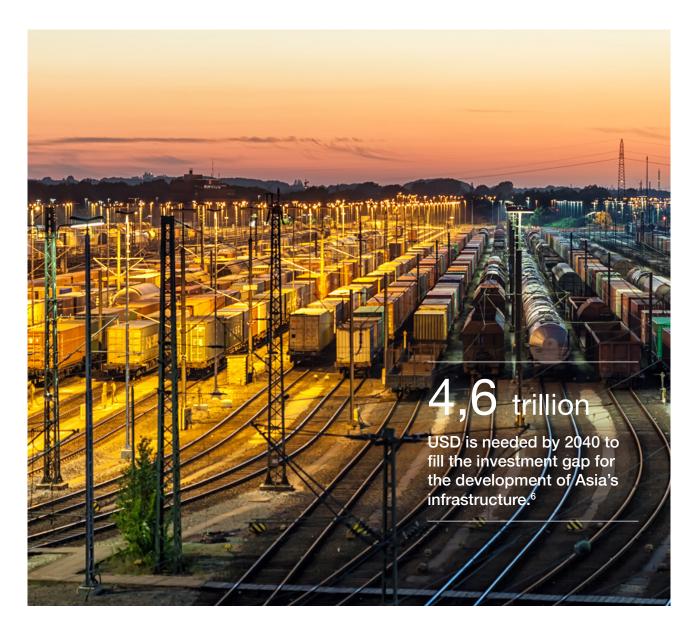
### Those who invest in infrastructure are making an investment in our basic needs.

They also stand to benefit from the advantages of long-term real assets that are inherently protected from inflation – a category that stands out for high value retention, significant independence from capital market and macroeconomic developments, and above all, regular and predictable cash flows. As a result, infrastructure investments are synonymous with attractive returns and measurable risk.









Invest where growth predominates.

Yet Asia is also facing great challenges: it has reached the limits of what its infrastructure can support, and urgently needs to invest more in expanding its infrastructure both in quality and quantity. As a result, it faces highly charged issues:

- How will Asia be able to cover its exponentially growing energy demand? And given that pollution is already rampant in many locations, how can this energy be supplied in an environmentally sustainable way?
- How can suitable supply and disposal capacities, cutting-edge communication networks, and modern social facilities be provided for a continually growing population?
- What does Asia's dynamic growth mean for transport networks – for roads, ports, airports?
- How will these booming economies meet the high demand for well-trained workers? What does this mean for education infrastructure?
- And above all: How can Asia finance this enormous need for infrastructure investment?

#### The way is clear for modern financing methods in infrastructure

Confronted with an enormous investment shortfall of 4.6 trillion USD<sup>6</sup> by 2040, public finances across Asia are unable to cope with the urgently needed expansion of infrastructure for energy, supply, disposal, social facilities, transport, and telecommunications. As a result, governments in many Asian countries have undergone a paradigm shift in recent years:

- moving away from state funding to the systematic integration of private investors and lenders,
- moving away from insulation against the global market, to a market-oriented, global economic policy open to the world, with investment incentives, tax breaks, and simpler imports.

Private investors and lenders are more than welcome and indeed urgently required, because the immense demand for infrastructure expansion due to catch-up investment and growth can no longer be met without the involvement of the private sector.



Asia's infrastructure policy is now at a turning point. The move away from state-controlled infrastructure development towards a user-financed investor model means that a well-established financing system, as used for decades in the West, is now also taking shape in Asia.

Private investors provide infrastructure. Consumers pay fees to use this infrastructure. This money flows back to the investors as income.

#### Asian infrastructure: the investment opportunity for private investors

- The Asian infrastructure market thus combines one of humanity's oldest business models with the world's most rapidly growing economic region.
- This makes it one of the most attractive growth markets, offering investors, now in particular, outstanding entry opportunities and excellent return prospects.
- ThomasLloyd extends these opportunities to you, from identifying the most urgent and therefore most economically attractive projects, following them through their development, construction, and operation, up to their sale.
- As a result, you can capitalise on Asia's earnings potential with a reliable partner at your side that puts its expertise in the service of your capital, along the entire value chain.

# Benefit from the expertise of the market leader.

As one of the leading direct investors and financiers in the Asian infrastructure sector, Thomas-Lloyd combines detailed technical knowledge, a high level of investment expertise, and in-depth regional knowledge, offering investment solutions with high, risk-adjusted profitability for institutional and private clients.

#### First contact of choice for infrastructure investors

As an accredited contract partner of the IFC, a member of the World Bank, ThomasLloyd advises political decision-makers at regional and national levels, multinational organisations as well as a broad range of other industry participants in the public and private sectors. ThomasLloyd has a broad range of international partners, investors and lenders with which to realise its infrastructure projects, including governments, commercial and development banks, sovereign wealth funds, and multilateral organisations. Allianz and Prudential for example, two of the world's largest insurance groups, took part in an investment/lending programme from the IFC (MCPP) through their respective investment managers. This programme finances selective infrastructure projects in emerging markets, including 161 million USD to a current power plant portfolio developed and owned by ThomasLloyd.

#### Multiple award-winning asset manager

ThomasLloyd's expertise and prominent market position is reflected in the large number of awards presented to the asset manager over the years for both the success of its projects and its infrastructure investment platform as a whole.

#### World-renowned infrastructure pioneer

From supporting the financing and structuring of the world's largest solar park in Canada, to its involvement in the development and realisation of the first renewable energy power plant in the Philippines, and the successful development, construction and sale of the largest solar portfolio in South East Asia – all of these transactions presided over by ThomasLloyd, were innovative pioneering achievements in the infrastructure sector, and are still seen as benchmarks in their respective markets to this day.

#### Selected (co-)investors & lenders

The high quality and shared holistic approach of our partners illustrates yet again that we aspire not only to generate sustainable value for our investors in many countries around the world with our infrastructure solutions, but also to help actively shape the social, economic and ecological environment of the region in question, and therefore also the future of the people who live there.

#### Governments

- · Canada Climate Change Program
- · U.S. Department of Energy

#### Commercial and Development Banks

- · Asian Development Bank
- · Bank of the Philippine Islands
- BDO Unibank
- · China Bank
- KfW IPEX-Bank
- Nord/LB

#### Sovereign Wealth Funds / Multilateral Organisations

- Clean Technology Fund
- International Finance Corporation (IFC)
- IFC Managed Co-Lending Portfolio Program
- · Qatar Investment Authority

#### **Pension Funds**

- · Algemene Pensioen Groep (APG)
- · Government Service Insurance System (GSIS)

#### Asset-Manager

- European Investment Bank (GEEREF)
- Kleiner Perkins Caufield & Byers
- Kotak Mahindra Bank (CIIF)
- Starwood Energy Group

#### Corporates & Utilities

- Aboitiz Power Corporation
- · Ayala Energy and Infra Group
- Sunedison

#### Further information:

Details of the individual transactions and cooperation agreements with the parties mentioned above: www.thomas-lloyd.com/en/company/investors-and-lenders

THOMASLLOYD AT A GLANCE More than employees from 35 nations year company history million euros shareholders' equity<sup>11</sup> More than investors<sup>12</sup> locations and representations in 12 countries on 3 continents billion USD assets under management<sup>14</sup>



# Invest successfully – with added social and ecological value.

## Impact investments – resulting in a sustainable triple bottom line

Infrastructure investments through ThomasLloyd give a completely new, more holistic and contemporary meaning to the words investing and return. This is because ThomasLloyd allows investors to make investments that are not only financially successful but also responsible, with a strong ecological and social impact, in accordance with ThomasLloyd's mission statement: "Invest where your money makes the difference".

The result is a unique harmony of financial, ecological, and social returns – for investors, for the environment, and also for the local community.



#### **BIOMASS PORTFOLIO IN SOUTH EAST ASIA**

Size of project sites: 810,000 m² • Capacity: 70 MW • Reach of electricity supply: 742,000 people •  $\rm CO_2$  reduction: 57.680 tonnes p.a. • Investment volume (CAPEX): 303 million USD



#### SOLAR PORTFOLIO IN SOUTH EAST ASIA

Size of project sites: 2,709,253 m² • Capacity: 202 MW • Reach of electricity supply: 462,000 people • CO<sub>2</sub> reduction: 155,040 tonnes p.a. • Investment volume (CAPEX): 395 million USD

## Energy infrastructure is a catalyst for the social development of an entire region

The power plants realised by ThomasLloyd in southeast Asia are good examples of the tangible sociopolitical importance of infrastructure investments.

Firstly, these plants produce urgently needed, sustainable electricity for regional agglomerations. They allow the emergence of industrial and commercial centres, power machines in factories and workshops, and thus make a vital contribution to economic development. They also bring light and power into schools and hospitals, provide the option to store food, and enable modern communication, thus opening up access to knowledge and education, all vital to society's growth.

Secondly, the construction and operation of the plants has brought work into a region previously dominated by agriculture and underdeveloped infrastructure, with the exponential effect that, due to the additional purchasing power, further jobs have been created in the regional economy, in manual trades, in business, and in the services sector. For ThomasLloyd, this is an intended, secondary effect of sustainable investments.

Consequently, over the last eight years, not only have the financial aims of ThomasLloyd investors been achieved or exceeded, but in addition a significant and sustainable improvement to the living conditions of the local people has been achieved.

These south-east Asian energy infrastructure portfolios are just two examples of the many ThomasLloyd infrastructure projects that have set new standards for attractive profitability as well as with regard to ecological and social sustainability.

# The perfect solution for every investment objective.

The infrastructure investment platform from ThomasLloyd offers institutional and private investors a unique point of access to the high-growth market of infrastructure in Asia – based on a diverse range of sound investment solutions that reflect two central requirements for capital investors: an increasing need for assets that retain value and have an attractive return potential, as well as a growing desire to make responsible and sustainable investments.

## The investment solutions from ThomasLloyd – rewarding, flexible, bespoke.

ThomasLloyd's continually expanding range of standardised investment solutions (funds, bonds, structured products), complemented by bespoke investment mandates, is a reflection of its mission to provide diverse types of investors with the ideal investment solution based on their primary objective and investment horizon, all from a single source.

# INVESTOR TYPE Private investors Sophisticated investors Institutional investors

# PRIMARY OBJECTIVE

Capital preservation Regular income Capital appreciation

# INVESTMENT HORIZON

short-term (up to one year) medium-term (one to four years) long-term (five years or more)

#### Proven and sustainably successful: an outstanding history of results

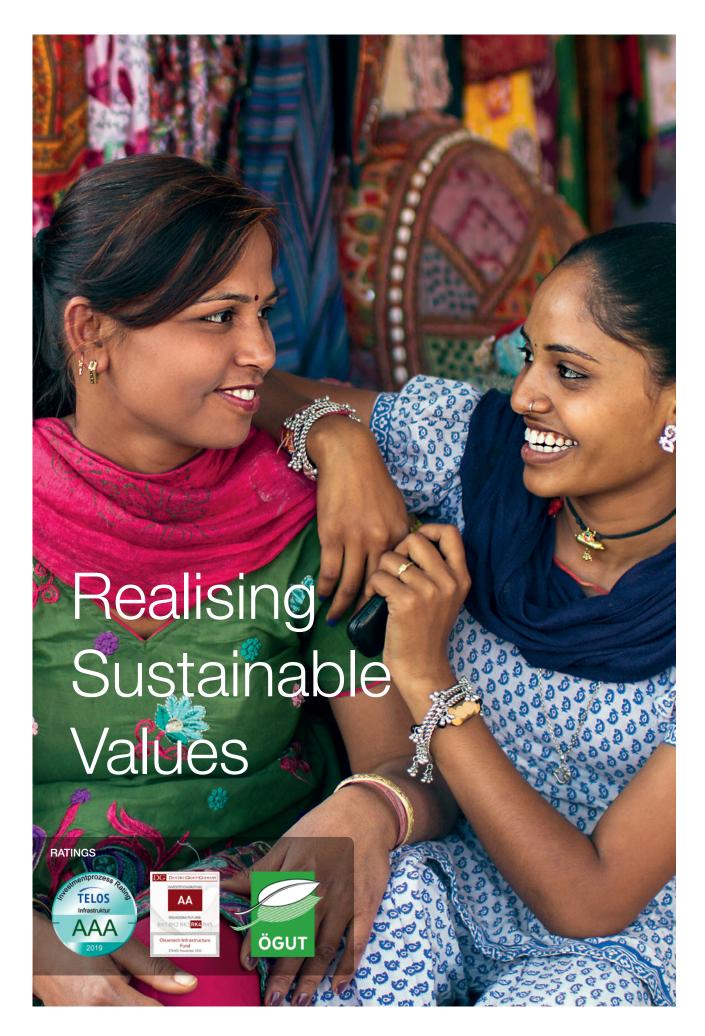
The performance report, audited annually, documents an impressive 15-year track record, setting standards in the investment market.

- 95% of all funds and structured products at ThomasLloyd are 'on' or 'above target' with regard to expected returns and distributions, while the figure for infrastructure investment solutions is 100%.
- All of the bonds issued by ThomasLloyd Group to date have made their interest payments and principal repayments in full on time, in line with the prospectus.

With ThomasLloyd investment solutions, you can capitalise on Asia's earnings potential with a reliable partner at your side, that will put its expertise in the service of your objectives, along the entire value chain.



Video
Infrastructure.
Indispensable.
Sustainable.
Profitable.





Footnotes: <sup>1</sup> United Nations, World Population Prospects: The 2017 Revision; <sup>2</sup> World Health Organisation (WHO), Global Health Observatory data, Urban population growth; <sup>3</sup> pwc, A New Urban Agenda: Accommodating 2 billion new urban citizens; <sup>4</sup> DIE ZEIT, Die urbane Welt [The Urban World], no. 31/2014; <sup>5</sup> Demographia, World Urban Areas, April 2017; <sup>6</sup> Global Infrastructure Hub, Global Infrastructure Outlook 2017; <sup>7</sup> World Bank: Global Economic Prospects, October 2016; <sup>8</sup> pwc, The World in 2050, February 2017; <sup>9</sup> Asian Development Bank, ASIA 2050 – Realizing the Asian Century; <sup>10</sup> International Energy Agency, Key World Energy Statistics / Asian Development Bank, Asian Development Outlook 2013; <sup>11</sup> ThomasLloyd Group Ltd.; <sup>12</sup> As of: 31.12.2018; <sup>13</sup> Telos: Investment process ration for ThomasLloyd SICAV – Sustainable Infrastructure Income Eurol. <sup>16</sup> This amount includes all discretionary agents are described by the complete of the com

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