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CONFERENCES

Informing Pension Funds

# Alternative Credit and Private Debt Investing for Pension Funds

Thursday 31 August 2017  
at Le Meridien Piccadilly, London

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**CQS**

**Hermes Investment Management**

**Old Mutual Global Investors**

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CPD = 6.5 hours



## Programme

08.30 **Registration and coffee**

09.00 **Welcome and Opening Remarks**

**TREVOR COOK**, MANAGING DIRECTOR, SPECIALIST PENSION SERVICES

09.10 **Opportunities in Credit**

MODERATOR: **JOANNE JOB**, DIRECTOR, HEAD OF RESEARCH, ALLENBRIDGE

### **Multi-Asset Credit: Capturing Income and Minimising Volatility in Alternative Credit Markets**

Alternative credit enables the de-risking of portfolios away from equities while maintaining attractive expected risk-adjusted returns. As the relative value between different credit asset classes shifts over time, Multi-Asset Credit (MAC) investing enables tactical and dynamic asset allocation to profit from a broad range of opportunities, mitigate risk and manage duration. MAC strategies seek to capitalise on the most compelling individual credit opportunities and to capture relative value opportunities between different credit asset classes and across geographic regions over time. To achieve this, MAC investing requires deep fundamental research and agile portfolio management.

**CRAIG SCORDELLIS**, HEAD OF LONG-ONLY MULTI ASSET, CQS

### **Effectively harvesting the credit risk premium in a risk controlled fashion**

As interest rate risk grows in traditional fixed income portfolios, alternative credit is becoming more popular. Credit can offer compelling risk adjusted returns as well as dependable income generation, and would appear underrepresented in investor portfolios relative to its investment merits. However, history has shown us that this asset class can suffer from severe selloffs periodically. In the current expensive environment for credit, how should investors access this risk premia and effectively diversify its risks?

**ADAM SMEARS**, HEAD OF FIXED INCOME RESEARCH, RUSSELL INVESTMENTS

10.25 **Coffee / Tea**

10.55 **Looking for Return**

MODERATOR: **CHRIS HELYAR**, PARTNER, LANE CLARK AND PEACOCK

### **Invested in Real Assets for Enhanced Yield**

There is a universe of simple assets available to help UK defined benefit schemes invest into long term, inflation linked cashflows. How these assets can help a portfolio. While simple to understand, they are not simple to source; access is key

**DUNCAN HALE**, SENIOR INVESTMENT CONSULTANT, WILLIS TOWERS WATSON

### **The Benefits of Direct Lending to a Pension Fund**

This session will look at the advantages of Direct Lending strategy on pension funds but will also discuss things to look out for in the market.

**PATRICK MARSHALL**, HEAD OF PRIVATE DEBT, HERMES INVESTMENT MANAGEMENT

### **An Insight into Contingent Capital Bonds**

Banks have become soundly capitalised since the Global Financial Crisis, and their issuance of contingent capital bonds shows no sign of abating. Though complex and requiring detailed analysis, they offer an attractive yield with low correlation. This session will provide insights into this often misunderstood asset class and offer views of its future potential.

**LOYD HARRIS & ROBERT JAMES**, FUND MANAGERS, OLD MUTUAL GLOBAL INVESTORS

12.45 **Drinks and Lunch**

14.00 **Practical Issues & Pension Fund Insights**

Moderator: **TO BE CONFIRMED**

### **Putting it all together**

With such a lot going on in the economy and so many investment opportunities apparently available at the moment, how do pension fund trustees choose? Today's presentations demonstrate the extent of the opportunities in fixed income alone but how should trustees choose which are the most appropriate opportunities for their fund and how can you best combine opportunities to enhance return and reduce risk?

**JOHN WALBAUM**, PARTNER & HEAD OF INVESTMENT CONSULTANCY, HYMANS ROBERTSON

### **Sustainable Bonds**

What does Sustainable Bonds actually mean? What are the different approaches to incorporating ESG in investment decisions? What are the Key drivers for increasing focus on ESG – values and value? What are the Current trends as demonstrated by PRI signatory reporting data? What does this all mean in practice drawing on examples and case studies from investors? The bigger picture – PRI's work on bondholder engagement, credit ratings, private and municipal debt.

**ARCHIE BEECHING**, SENIOR MANAGER, INVESTMENT PRACTICES, FIXED INCOME & INFRASTRUCTURE, PRI

A panel of pension scheme executives and trustees will talk about their pension fund's alternative credit and private debt investment strategies and experiences. Panelists to include:

**MARK HEDGES**, CHIEF INVESTMENT OFFICER, NATIONWIDE PENSION FUND TRUSTEE LTD

**DINESH VISAVADIA**, TRUSTEE, BRITVIC PENSION PLAN

15.50 **Drinks reception followed by Close of Conference**

## Speaker bios



**Archie Beeching** is Senior Manager, Fixed income and infrastructure. Archie joined the **PRI** in January 2012. He is responsible for fixed income and infrastructure work. Archie has previous experience working in research and reporting roles for Australian CSR consultant Net Balance and as an ESG research and engagement specialist at Regnan. In these roles he produced reports on sustainability within corporate supply chains and the relationship between human rights and investment. Before joining the responsible investment industry, he worked in account management and business development in the IT industry. Archie holds a master's degree of Environmental Management from the University of New South Wales and a master's degree of Spanish Literature from Edinburgh University.



designation.

**Duncan Hale** is the Portfolio Manager for the Secure Income Fund at **Willis Towers Watson**, a fund that invests across low risk, cash generative strategies in the UK across the infrastructure, real estate and real asset debt asset classes. He is also a member of the infrastructure research team, where he not only is involved in researching infrastructure ideas, but he also advises clients on all aspects of their infrastructure programme. Duncan is also a regular contributor to the press with regards to issues involving Secure Income and the infrastructure asset class. Duncan joined Watson Wyatt in 2001 in our Sydney office, before moving to the United Kingdom business in 2005. Duncan has a Bachelor of Commerce (Hons) from the University of Sydney, and has completed the Postgraduate Certificate in Project Finance from Middlesex University. He also holds the Chartered Financial Analyst



instruments. Past experience also includes leading the origination and structuring of social housing, PFI and commercial real estate debt transactions.

**Mark Hedges** is Chief Investment Officer at Nationwide Pension Fund and has responsibility for the performance and implementation of the asset allocation strategies agreed with the fund investment advisors. Mark is responsible for a £5bn asset portfolio; with investment manager selection across liquid assets (equities, liability hedging, credit) and illiquid investment (infrastructure, real estate, private debt, opportunistic and buyout equity funds). Previously, Mark led the establishment of Nationwide's Covered Bond programme and its Silverstone RMBS Master Trust funding vehicle. In addition he has securitised UK Student Loans and a synthetic corporate bond structure along with structured transaction and investment in various ABS



**Lloyd Harris** is a credit fund manager at **Old Mutual Global Investors**. He joined Old Mutual in 2012 as a senior credit analyst focusing on the financial sector, before being appointed lead manager of the Old Mutual Corporate Bond Fund in 2015. Prior to joining Old Mutual Lloyd was at Cutwater Asset Management, initially as an asset-backed CP/MTN trader, then as a European financials credit analyst. Before this, Lloyd worked in structured capital markets at Deutsche Bank. Lloyd graduated from the University of Bristol with a BA (hons) in electronics and telecommunications engineering.



**Robert James** joined **Old Mutual Global Investors** in 2013 and is a member of the UK equity team. He joined from Aviva Investors where he had been an analyst since 2010. Prior to joining Aviva he had been a European banks analyst at Insight Investment since 2004. Robert started his career as a UK banks analyst at Baring Asset Management in 1989, having graduated from the University of Cambridge with an MA in natural sciences. He is an associate of the Institute of Investment Management and Research.



**Patrick Marshall** joined **Hermes** in June 2015 to launch and manage the Hermes Direct Lending Strategy, which invests in senior loans to UK and European mid-market businesses. His previous roles were Head of Direct Lending in London at Tikehau Capital, and Partner at WCAS Fraser Sullivan Investment Management, where he established the firm's European loan business. Prior to that, Patrick managed loan portfolios in excess of \$4bn and \$10bn as managing director at the Lehman Brothers Estate and Head of European and Asian Loan Portfolio Management & Restructuring at Lehman Brothers respectively. He has a Bachelor of Commerce in Business Administration and French from the University of Edinburgh.



**Craig Scordellis** is **CQS'** Head of Long-Only Multi-Asset Credit, responsible for the firm's long-only multi-asset credit business. Prior to this role he headed global loans and was responsible for managing the firm's loan mandates, including those in a variety of multi-asset credit funds and collateralised loan obligations (CLOs). Craig chairs the Asset Advisory Committee for the CQS Credit Multi Asset Fund and is a Partner of CQS (UK) LLP. Prior to joining CQS in 2008, Craig was a Senior Investment Analyst and Assistant Portfolio Manager at New Amsterdam Capital Management, a credit hedge fund. Before this, he was an Associate at the Royal Bank of Scotland where he structured leverage finance and high yield bond transactions. Prior to RBS, Craig was on the Deutsche Bank Investment Banking graduate program. Craig holds a BSc (First Class Hons) in Business Administration from the University of Bath.



Based in London, **Adam Smears** is Head of Fixed Income Research and lead portfolio manager on the **Russell Investments** Unconstrained Fixed Income strategy globally. Before joining Adam spent nine years at Skandia Investment Group.



**John Walbaum** has been involved in pensions and investment since 1983. He has been with Hymans Robertson for 10 years and is Head of Investment Consultancy and an owning Member of the Firm. He advises a range of our most important private sector clients. He is involved in all areas of investment consultancy, providing advice on investment strategy, portfolio structure, managers and implementation. John speaks regularly in the press on pensions, investment and economics.

## Conference Notes

**Purpose:** With pressures to maintain high fixed income holdings and at the same time to cut costs, pension funds are seeking ways to make their assets work harder. This conference aims to look at some of the opportunities available to them in the various credit and private debt markets

**Date:** Thursday 31 August 2017 **Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000

**Cost:** £1590 plus VAT. In addition a limited number of sponsored places are available to representatives of pension funds (and other institutional investors who themselves do not offer investment management services to others) at £1190 plus VAT. Please check that you are eligible. The charge includes all conference documentation, drinks, lunch, tea and coffee breaks. Payment is required before the event. A VAT receipt will be supplied on request. SPS Conferences events are exclusively aimed at genuine pension fund executives, trustees and their advisers, who may qualify for free entry. SPS Conferences reserves the right of admission (free or paid) and our decision is final.

**Cancellation:** prior to 11 August 2017 subject to a fee of £60.00. No refunds can be made if cancellation is after this date but delegates may be substituted at any time. Cancellation by SPS will result in a full refund of delegate fees paid but no other expenses incurred.

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**PMI Accreditation:** Attendance at the conference will be given 6.5 hours of CPD with the PMI.

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**Queries:** please contact: Ms Sue Golton at Specialist Pension Services Limited. Telephone +44 (0)1438 712345 Telefax +44 (0)1438 718883 Email: [sue@spsconferences.com](mailto:sue@spsconferences.com)

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Please reserve ..... place(s) at The **SPS Alternative Credit and Private Debt Investing Conference** taking place on 31 August 2017.

Free guest places are offered to genuine pension and institutional investor attendees. Please contact us to confirm you qualify. A limited number of provider places at a cost of £1590 + VAT may be available. Please enquire to Sue Golton [sue@spsconferences.com](mailto:sue@spsconferences.com).

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