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



RFPS-117

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

- ◆ Paragraph 21:

“We recognize the need for further integrating policies on climate change, the environment, sustainable development and energy in the region. We call for further efforts to improve energy efficiency in order to meet environmental and sustainable energy objectives. We welcome the project on Financing Energy Efficiency Investments for Climate Change Mitigation and we will consider participating as public-sector investors in the energy efficiency investment fund, which is being created through the Energy Efficiency 21 Project. For increasing energy efficiency, we, the Ministers and Heads of delegation of Parties to the Kyoto Protocol, also recognize the importance of using flexibility mechanisms of the Kyoto Protocol.”

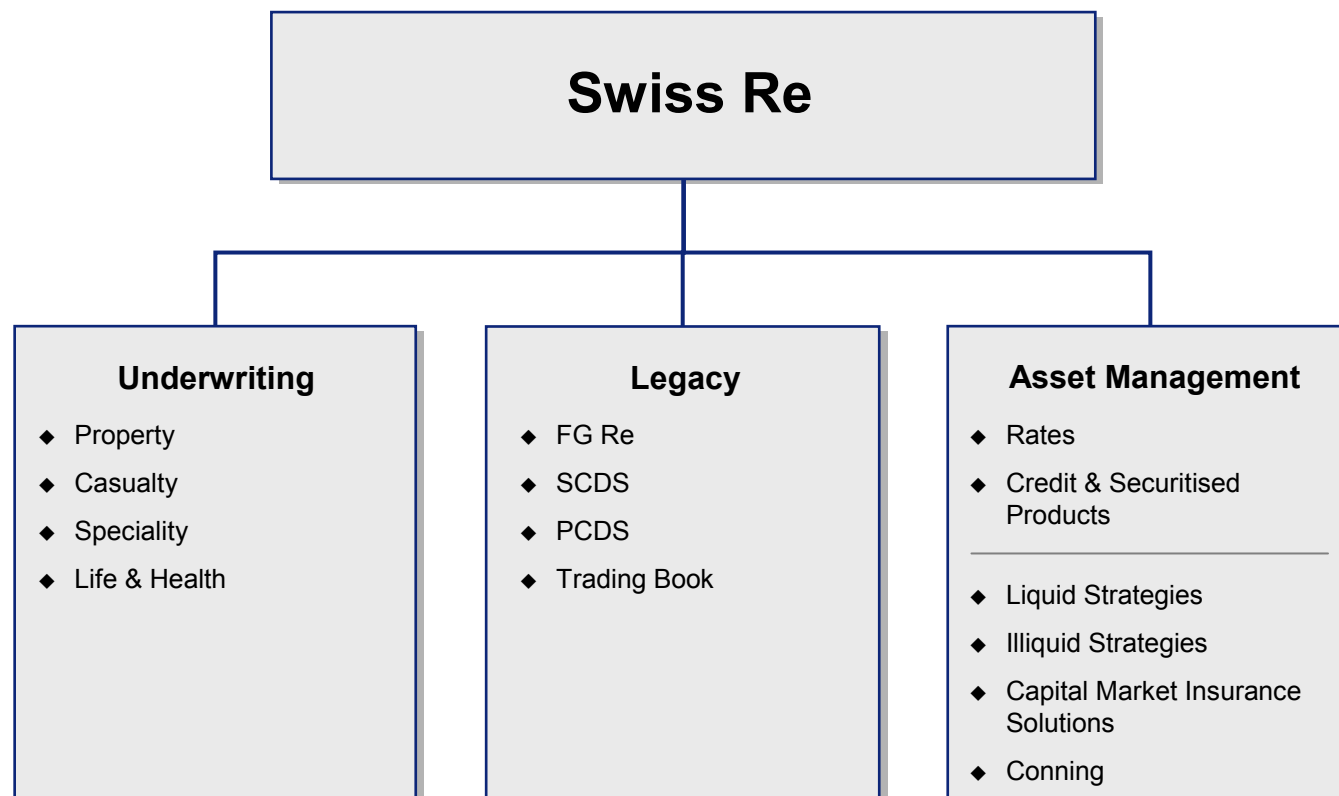
SIXTH MINISTERIAL CONFERENCE "ENVIRONMENT FOR EUROPE"

BELGRADE, SERBIA 10-12 October 2007

DECLARATION

"Building Bridges to the Future" by Ministers of the region of the United Nations Economic Commission for Europe

- ◆ Conning has a successful long standing interest in building, managing and placing climate mitigation fund products as part of our asset management activity.
- ◆ Conning has recently undertaken the fund designer role for the UNECE with the intention of designing a renewable energy and energy efficiency investment fund to stimulate investment in twelve named countries.
- ◆ We would like to extend an invitation and to make an appeal.



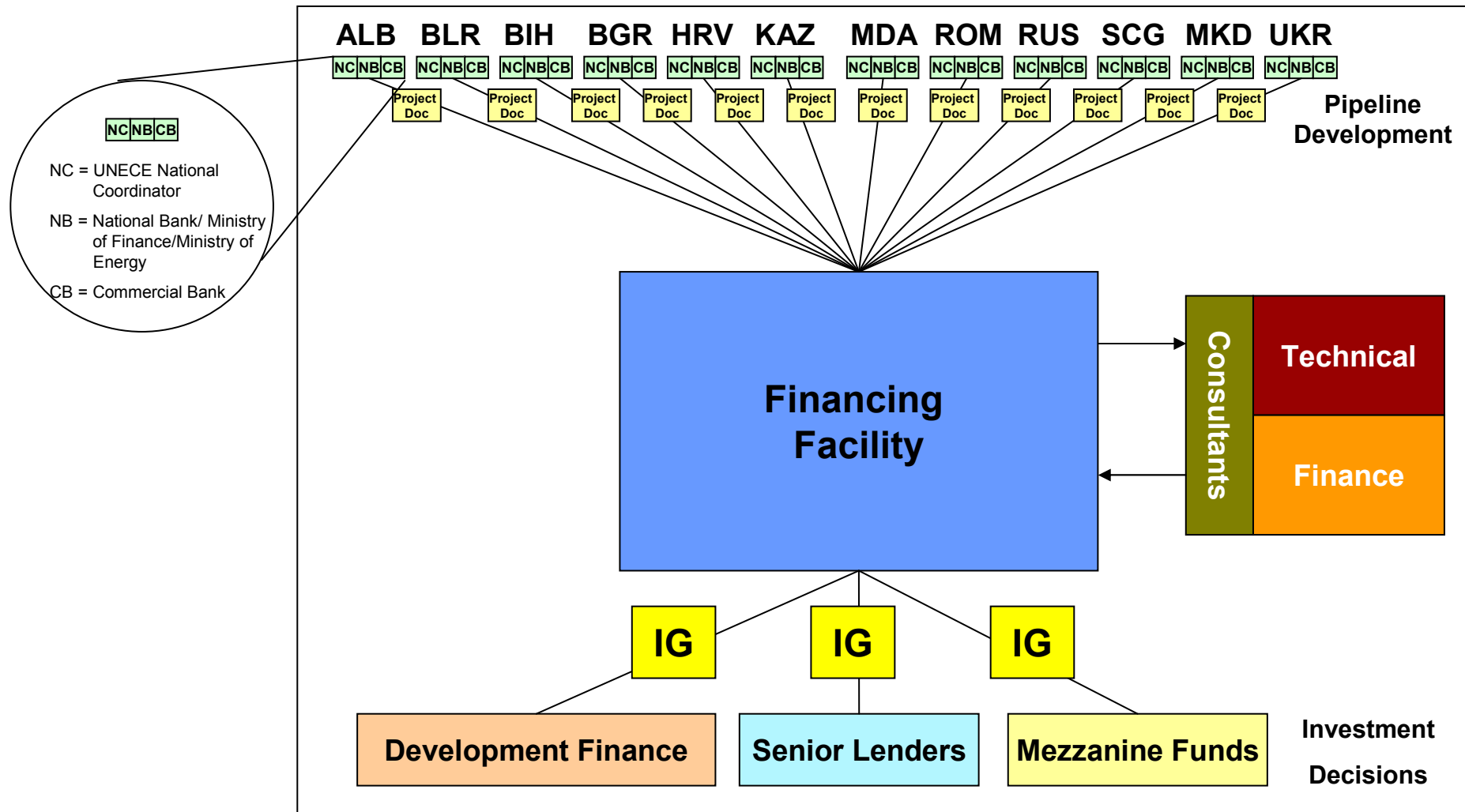
- ◆ Swiss Re is the world's largest and most diversified global reinsurer.
- ◆ A primary objective of Asset Management is to provide enhanced value for Swiss Re's core client base.
- ◆ Swiss Re is rated *AA- by Standard & Poor's and **Aa2 by Moody's (Confirmed on 06.11.08)

*A+ as of 18 February 2009

** Aa3 as of 6 February 2009

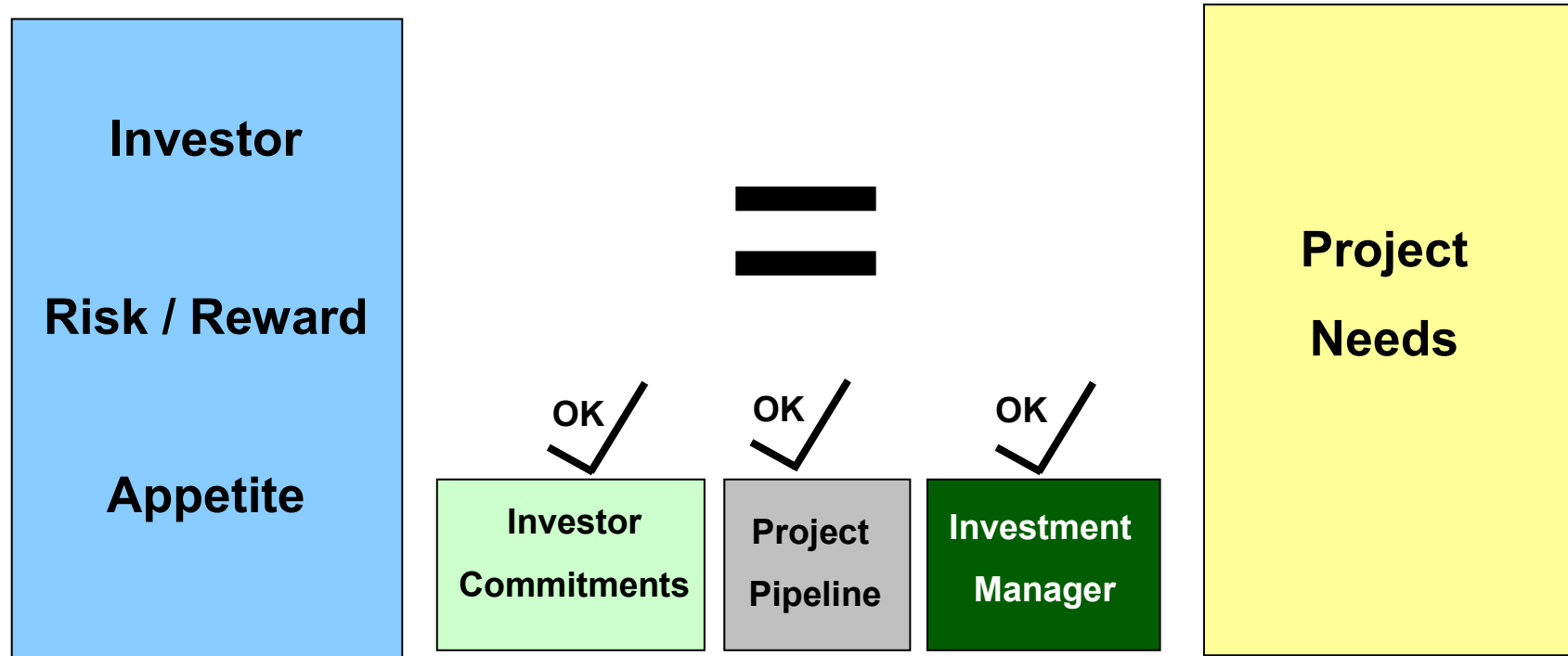
Target Projects	Clean energy projects in EU 27 including wind energy, solar energy, hydro-electric, biomass, cogeneration, combined-cycle, fuel switching, geothermal, clean coal, waste-to-energy, district heating and electric, waste fuel, combined heat & power (CHP), efficiency retrofit and related projects 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 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



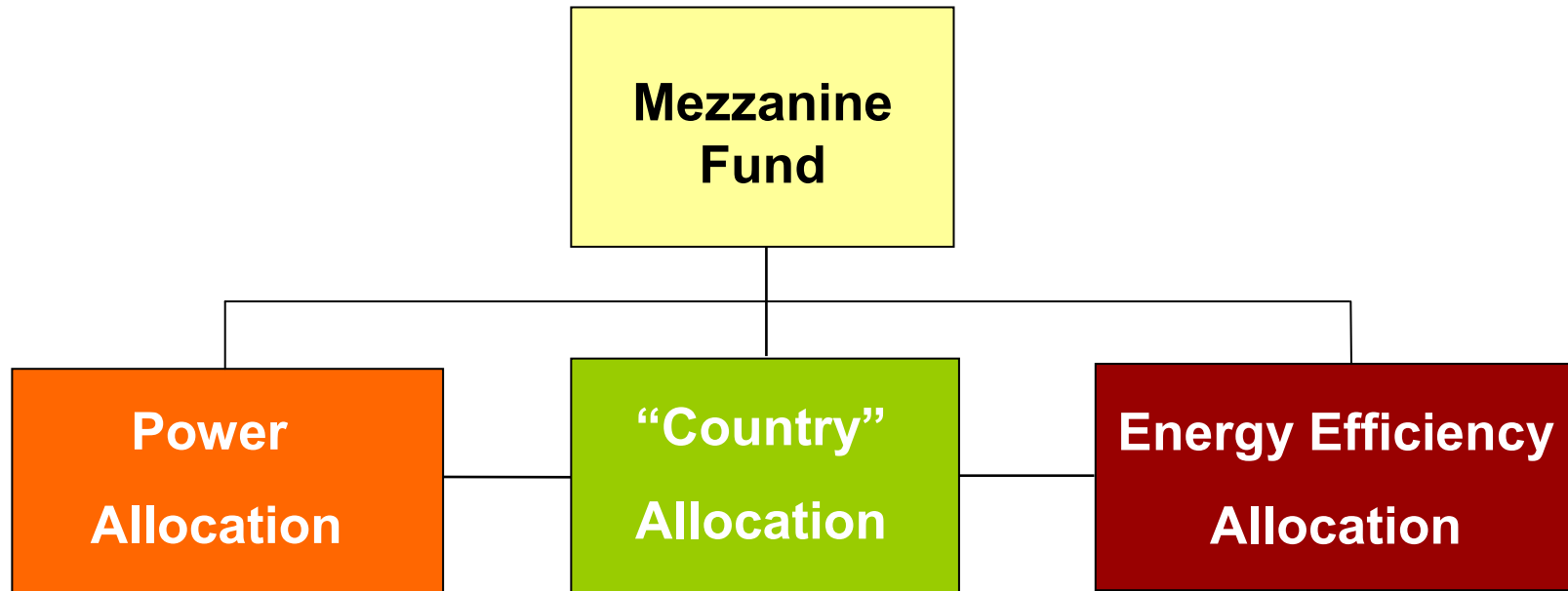
- Project Doc = Project Document
- IG = Investment Guidelines

◀ When will the fund be launched? ▶





An Umbrella of possible Mezzanine Sub-Allocations



Three Needs:

- ◆ For the first time we see a nexus of three compelling needs which overlap and reinforce, namely the demand for power, the need for climate change mitigation and energy security.
- ◆ Participation: We invite you to join with us in this design process whether as potential investor, interested party or recipient country project developer as this process is open and your participation will be key to its process.
- ◆ Legislation: We appeal to you to influence legislation in order to allow commercial financing to take place at market rates by using mechanisms like long term off-take contracts, subsidised research and development, preferential rates for alternative energy and improved contract certainty.

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