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Sustainable Development Capital awarded £50 million mandate by the UK Government's Department of Business, Innovation and Skills to invest in energy efficiency infrastructure projects in the UK.

Sustainable Development Capital ("SDCL"), the specialist financial and investment advisory firm, today announces the launch of a new £50 million fund cornerstoned by UK Green Investments (UKGI), part of the UK Government's Department for Business, Innovation and Skills. The fund will be raising at least a further £50 million to support a £100-200 million investment programme.

The fund, UK Energy Efficiency Investments, will co-invest alongside other sources of private sector capital in projects that reduce the demand for energy in non-domestic buildings, industrial facilities and urban infrastructure in the UK. Energy efficiency is one of UK Green Investments' five key target markets.

The projects will seek to cut energy costs and improve productivity. Reducing demand for energy through energy efficiency is one of the largest and most cost effective ways of making energy cleaner and reducing greenhouse gas emissions and offers attractive risk-adjusted investment returns.

SDCL has developed a strong pipeline of projects in partnership with some of the leading energy services companies in the UK and will draw on the knowledge and experience that it has gained through its energy efficiency project development and investment business in Asia.

The fund will be managed by a specialist team within SDCL led by CEO, Jonathan Maxwell. SDCL has established a new dedicated division, SDCL EE Co (UK) LLP, to manage the fund. One of SDCL's strategic investors, Sustainable Technology Investors Limited (STIL), has made a minority investment in SDCL EE Co (UK) LLP and its Chairman, Gordon Power, will join the board and chair its investment committee.

SDCL's CEO, Jonathan Maxwell, said:

"Energy efficiency makes strong business sense while at the same time delivering very high environmental impact. This new fund will enable us to address the UK market with the much needed capital and know-how required to unlock compelling energy efficiency opportunities that are not otherwise being taken".

Gordon Power, Chairman of STIL, said:

"Our investment in SDCL and the new manager, SDCL EE Co (UK) LLP, builds on and complements our existing investment activities in the sustainable development markets in the UK and internationally. SDCL has a unique expertise and approach to creating valuable investment opportunities in the energy efficiency investment markets."

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Notes to Editors

About SDCL Group (SDCL)

SDCL is a specialist financial and investment advisory firm, established in 2007 to help governments, financial institutions and companies finance and invest in environmental and social infrastructure assets and services. It seeks long-term value, increased efficiency and superior risk-adjusted investment returns through scalable business models that positively impact the environment and society.

SDCL's advisory business is focussed on facilitating the supply of clean infrastructure. Its investment business is focussed on reducing demand for resources through energy efficiency.

SDCL Group is headquartered in London with offices in New York and Hong Kong. SDCL's business in Asia (SDCL Asia) is a joint venture with the First Eastern Investment Group, one of the leading private equity and infrastructure investors in Asia with deep experience of investment business in China.

<http://www.sdcl-ib.com/>

About Sustainable Technology Investors Limited (STIL)

STIL manages private equity investments in the energy, efficiency, water and waste sectors. Managed by Gordon Power, Jim Totty and Stephen Lansdown, it focuses on the asset development of cash generative sustainable technologies and on late stage venture capital opportunities. It provides mentoring and skills to assist strategically its relationships and investments to grow their fund management activities. Further information is available at www.stig.gg and www.stil.uk.com.

About UK Green Investments (UKGI)

The Government is investing as UK Green Investments (UKGI) in green infrastructure projects focusing on five priority sectors as a precursor to the UK Green Investment Bank. UKGI will accelerate private sector investment in the UK's transition to a green economy. Offshore wind power generation, commercial and industrial waste processing and recycling, energy from waste generation, non-domestic energy efficiency and support for the Green Deal will be the first priority sectors.

The Government is committed to setting the UK firmly on course towards a green and growing economy. The transition to a green economy presents significant growth opportunities for UK-based businesses, both at home and abroad. This progression requires unprecedented investment in key green sectors. An estimated investment of up to £200 billion in the energy system alone is needed over the period to 2020.