

Financing a greener and competitive energy sector

the Creon Energy Fund experience

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Dr. Fares Kilzie | Chairman of the Board | Creon Energy Fund S.C.A. SICAV-SIF



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1. Environmental Responsibility – opportunity and challenge for the gas industry
2. Russia's energy sector and environmental protection – 5 major trends from 5 years
3. Ecological and commercial viability – no contradiction anymore
 - Investment Focus I: Green Technologies
 - Investment Focus II: Small-Scale LNG solutions & hydrocarbons
 - Investment Focus III: Clean logistics for the energy sector
4. Conclusion



ENVIRONMENTAL RESPONSIBILITY – OPPORTUNITY AND CHALLENGE FOR THE GAS INDUSTRY



1. **“Green” matters for financial institutions, lenders and in M&A**
 - Environmental protection and transparency part of AML & KYC processes
 - “Green bonds” market gains liquidity: Growing demand for all green investments
2. **Customers and even strategic partners are forced to pay attention to “responsible sourcing”**
 - Pressure by sanctions: Russian VINC need to become “ecology nerds”
 - Increasing political attention for origins of gas supplies
3. **Public pressure in (western) destination companies: Eurasian hydrocarbon must improve their image, especially gas producers**
 - Western NGO’s and media remain skeptical of oil and gas supplies from Russia

HOWEVER, it is not too late to respond the challenge without losing markets and margins

RUSSIA'S ENERGY SECTOR AND ENVIRONMENTAL PROTECTION – 5 TRENDS FROM 5 YEARS (I)



2013

Creon Group and WWF initiate transparency Rating of Russian oil and gas companies in terms of environmental responsibility

2014

Rating was perceived as an instrument to blame Russian oil and gas companies; low response on requests for information

2017

All oil and gas companies provide data; rating presentation in Germany became a platform to discuss positive developments and best-practice

2018

Creon Energy Fund starts to invest in projects improving the environmental footprint of Russia's energy sector

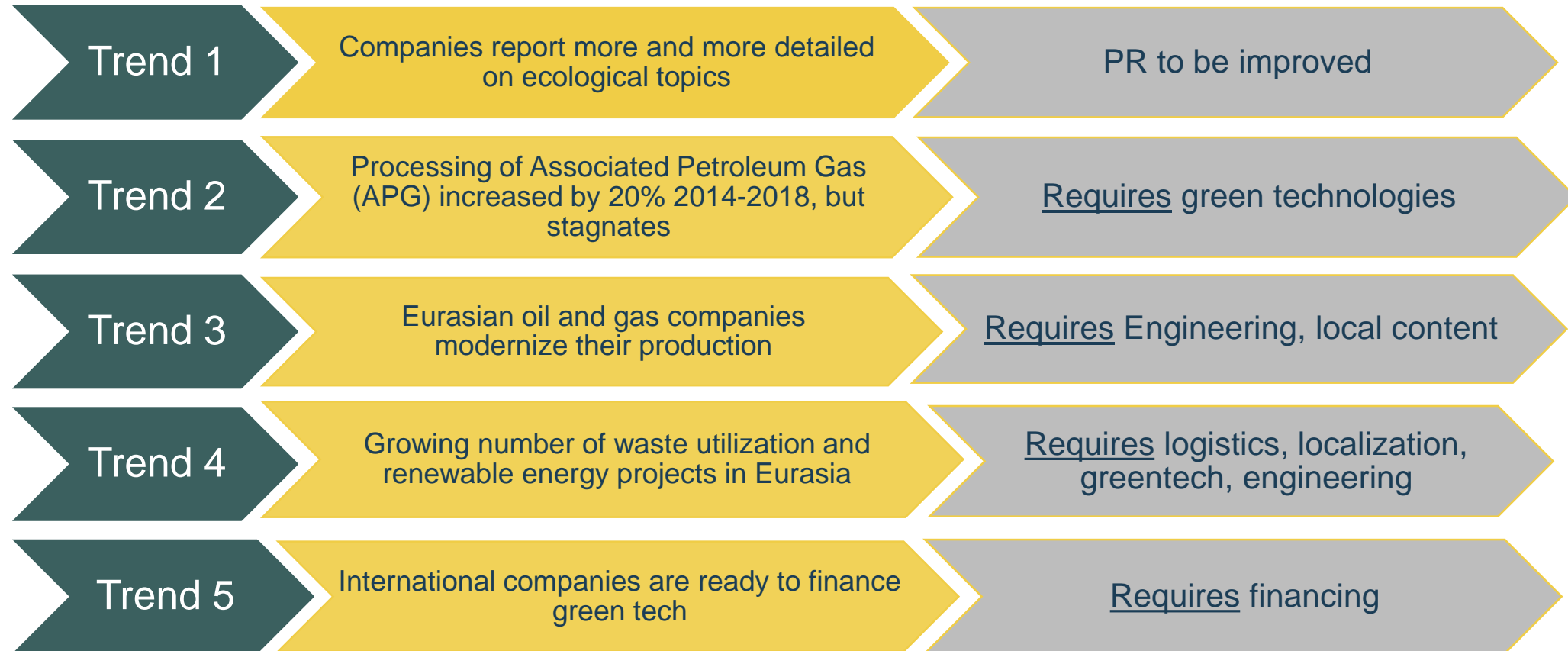
2019

Russian Duma adopts a law stating that all companies must report on environmental sustainability

Russian oil and gas companies **improved** their Environmental responsibility and its time to show it!

RUSSIA'S ENERGY SECTOR AND ENVIRONMENTAL PROTECTION

5 TRENDS FROM 5 YEARS (II)



ECOLOGICAL AND COMMERCIAL VIABILITY NO CONTRADICTION ANYMORE



- Creon co-invests to increase environmental responsibility
- Commercial viability of “green” projects is proven in Eurasia
- We co-invest to develop clean technologies and infrastructure

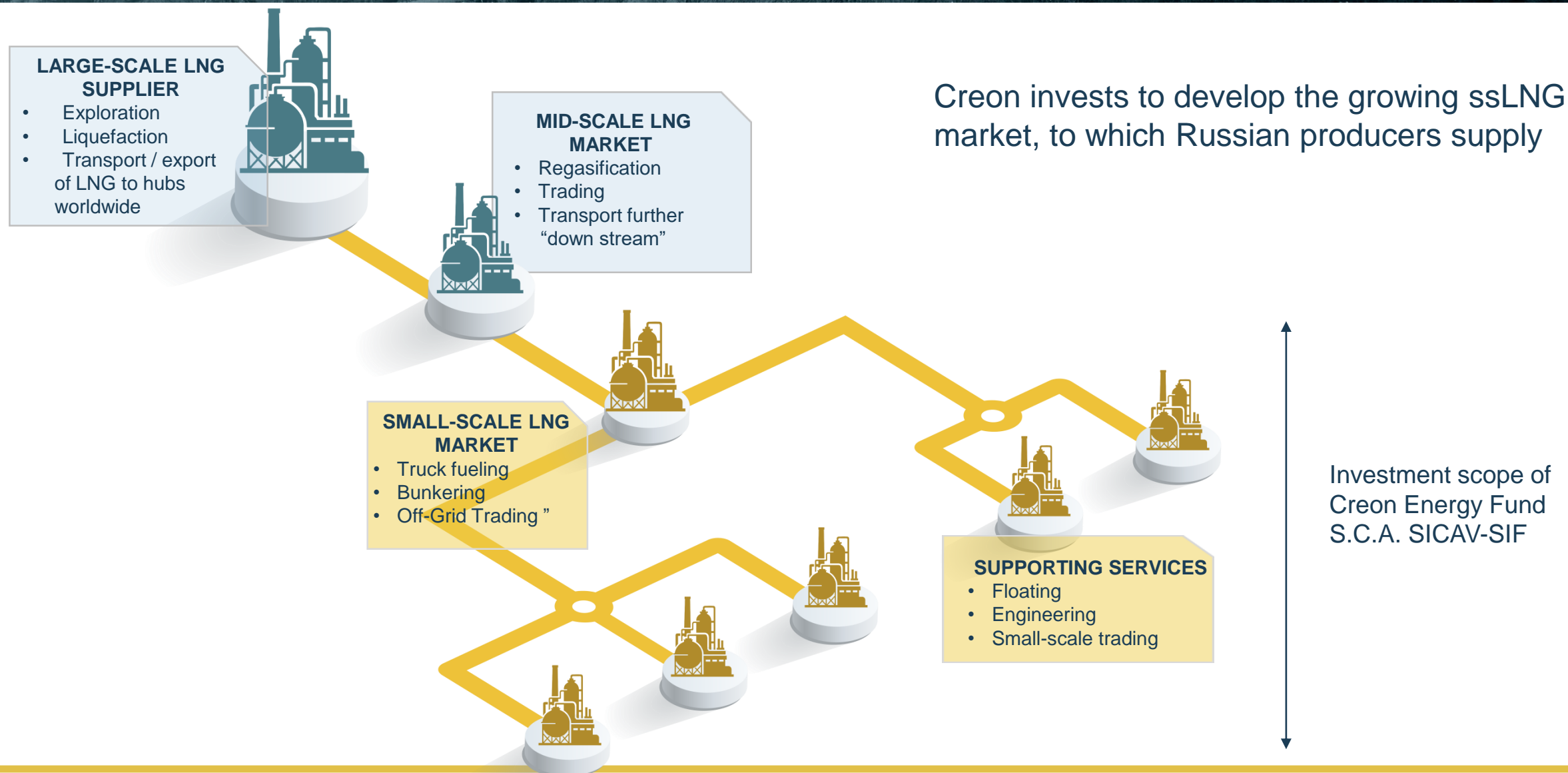


INVESTMENT FOCUS I: GREEN TECHNOLOGY



- Investments in green technologies to be upscaled in Russia/CIS countries
- Localization of equipment for the oil and gas downstream industries
- Structuring investments via Luxembourg on behalf of partners

INVESTMENT FOCUS II: CREATING A PLATFORM FOR SMALL-SCALE LNG





- Project logistics specialists transports large-scale modules for gas processing plants such as Yamal LNG (Novatek)
- Creon Energy Fund S.C.A. SICAV-SIF invested with Investment Corporation of Dubai
- ISS GS may apply for the “Guinness Book of Records”: The world’s largest windmills have been transported through the largest ever distance (customer: General Electric)
- Growing market for project logistics in Eurasia provides tremendous growth potential
- JV ISS GS S.à.r.l. is part of a network of logistics corporation with more than 100 offices worldwide



HOW TO STAY IN TOUCH WITH US?



Dr. Fares Kilzie

Chairman of the Board

(LUX) +352 26 49 79 1203

(RUS) +7 495 276 77 88

kilzie@creoncapital.lu

www.creoncapital.lu



Florian Willershausen

Director Business Development,
Marketing and Communication

(LUX) +352 621 231 126

(RUS) +7 968 783 84 12

(GER) +49 151 162 44 591

fw@creoncapital.lu

www.creoncapital.lu