

# Investment Strategies for Maturing and De-Risking Pension Funds

**“The Key Issues”**

**Thursday 7 July 2016**

**AT LE MERIDIEN, PICCADILLY, LONDON**

## **Programme**

This conference is arranged by **SPS Conferences**

Sponsored by:

**Allianz Global Investors  
Aviva Investors  
Deutsche Asset Management  
Hymans Robertson  
Pension Insurance Corporation  
Union Investment**

Media Partners:

**INVESTMENT & PENSIONS EUROPE AND  
SAVVY INVESTOR**



# Programme

08.30 **Registration and coffee**

09.00 **Welcome and Opening Remarks**

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

09.10 **Setting the Scene**

**MODERATOR: JOHN NESTOR**, CHAIRMAN BOARD OF  
TRUSTEES, **MCC STAFF PENSION SCHEME**

## **"Approaching the End Game: the Challenges and Opportunities for Mature and De-Risking Pension Funds"**

Amidst the gyrations of markets over recent years, pension funds have gradually become more mature. New approaches are required to manage returns, risks and liquidity, in order to overcome a challenging outlook for asset returns and pension funding as bad as it has ever been.

**JOHN DEWEY**, HEAD OF INVESTMENT STRATEGY,  
**AVIVA INVESTORS**

## **"Infrastructure Debt: Finding Value in a Competitive World"**

Infrastructure Debt; characteristics of a matching asset; Is the illiquidity of infrastructure debt overstated? Current market environment and economic rationale

**ADRIAN JONES**, PORTFOLIO MANAGER,  
INFRASTRUCTURE DEBT, **ALLIANZ GLOBAL INVESTORS**

10.30 **COFFEE / TEA**

11.00 **Where are the Opportunities?**

**MODERATOR: NEIL MORGAN**, SENIOR PENSION  
TRUSTEE, **CAPITA**

## **"Low Volatility Equity Investing: A Route to Lower Risk and Higher return?"**

Driven by their spectacular performance, low-volatility equity strategies are becoming increasingly mainstream. Pension funds, so the argument goes, can benefit from reduced plan risk without reducing equity exposure and a higher correlation of these products with their pension liabilities. The question remains however, just how robust are the underlying relationships and is the remarkable outperformance sustainable?

**FERDINAND HAAS**, MANAGING DIRECTOR, GLOBAL  
CO-HEAD OF ACTIVE INVESTMENTS, **DEUTSCHE ASSET  
MANAGEMENT(FRANKFURT)**

## **"Fixed Income Opportunities: Focus on Central & Eastern Europe"**

Where is the economic growth? Is there room for more debt? In the low yield environment, are there opportunities outside the UK and Western Europe? A fresh look at CEE debt markets.

**ZBIGNIEW JAKUBOWSKI**, CHIEF INVESTMENT  
OFFICER, VICE-PRESIDENT OF THE MANAGEMENT  
BOARD OF UNION INVESTMENT TFI S.A, **UNION  
INVESTMENT**

12.20 **Drinks and Lunch**

13.40 **The End Game and Practical Issues**

**MODERATOR: ALEXANDRA MARTINEZ**, DIRECTOR,  
**BFINANCE**

## **"Buyout Market Review"**

The presentation will include a review of the highlights of 2015 and 2016, including a number of case studies describing schemes' rationales for entering into buy-ins and buyouts and the features of the transactions. It will also comment on the impact of Solvency II on insurers' pricing, capacity and offerings as well as making conjectures about future market volumes and other developments.

**MATT BARNES**, SENIOR ACTUARY, BUSINESS  
ORIGINATION TEAM, **PENSION INSURANCE  
CORPORATION** AND **PAUL BELOK**, SENIOR RISK  
SETTLEMENT ADVISOR, **AON HEWITT**

## **Is there a better way?**

Traditionally, equities and other return seeking assets have been held by pension schemes to back pre-retirement liabilities, while bonds have been held to back pensions in payment. As a result, most schemes are planning for their allocation to return seeking assets to reduce over time. There is certainly logic to this, but is there a better approach for maturing schemes looking to manage their investment risk over time? This session will explore an alternative way of structuring the assets so as to better manage investment risk for schemes which are, or will be, paying out significant amounts in benefit payments.

**RUSSELL CHAPMAN**, HEAD OF FINANCIAL RISK  
MANAGEMENT, **HYMANS ROBERTSON**

15.00 **"Pension Fund Panel Session"**

**MODERATOR: GERRY DEGAUTE**, DIRECTOR, **LAWDEB  
PENSION TRUSTEES**

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

**ROBIN ELLISON**, CHAIR, CARILLION STAFF PENSION  
SCHEME

**ALAN PICKERING**, CHAIR, PLUMBING INDUSTRY  
PENSION SCHEME

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

## Speaker Biographies



**Matt Barnes** joined **Pension Insurance Corporation** in June 2007 as a Senior Actuary in the Business Origination team and has led a significant number of successful insurance transactions, including the innovative £300m Denso and £200m Leyland DAF buyouts. Matt joined from Watson Wyatt where he was a Senior Pensions Consultant, holding a Scheme Actuary certificate. Prior to that he held a similar role with Towers Perrin and started his career in 1997 at National Mutual Life. Matt graduated in Mathematics at Cambridge University and is a Fellow of the Institute of Actuaries.



**Russell Chapman** is a Partner and leads **Hymans Robertson's** London based Investment Team. He joined the firm in 2003, and has fifteen years' experience in the investment industry. Russell heads the Firm's Financial Risk Management proposition and advises a number of trustee and corporate clients on all investment matters, focusing on strategy, asset-liability modelling, and risk management. He has an MA in Mathematics from Cambridge University and is a Fellow of the Institute of Actuaries.



**John Dewey** is responsible for developing the solutions business and building outcome-oriented investment strategies for institutional clients across all areas of solutions design, management and client delivery. Prior to joining **Aviva Investors**, John was a Managing Director at BlackRock, where he held solutions leadership roles in investment strategy, LDI, private assets, market views, thought leadership, media communications and conference presentations. Previously, John worked in both investment and actuarial consulting. John holds an honours degree in Mathematics from the University of Cambridge and is a Fellow of the Institute of Actuaries.



**Robin Ellison** is a Partner at Pinsent Masons, an international law firm. He specialises in the development of pensions and related financial services products for insurers and other providers, and in European and international pensions, pensions trustee law and pensions in matrimonial matters. He is a director of the boards of a number of companies, including as Chairman of Pendragon Professional Information, publisher of Perspective, the electronic regulatory and legal publisher to the pensions industry, Chairman of London & Colonial Insurance, the company behind the Open Annuity and the EU SIPP, and Chairman of Occupational Pension Trusts (the alternative to buy-outs). He is a trustee of several pension funds, (including those of the Really Useful Theatre Group and **Carillion**) both as independent trustee and as chairman. He also practices as a commercial mediator.



**Ferdinand Haas**, Managing Director, Global Co-Head of Active Investments: Frankfurt. rejoined **Deutsche Asset Management** in 2006 with 12 years of industry experience. Prior to his current role, Ferdinand served as Head of Product Strategy and Product Specialists for Europe and Asia. Prior to rejoining the Company, Ferdinand served as a Managing Director and Member of the Executive Board at BCA AG. Previously, he was the Head of Applied Portfolio Research at Deutsche Asset Management. Ferdinand holds a Master's Degree in Business Administration (with distinction) from Goethe University Frankfurt.



**Adrian Jones**, Director of Infrastructure Debt. Before joining **Allianz Global Investors**, Adrian was a Managing Director within MBIA UK Insurance Limited. He was primarily responsible for infrastructure debt, project finance, and public finance origination and execution. Adrian also provided senior support to the transaction monitoring teams, negotiating major variations and complex remediation. His main areas of focus were Public Private Partnerships/Private Finance Initiative financings, utility debt raising, and transportation financing. Prior to joining MBIA, Adrian worked for Schrodgers/Citigroup, Deloitte and ANZ Bank in advisory and debt arranging capacities. Adrian holds an MA from St. Edmund Hall, Oxford University.



**Zbigniew Jakubowski**, Chief Investment Officer, Vice-President of the Management Board, **Union Investment TFI S.A** and is responsible for the overview of all investment activities at Union Investment TFI S.A. Zbigniew has been in the company's Management Board since 2000. Until 2010 he was actively managing funds and portfolios. Before joining Union Investment he worked as an asset manager at Bank Gdański SA (currently Millennium Bank), BIG –BG SA Brokerage House (currently Millennium Brokerage House) and as a Member of the Management Board responsible for investment policy at BWE Asset Management SA. He holds a MSc in Management from the University of Gdańsk and is a licensed investment advisor.



**Alan Pickering** is Chairman of BESTrustees and a Trustee of a number of pension schemes. These include The **Plumbing Industry Pension Scheme** which he chairs and the People's Pension. Alan chairs the governance group of the Royal Mail Statutory Pension Scheme. He was a Trustee of the Kosovo Pensions Savings Trust between 2011 and 2015. Until February 2013, he chaired the financial literacy charity, Life Academy. He has served as a non-executive director of The Pensions Regulator having previously been a member of the Occupational Pensions Board. Alan is a past Chairman of the National Association of Pension Funds (NAPF), now known as the Pensions and Lifetime Savings Association (PLSA) and the European Federation for Retirement Provision (EFRP). His Government sponsored report "A Simpler Way to Better Pensions" was published in July 2002. He is a member of the Rules Committee of the British Horseracing Authority and Vice President of the Racehorse Owners Association.

## Conference Notes

**Purpose:** With DB pension schemes in the UK becoming increasingly mature, their investment requirements change. This conference aims to help DB schemes approaching maturity consider their options. Similar issues face schemes less mature but realising the need to reduce risk. Speakers will review investment opportunities and de-risking options and address the specific challenges and opportunities facing Mature and De-Risking Pension Funds. We will look at some of the most attractive opportunities available to pension funds to find yield and maintain cashflow sufficient to pay benefits in today's low interest rate environment.

**Date:** Thursday 7 July 2016 **Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000.

**Cost: £1060** 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 **£540** 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.

**Amendments:** SPS reserves the right to amend or cancel the conference at any time but will always attempt to give prior notice. Cancellation by SPS will result in a full refund of delegate fees paid but no other expenses incurred.

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

**Data Protection:** Personal data is gathered in accordance with the Data Protection Act 1998. Your details may be passed to other companies including the conference sponsors who may wish to provide you with offers or other information related to your business activities. If you do not want to receive such information please tick the box in the booking form below.

**Specialist Pension Services:** SPS Conferences is a small, specialist company focusing entirely on providing essential, high quality and timely investment information to Large Pension Funds and their Advisors via a series of one day conferences in London and in key locations throughout Europe. SPS Conferences is the sister organisation of the EPFIF (European Pension Fund Investment Forum) and has been running investment conferences for the Pension Fund community since 1993. A wide range of investment and related topics are covered, including Alternative Investing, Bonds, Equities, Property, Absolute Return, Private Equity, Risk Management and DC Issues. Furthermore, because we know that you prefer to be educated rather than sold to, we strongly encourage our speakers to focus on giving educational speeches. An Advisory Committee of Pension Funds has been set up to help us keep our conferences relevant to your needs year on year, as we understand that there is a preference to be amongst peers at conferences rather than be outnumbered by Marketing Executives from Service Providers and so we have a very strict admittance policy biased heavily towards Large Pension Funds. We aim to have more pension funds in the room than service providers. SPS Conferences understand that delegates appreciate generous question and answer sessions during the conference and we also provide a number of opportunities to talk to your peers and the speakers. This includes tea/coffee break(s), a full three course sit down lunch and a drinks reception at the end of the day. When you put all this together, you get conferences where you can learn essential, timely information to assist you with all areas of pension fund investment management, in a friendly, relaxed, atmosphere amongst your peers. please visit our website: [www.spsconferences.com](http://www.spsconferences.com) for an update of this conference and details of the other specialist pension and investment conferences we organise.

**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)

SPS Conferences is a division of: **SPECIALIST PENSION SERVICES LIMITED** Registered Office Address: Northside House, Mount Pleasant, Barnet, Herts EN4 9EE. Registered in England No 2706061

✂

## Booking Form

**Please read the Conference Notes, then complete the details below.**

Please reserve ..... place(s) at The **SPS Investment Strategies for Mature & De-Risking Pension Funds Conference** taking place on 7 July 2016.

**Please complete delegate details below:**

Surname: .....

First Names: .....

Mr/Mrs/Miss/Ms: .....

Position: .....

Local Authority: .....

Address: .....

.....

.....

Tel No: .....

Fax No: .....

E-mail: .....

Special dietary requirements: .....

☐ Please do not pass my information to third parties.

**Please complete this form and return it to: Specialist Pension Services Ltd., Fulling Mill Barn, Fulling Mill Lane, Welwyn, Herts AL6 9NP Fax: +44 (0)1438 718883 Tel: +44(0)1438 712345 or send an email to: [sue@spsconferences.com](mailto:sue@spsconferences.com)**

UK VAT No 600 7011 09