
INVESTMENT FUND DESIGNER
UN ECE SED
Financing Energy Efficiency Investments
for Climate Change Mitigation



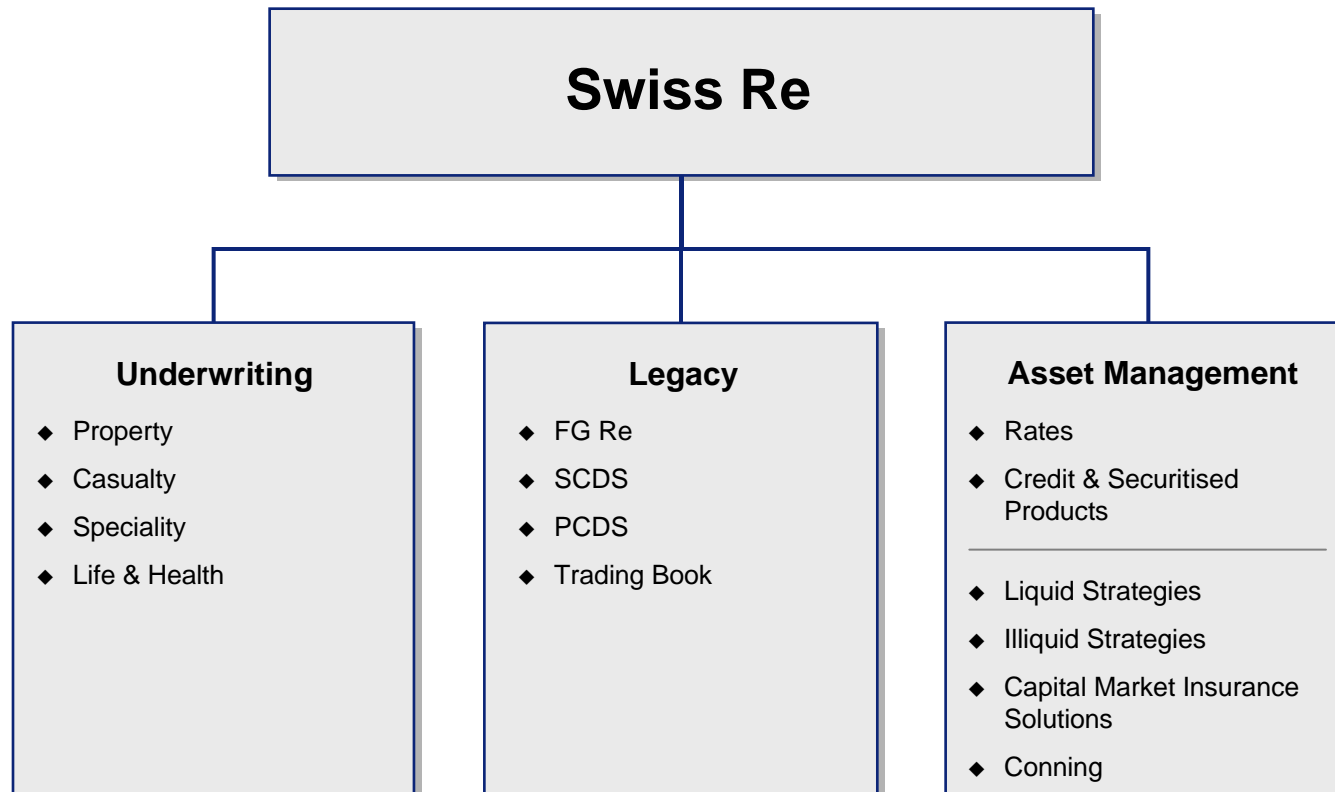
RFPS-117

Consultative Meeting and 12th Session of AHGE

18-19 December 2008, Geneva

Conning Asset Management Limited
Authorised and regulated by the Financial Services Authority

- ◆ **Overview of Swiss Re and Conning**
- ◆ Investment Fund Designer - Tender Extracts
- ◆ Investment Fund Designer - Initial Design Proposal



- ◆ Swiss Re is the world's largest and most diversified global reinsurer.
- ◆ A primary objective of Asset Management is to provide enhanced value for Swiss Re's core client base.
- ◆ Swiss Re is rated AA- by Standard & Poor's and Aa2 by Moody's (Confirmed on 06.11.08)



Communication, Reporting and Service Overview

- ◆ Global interaction between the portfolio management, credit research, trading and risk management functions as portfolio managers in Hartford and Dublin attend weekly, monthly and ongoing market review meetings to exchange research and opinion.
- ◆ Investment reports can be produced per asset class, aggregated by entity or group of entities as required. Reports are available to cover compliance, regulatory returns and risk management.
- ◆ Conning's global investment accounting system enables local GAAP and US GAAP to be provided on the portfolios that Conning manages.
- ◆ Ad hoc reports for insurance regulations, tax and statutory reporting are prepared as required by our reporting team.

History

- ◆ Founded in 1912 in Hartford, CT.
- ◆ Acquired by Swiss Re in July, 2001.
- ◆ Assumed global responsibility for non-proprietary client investments in 2003.

Highlights

- ◆ Ranked among top three U.S. insurance asset managers in terms of assets under management*.
- ◆ Leading U.S. insurance research and publications group.
- ◆ More than 120 institutional clients globally.
- ◆ Team of 231 employees dedicated to the insurance and investment industry.

as of 30/9/2008
**IFI Insurance Asset Manager Annual Survey 2007"

Conning offers global investment products and select alternative investments through external partners.

Fixed Income:

- ◆ Governments / Agencies
- ◆ Corporates
- ◆ MBS / CMBS / ABS
- ◆ Tax-Exempts
- ◆ Specialty Fixed Income:
 - ❖ High Yield
 - ❖ Private Placements
 - ❖ Convertibles

Equities:

- ◆ Index and Enhanced Index
- ◆ Yield Enhanced
- ◆ Actively Managed◆

Alternative Investments:◆

- ◆ Private Equity◆
- ◆ Real Estate◆
- ◆ Derivatives◆
- ◆ Structured Products◆
- ◆ Insurance Linked Securities◆
- ◆ Hedge Funds◆

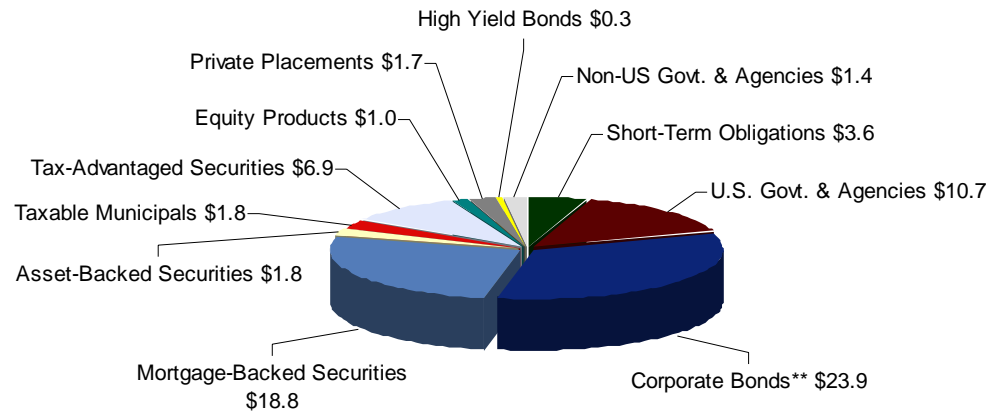
◆ Offered via placement/distribution relationship or via a sub-advisory relationship

As of 30/9/08

* Includes Conning's U.S. and Dublin Investment Centers

** Includes Convertible Securities

Assets Under Management



Assets Under Management	\$ 72.1 billion*
Assets Under Advisory	\$ 11.5 billion
Accounting and Reporting Assets	\$ 17.4 billion
Total Assets Under Contract	\$101.0 billion

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- ◆ To promote market formation so that self-sustaining energy efficiency and renewable energy projects can be identified, developed, financed and implemented locally in twelve nominated countries.

1. To promote market formation so that self-sustaining energy efficiency and renewable energy projects can be identified, developed, financed and implemented locally in twelve nominated countries.
2. Designing a Euro denominated public-private partnership fund with contributions from both the public and private sector in the region of EUR250m, which invests exclusively in projects which have a quantifiable impact on the reduction of greenhouse gas emissions.
3. The countries are Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Kazakhstan, Republic of Moldova, Romania, Russian Federation, Serbia, The former Yugoslav Republic of Macedonia and the Ukraine.

1. Develop PPP* fund structure
2. Define fund procedures, rules, governance
3. Draft legal document for investors
4. Draft PPM** and fund business plan
5. Identify lead investors
6. Solicit public/private investors
7. Determine the role and TOR*** of the fund manager

*Public Private Partnership ** Private Placement Memorandum *** Terms of Reference

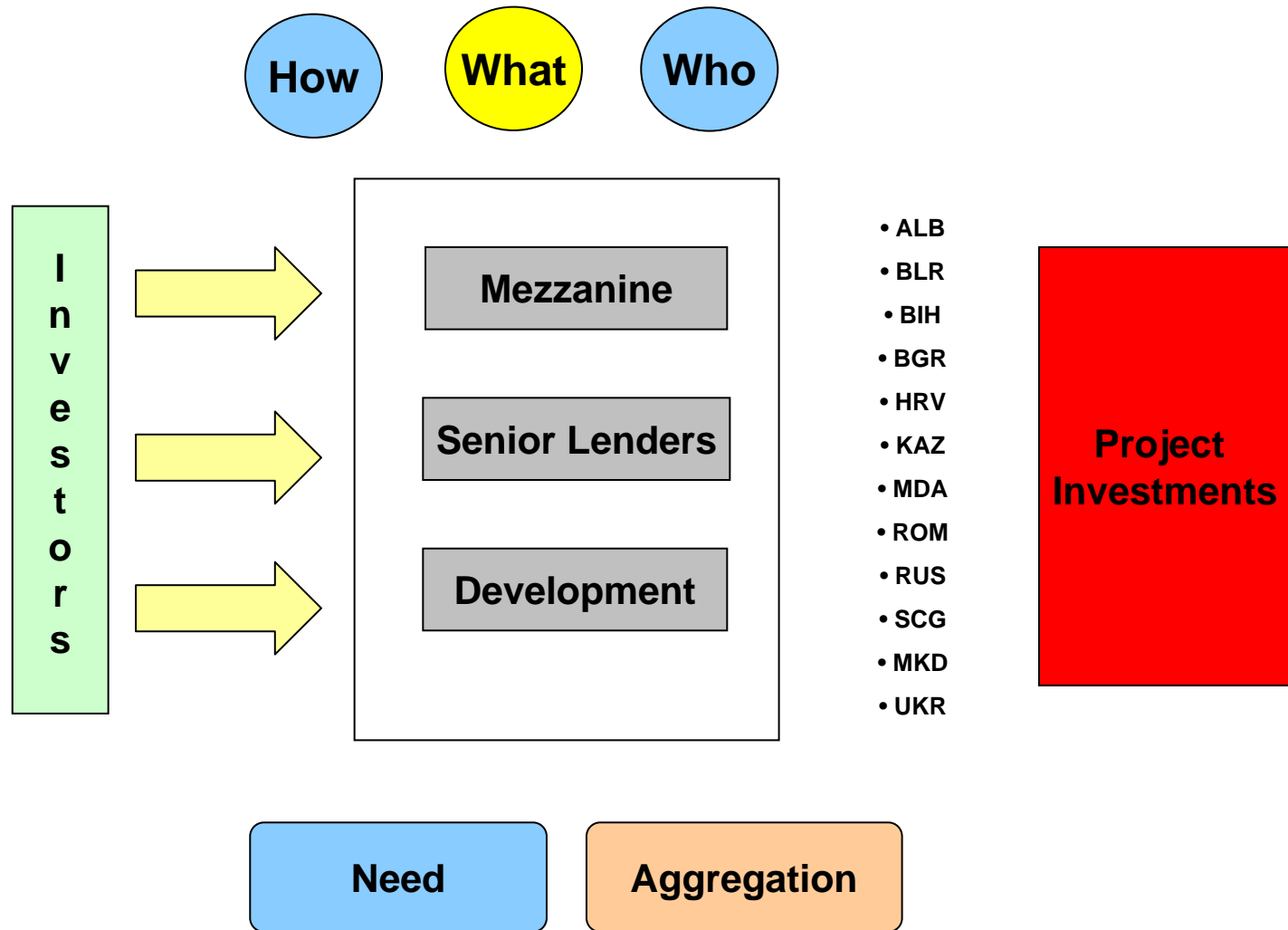
1. Proven expertise in private equity/project finance
2. Proven expertise in public/private partnerships
3. Capacity to establish relationships with financial/industrial groups
4. Experience in the development of investment funds for energy efficiency, including relations with development banks, commercial banks, public and private investors
5. Detailed knowledge of the investors perspective in financing environmental investments
6. Experience in equity and mezzanine financing and investment project development

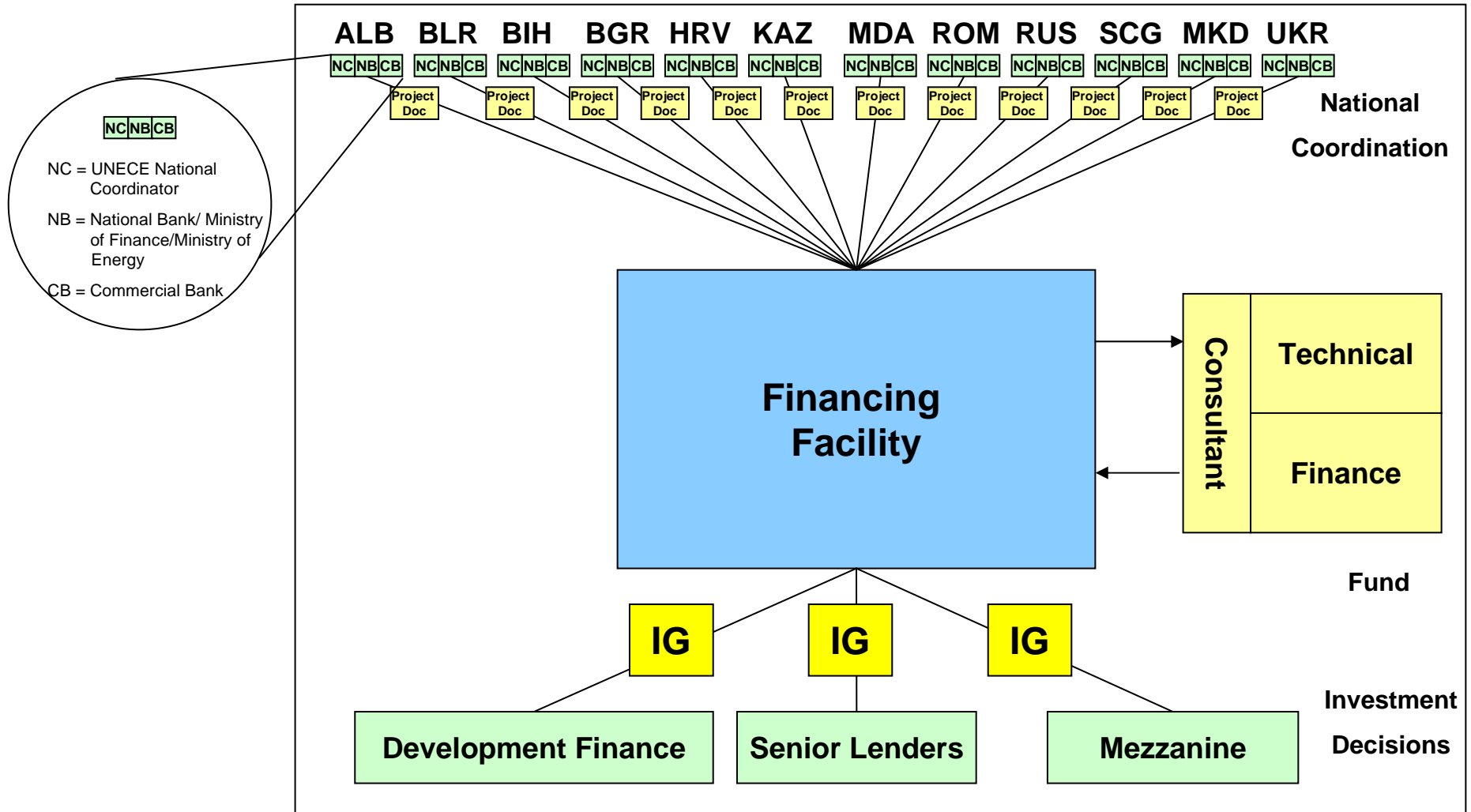
Target Projects	Clean energy projects in EU 27 including wind energy, solar energy, hydro-electric, biomass, cogeneration, combined-cycle, fuel switching, geothermal, clean coal, waste-to-energy, district heating and electric, waste fuel, combined heat & power (CHP), efficiency retrofit and related projects and companies
Fund Size	EUR354 million
Investment Period	Four years from Final Closing (Dec 2006)
Term	Ten years, with two one-year renewal options
Investment Manager	Trust Company of the West
Investors	Swiss Re EUR20 million; TCW EUR5 million; public pension schemes, commercial fund investors, foundations and international financial institutions
Management Fee	2% of committed capital during investment period and afterwards 2% on par value of investments
Preferred Return	7%
Performance Fee	20% to the Investment Manager and 80% to the Investors after the Preferred Return

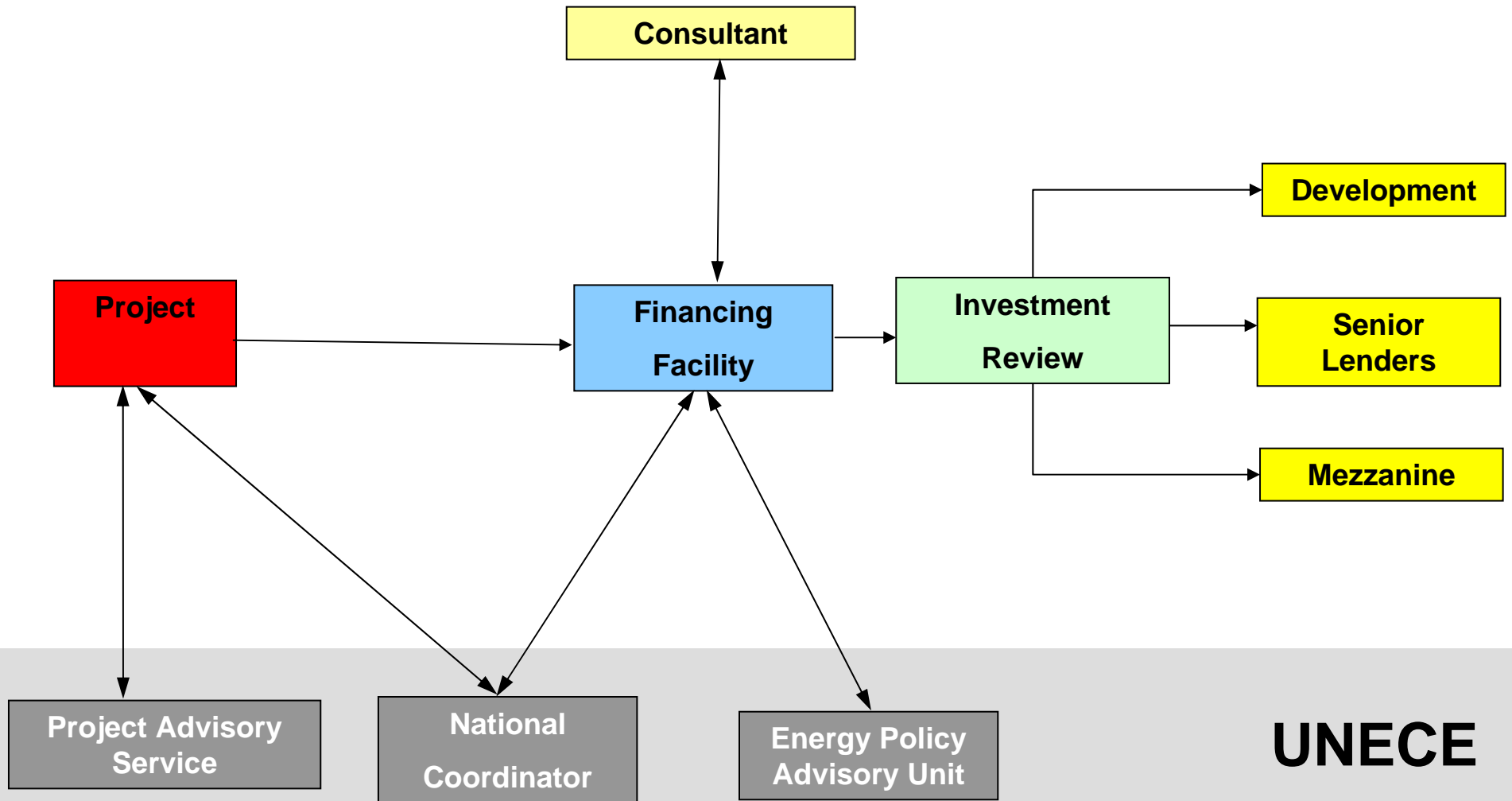
Target Projects	Projects generating a recognised carbon credit stream Post-2012
Fund Size	EUR125 million
Investment Period	Two years from First Closing (Feb 2008)
Term	December 2012
Investment Manager	First Climate
Investors	European Investment Bank with Caisse des dépôts et consignations, Instituto de Crédito Oficial, KfW and Nordic Investment Bank
Management Fee	2% of committed capital during investment period and 2% on par value of outstanding investments during some and following the investment period
Preferred Return	7% (with a catch-up in certain circumstances)
Performance Fee	20% to the Investment Manager and 80% to the Investors after the Preferred Return

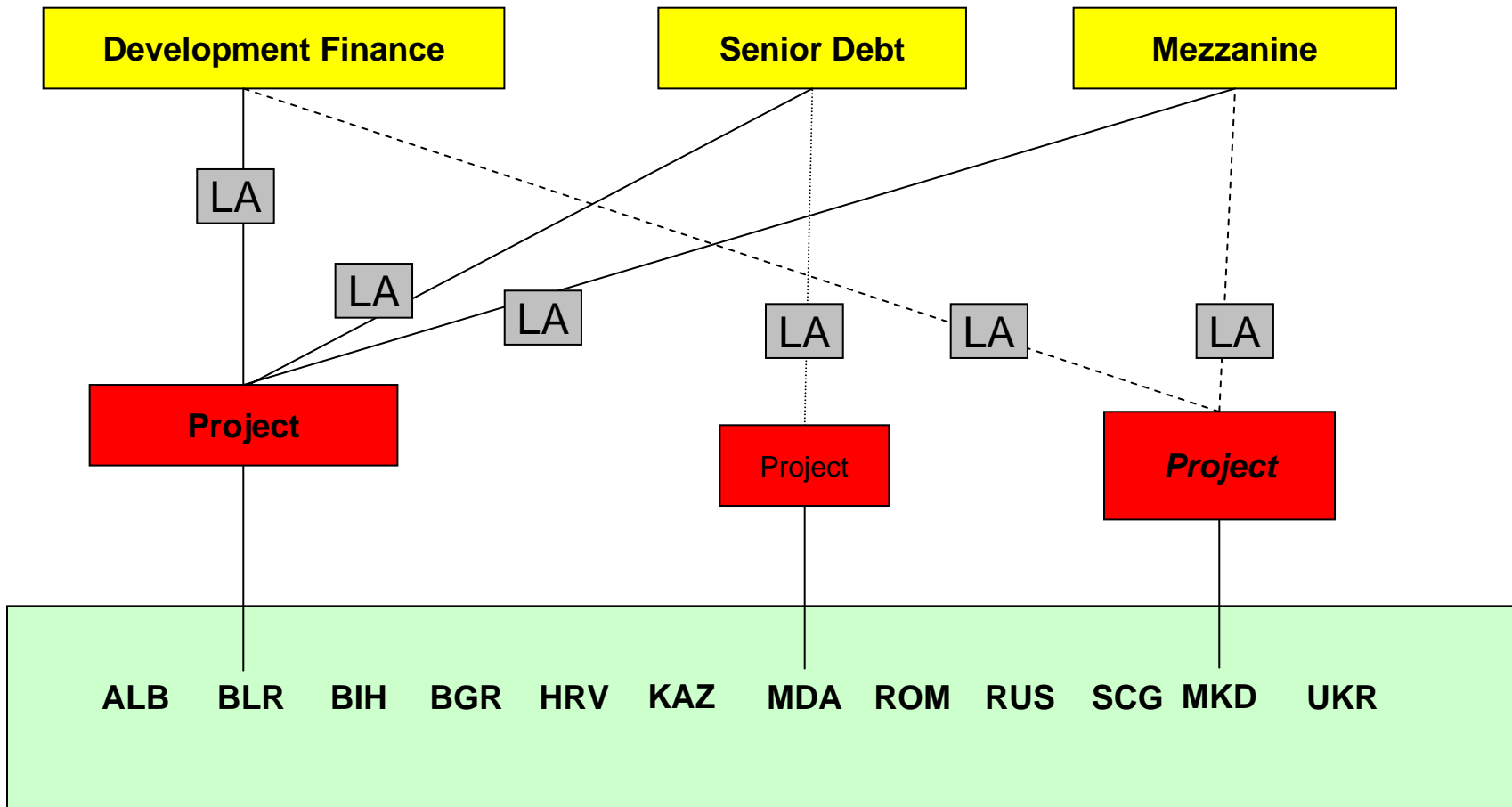
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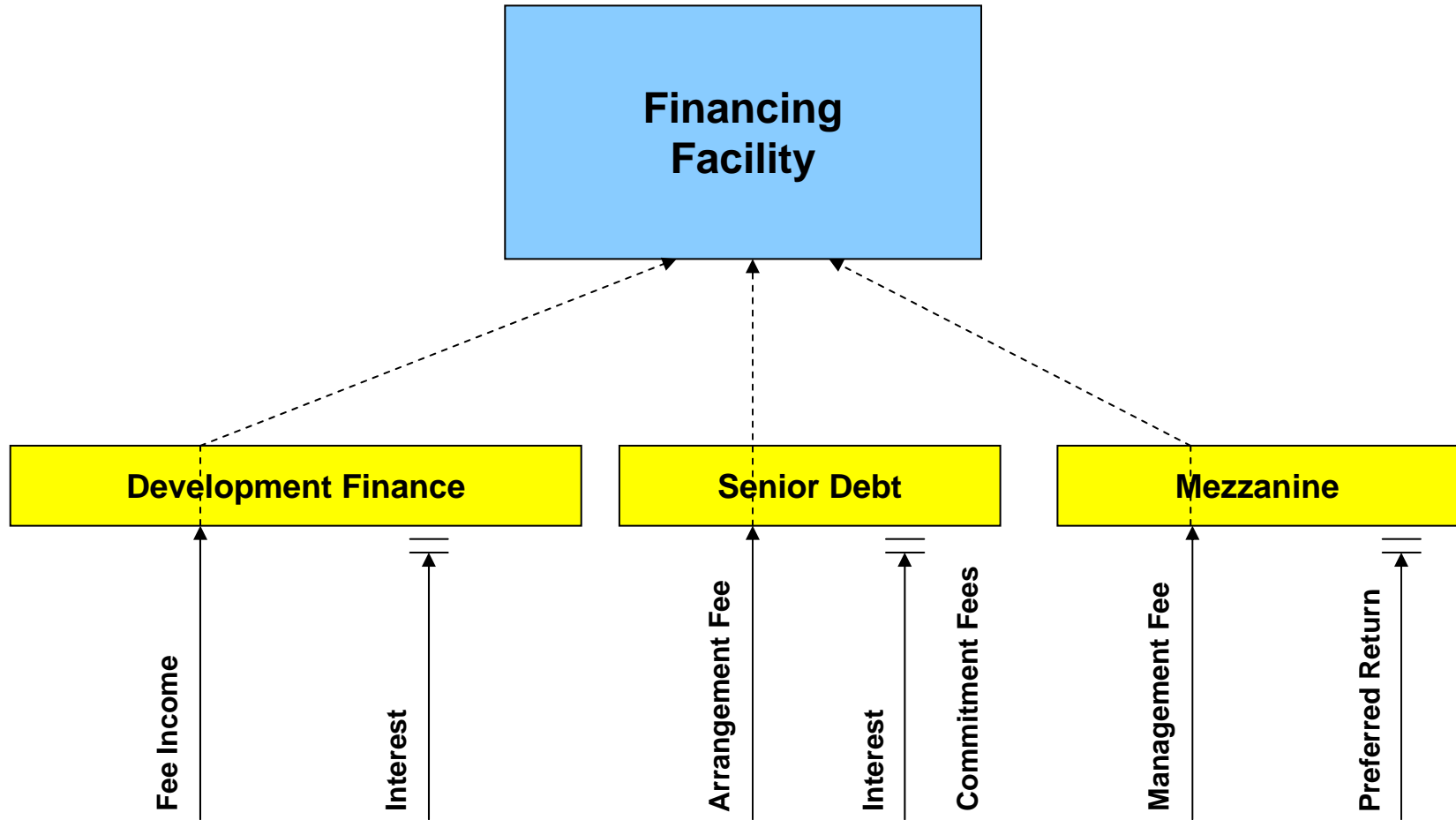
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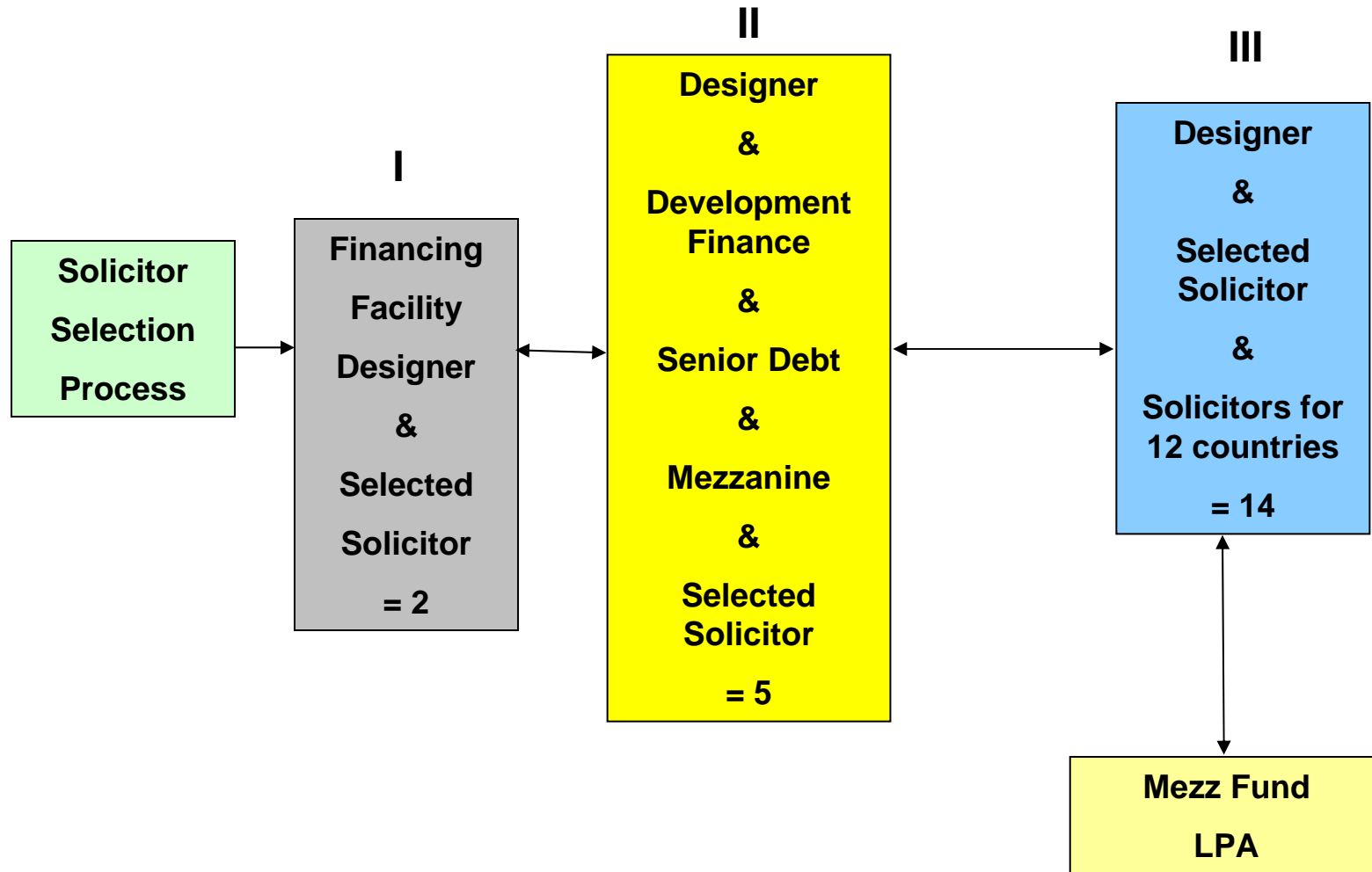




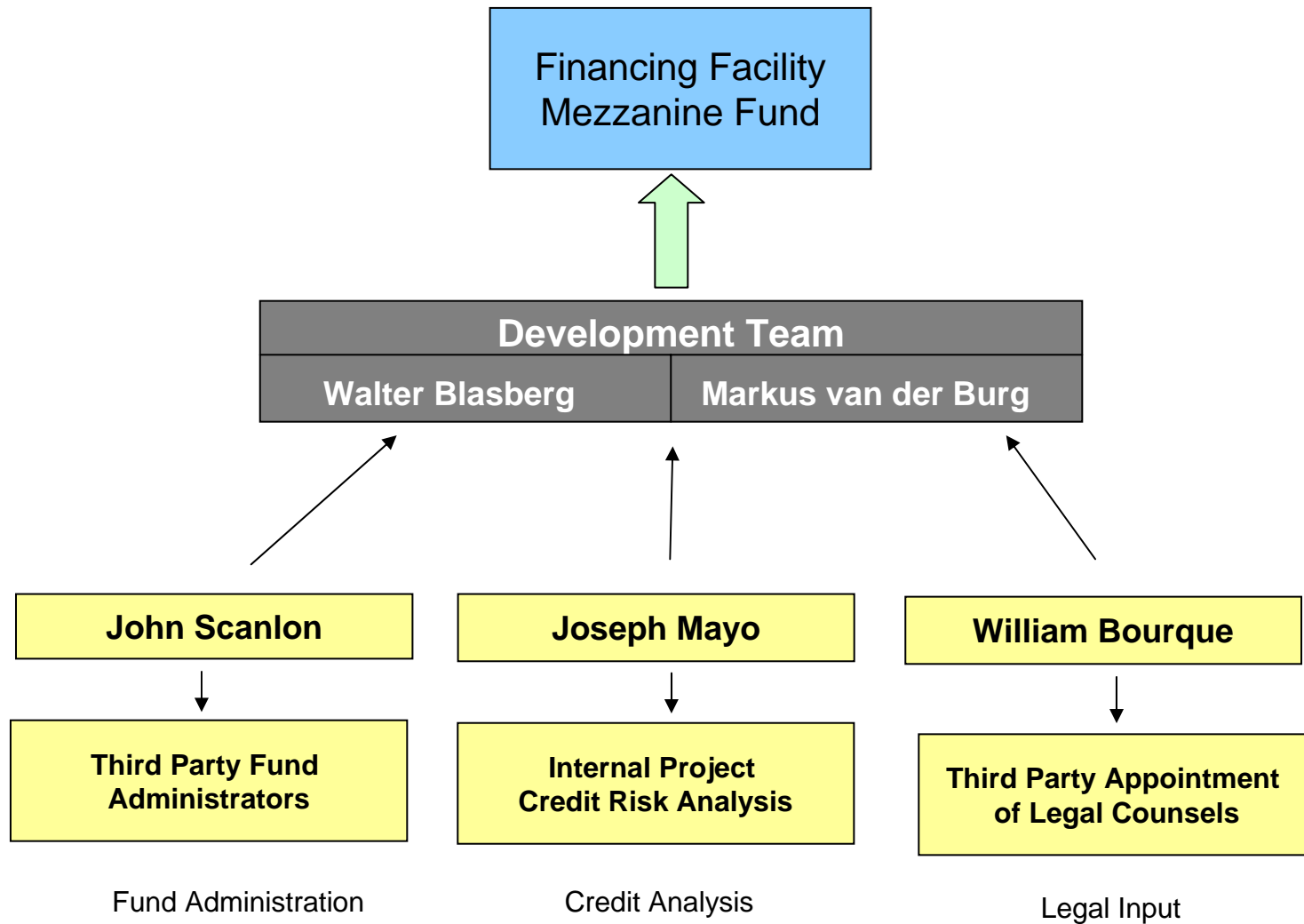


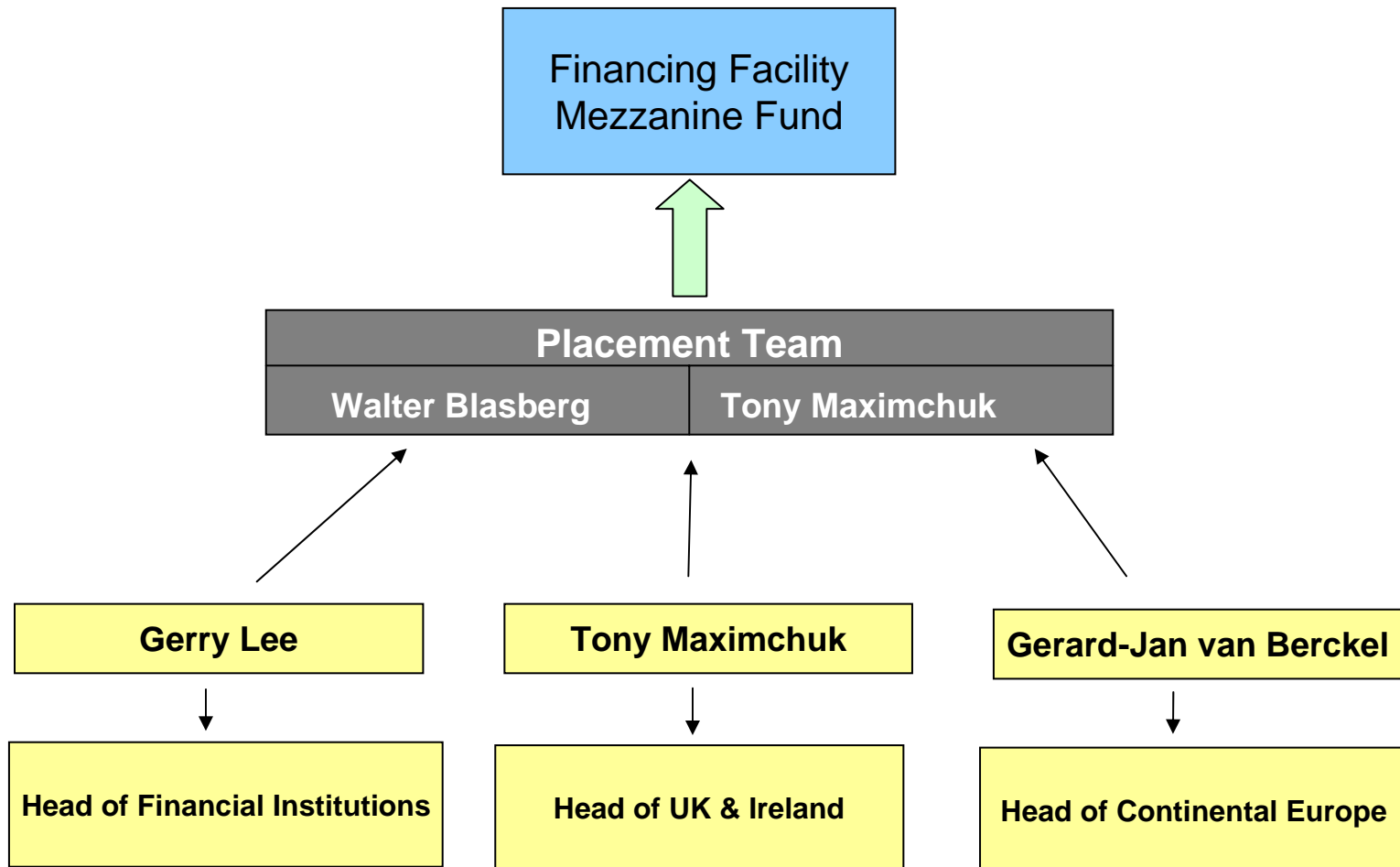






Final Draft





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