

**The Asset
Management
AWARDS 2020**

THE WINNERS

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The Asset Management AWARDS 2020

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The Asset Management AWARDS 2020

WINNERS' OVERVIEW



Adam Cadle, Editor, MoneyAge

The Asset Management Awards 2020 showcased the asset managers in the retail and institutional investment spaces who are continuing to excel in the current climate. Hosted virtually as a result of COVID-19, the ceremony was opened by comedian Andrew Ryan who provided a fabulous stand-up routine. Industry members gathered in their front rooms, donning evening dinner attire to celebrate their wins.

Congratulations to the prize winners. We look forward to welcoming you all with open arms again in 2021, and rewarding all those who continue to display exceptional performance in the retail and institutional asset management spaces.

JUDGES

Adam Cadle
Editor
MoneyAge and Insurance Asset Management

Ross Evans
Head of Insurance Investment & ALM
Hymans Roberston

Annabel Brodie-Smith,
Communications Director
Association of Investment Companies (AIC)

Hugh Savill
Director of Regulation
Association of British Insurers

Bella Caridade-Ferreira
CEO
Fundscope

Deepak Seeburrun
Head of Insurance EMEA
HSBC Global Asset Management

The Asset Management AWARDS 2020

THE WINNERS 2020

ASSET MANAGER OF THE YEAR

Nest Corporation

EQUITIES MANAGER OF THE YEAR

Pictet Asset Management

FIXED INCOME MANAGER OF THE YEAR (up to €100bn AUM)

Royal London Asset Management

FIXED INCOME MANAGER OF THE YEAR (over €100bn AUM)

M&G Investments

MULTI-ASSET MANAGER OF THE YEAR

Russell Investments

ALTERNATIVES INVESTMENT PROVIDER OF THE YEAR

HSBC Global Asset Management

PROPERTY MANAGER OF THE YEAR

Patron Capital

INFRASTRUCTURE MANAGER OF THE YEAR

Pantheon

PRIVATE EQUITY MANAGER OF THE YEAR

Neuberger Berman

EMERGING MARKETS MANAGER OF THE YEAR

HSBC Global Asset Management

FACTOR INVESTING OFFERING OF THE YEAR

Aon

CURRENCY MANAGER OF THE YEAR

Mesirow Financial

LDI MANAGER OF THE YEAR

BMO Global Asset Management

ETF PROVIDER OF THE YEAR

ETFs by J.P. Morgan Asset Management

ESG INITIATIVE OF THE YEAR

BNP Paribas Asset Management

FIDUCIARY MANAGER OF THE YEAR

Aon

PASSIVE MANAGER OF THE YEAR

HSBC Global Asset Management

ACTIVE MANAGER OF THE YEAR

Wesleyan

ASSET MANAGEMENT INNOVATION OF THE YEAR

BNP Paribas Asset Management

INVESTMENT CONSULTANCY OF THE YEAR

Aon

MARKETING CAMPAIGN OF THE YEAR

Unigestion

TECHNOLOGY PROVIDER OF THE YEAR

Conning

DIVERSITY AWARD OF THE YEAR

Pictet Asset Management

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AWARDS 2020



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10 December 2020

London Marriott Hotel, Grosvenor Square

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ESG Initiative of the Year

BNP PARIBAS ASSET MANAGEMENT



BNP PARIBAS
ASSET MANAGEMENT

The ESG Initiative of the Year Award goes to the asset manager in the institutional or retail asset management space which has developed a strong ESG initiative in the past year and gained or maintained returns whilst implementing this initiative.

Shining a light in this area is BNP Paribas Asset Management (BNPP AM). The firm's Global Sustainability Strategy is a blueprint to mainstream sustainability and ESG in everything that BNPP AM does, with the goal of having the full range of BNPP AM's investments adopt a sustainable investment approach. It represents a significant milestone for BNPP AM's Sustainability centre and builds on the expertise the team has developed over the years.

BNPP AM defines sustainable investment as including four pillars; ESG integration; stewardship; investing in companies that display responsible business conduct; and a unique forward looking focus on three key issues underpinning long-term economic performance: energy transition,

environmental sustainability and equality and inclusive growth. The firm's strategy sets out the rationale for focusing on each area, along with a series of commitments – ranging from engagement targets to specific sustainability KPIs that BNPP AM will measure and report on in future, such as their carbon, water and forest portfolio footprints.

The firm's ESG integration method not only distinguishes itself through its robustness, but also its breadth

Relating to the energy transition, a key focus is the carbon intensity of its investments to meet BNPP AM's target to align with the Paris Agreement by 2025, including a heightened focus on coal, for both miners and power generators. BNPP AM released a stricter coal policy in March 2019, making it the first asset manager to base its exclusions on carbon intensity rather than revenues.

BNPP AM is better than the rest. To avoid the pitfall of having a set of guidelines which are not actually implemented, its process to integrate and embed ESG factors is overseen by an ESG Validation Committee and guided by formal ESG Integration Guidelines, which require that, inter alia, all BNPP AM's investment strategies aim to have better ESG scores and lower carbon footprints than their benchmarks. The firm's ESG integration method not only distinguishes itself through its robustness, but also its breadth – as all of the assets of the firm, from real assets to systematically management portfolios are covered.

With a commitment to sustainable investment beginning in 2002 with the launch of its first sustainable fund and the creation of a dedicated ESG research team, BNPP AM has delivered the goods in the ESG area, with the PRI also assigning it the top A+ rating for the past three years. The judges noted the comprehensiveness of the firm's ESG strategies and the amazing in depth detail behind them.

Congratulations to BNPP AM.

IN A CHANGING WORLD,
**YOU NEED TO KEEP AN EYE
ON THE RIGHT PATH.**



At BNP Paribas Asset Management, we manage assets with the world in mind, looking beyond financial metrics to ensure we manage all risks and invest in responsible businesses that perform over the long term. This is why we say: investing means the world to us.

www.bnpparibas-am.com



BNP PARIBAS
ASSET MANAGEMENT

The asset manager
for a changing
world

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Asset Management Innovation of the Year BNP PARIBAS ASSET MANAGEMENT



BNP PARIBAS
ASSET MANAGEMENT

The Asset Management Innovation of the Year award recognises those firms that have brought innovation to the institutional or retail asset management spaces, be that in the area of investment, product design, de-risking or any other area.

BNP Paribas Asset Management (BNPP AM) was the clear winner for this category. In October 2019, BNPP AM and NEST, the DC workplace pension scheme created as part of the UK government's 2008 workplace pensions reforms to facilitate auto-enrolment, announced their partnership on a diversified private credit mandate. BNPP AM has adapted its existing approach to managing diversified private credit and cashflow-driven investing on behalf of DB schemes in order to be able to offer DC schemes access to the same private market investment capabilities. They have created an innovative solution offering DC members access to private markets for the first time.

The barriers to entry that have existed historically for DC schemes to access private markets look highly likely to dissipate with the

inclusion of private markets, from an eligibility perspective, to the investment platforms upon which DC schemes rely. There is a growing recognition that private markets offer diversification benefits, can improve the sharpe ratio of the default investment offering and can embrace forms of impact investing that have a tangible impact on the real economy.

BNPP AM has created an innovative solution offering DC members access to private markets for the first time

The open-ended diversified private credit fund consists of exposure to infrastructure debt, commercial real estate debt, European mid-market loans, UK SME loans and US mid-market loans. The fund is a collaboration between BNPPAM's multi-asset, quantitative & solutions (MAQS) and private debt & real assets (PDRA) investment decisions. MAQS manages the strategic asset allocation to optimise the illiquidity premium of the

underlying assets, with the specialist PDRA teams originating private market transactions. The fund offers active asset allocation in Evergreen form, with principal repayments and interest reinvested to provide a total return for NEST's members.

Origination also benefits from the capabilities of the wider BNP Paribas Group. This dual origination capability offers flexibility and will potentially shorten the traditional three-year ramp-up period. BNPP AM's one stop solution combines the private credit expertise of BNPP AM as well as custody, loan and fund administration.

This mandate will invest in each asset class according to the ESG principles established by BNPP AM's Global Sustainability Centre, all of the underlying loans have ESG embedded in their respective investment processes with UK SME loans also included as a form of impact investing.

The judges praised BNPP AM for its excellent work at closing the gap between DC funds and the private credit markets. Well done to all at the firm.

An attractive proposition



BNP Paribas Asset Management head of sales (UK & Ireland) Phil Dawes talks about the firm's diversified private credit strategy

Can you explain in more detail the percentage allocation of the investment portfolio behind the open-ended diversified private credit strategy? Do you envisage this changing over the next year?

Diversified private credit strategies offer investors an alternative to traditional closed-ended solutions. Our Multi-Asset and Quantitative Solutions team are able to model an initial strategic asset allocation to complement a scheme's existing public or private markets assets. Initial cash-flows will be invested in line with this asset allocation. For NEST the starting allocation included infrastructure debt, commercial real estate debt, US mid-market loans, European mid-market loans and UK SME loans. The structure is Evergreen in nature meaning principal and interest payments from the underlying amortising loans are re-invested. Equally as an open-ended structure the strategy can accommodate monthly contributions. These cash-flows allow the portfolio manager to utilise active asset allocation in order to re-allocate cash-flows over time to those areas of the market that offer the best relative value. This ensures the illiquidity premium is maximised throughout the credit cycle. For this reason, BNPP AM has discretion to deviate from the initial strategic asset allocation over time. In addition, the formation of a governance committee allows for the mandate to be expanded to include additional asset classes

over time as opportunities arise. For example, social housing or strategic risk transfers from the banks' balance sheet. In this way the mandate is effectively future proofed.

What are the return targets on this strategy?

Diversified private credit can be used as an income paying, liability matching asset or as a total return, Evergreen solution. In the instance of DC schemes which are cash-flow positive a total return approach is most suitable. Target returns vary according to the initial strategic asset allocation (both in terms of the underlying asset classes and the seniority of the underlying transactions i.e. senior or junior debt). As a consequence it is possible to deliver returns of 4-6% without the use of leverage¹.

Why diversified private credit for pension schemes?

Traditionally allocations to private credit have been through singular asset class allocations via closed-ended solutions. This has governance implications for pension schemes. It also puts the onus on trustees to manage the cash-flows (either through ad hoc capital calls or through income re-payments). This can often lead to opportunity costs as a scheme's strategic asset allocation drifts over time. Creating diversified private credit portfolios can allow scheme's to better manage these cash-flows, maintain exposure over

time through re-investment and avoid dry powder or lower spreads when underlying asset classes become inflated or over-crowded. Private credit is illiquid but investors often under appreciate the volume of cash that is generated and requires re-cycling. For operational, governance and investment reasons giving a manager discretion to act in this way has clear advantages. This goes one step further for DB schemes seeking cash-flow driven investing portfolios as mandates can be customised and tailored to better match pension liabilities.

Can you go into a bit more detail as to how exactly the BNP Paribas Group benefits the arrangement?

BNPP AM's Private Debt & Real Assets (PDRA) division has a broad range of teams originating assets on a global basis including infrastructure debt, commercial real estate debt, US mid market loans, European mid market loans, UK SME loans, ABS, MBS, syndicated loans and dutch mortgages. These teams are staffed with experienced investment professionals who have, over the years, developed wide reaching networks of projects sponsors to help identify private transactions. At BNP Paribas though we also have privileged access to the origination capabilities of the wider Group. As a leading lender to infrastructure, real estate and corporates across the globe this gives our origination teams the ability to use these pipelines to the benefit of our clients. The Group also has within it BNP Paribas Security Services, a leading custodial bank. Using their loan and fund administration services BNPP AM is able to offer fully bundled fund solutions to clients, in effect creating a one-stop shop.

¹ No assurance can be given that investment objectives will be achieved

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Technology Provider of the Year

CONNING



Technology is essential for continued success in the management of assets, and this award is to recognise the firms that are leaders in this field, especially those who are aiding customers with their performance.

The judges described Conning's FIRM® Portfolio Analyzer and Investment Optimizer software as a "well-established and proven tool", believing it provides a wide range of solutions for both insurance and pensions.

Conning, founded in 1912 and with investment centres in Asia, Europe and North America, is a leading investment management firm with \$168.4bn in global assets under management, as of March 31, 2020. With a long history of serving institutional investors, the firm supports the insurance and pensions industries with investment solutions and asset management offerings, risk modelling software, and industry research.

Conning's risk management software platform comprises the GEMS® Economic Scenario Generator, FIRM Portfolio Analyzer, and Investment Optimizer, offering forward-looking

risk modelling and providing deeper insights for decision-making and strategic asset allocation.

FIRM Portfolio Analyzer is a robust, stochastic simulation tool designed to meet the unique requirements of risk analysis in the insurance industry. Using Conning's tool, insurers can project the full range of possible outcomes with respect to investment, liability, and capital management strategies, to give them the visibility they need to properly assess and manage the risks to their business.

The tool combines the GEMS Economic Scenario Generator with the most comprehensive investment risk module on the market and the ability to model sophisticated management rules. Conning's software allows investment risk analysis to be performed on an aggregate asset class or individual security basis, while liability cash flows and reserves from other systems can be imported for full asset-liability modelling.

The Investment Optimizer produces efficient frontier analyses of asset allocations, reflecting clients' individual constraints. The tool tests thousands

of possible strategies against a variety of risk and reward metrics. The performance of efficient candidate strategies can then be assessed against full distributions of results to support better decision-making.

Conning's software also provides users with the ability to obtain a detailed understanding of financial risks, the relationships between them, the scope to mitigate them, and the potential rewards in retaining them. Models can be implemented with any degree of complexity, ranging from a simple asset-only portfolio measuring economic value in one economy up to multi-entity, multi-portfolio, multi-economy models of assets, liabilities, and capital.

There is also no upper limit on the number of scenarios that the system can produce. FIRM can be run with a choice of time steps — e.g., annually, quarterly, monthly.

Conning has proved itself to be a leading global investment management firm, with software that is truly changing the insurance industry. Congratulations to all at the firm.



Deeper insights support better asset allocation decisions.

Harness the power of the cloud to deliver fast and efficient results.

Conning's FIRM® Portfolio Analyzer and Investment Optimizer provide detailed stochastic analysis of investment decisions. Their cloud-based power helps our clients quickly identify the efficient investment strategy to fit their risk and reward profile.

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All Systems Go!

Hamish Bailey, managing director at Conning Risk Solutions talks to MoneyAge Editor Adam Cadle about the firm's adoption of new technologies to meet growing client demands for better investment risk modelling and analytics

The technology that Conning provides has a wide range of applications. Can you explain why this is the case?

Yes, our software is used to meet a range of requirements by both life and general insurers, as well as investment managers, pension providers and consultancies. This stems from the inherent flexibility of the tool. Firstly, it allows users to choose the level of granularity to be modelled, it allows them to select from a wide range of asset classes available in the tool, and it offers the ability to add non-standard asset classes. These can include even the most individual of alternative investments. Users can also implement complex and dynamic constraints within, between and across portfolios that accurately reflect their management decisions, and can produce both standard and custom analytics to best evaluate and communicate the results. These can range from simple return distributions to complex risk-based capital implications. Finally, the close



Our software is used to meet a range of requirements by both life and general insurers, as well as investment managers, pension providers and consultancies

integration of our tools with common applications such as Excel enables users to create fully customised analytics and dashboards to reflect

any use case and to satisfy a range of audiences.

One key trait of Conning's technology is the ability to add its capabilities to existing systems. How does this work with the Investment Optimizer technology?

Both FIRM® Portfolio Analyzer and the Investment Optimizer benefit from an advanced and integrated economic model — the GEMS® ESG (Economic Scenario Generator). However, both can now be easily integrated with third-party ESGs or asset models, enabling them to be implemented as an add-on to an existing system. So, for example, a client can use output from its pre-existing ESG to generate asset returns for the Investment Optimizer. In this way, they can benefit from the power and flexibility of our cloud-enabled optimisation technology, without having to revisit their ESG. Furthermore, the tools can link to other downstream financial modelling systems, enabling users to add powerful stochastic modelling functionality on top of deterministic

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systems or to pull stochastic liability cashflows into an ALM-based strategic asset allocation analysis.

Can you explain how the analytic process works based on the full distribution of results?

Both FIRM Portfolio Analyzer and the Investment Optimiser tools are powered by stochastic models. Some traditional techniques, such as mean-variance optimisation, produce results based on a two-dimensional view of risk and reward, whereas our stochastic approach to strategic asset allocation means that each efficient strategy identified by the model can be assessed based on its full distribution of results under a range of different economic conditions, providing a much clearer picture of potential performance. Users can, therefore, focus on the part of the distribution relevant to them. For example, while for insurers this may be the size of tail-risk events, for pension providers the focus may be on more central percentiles.

Can you talk about the power of the Cloud in your financial risk modelling solutions?

The demands on modelling and reporting are increasing all the

Conning's goal is for FIRM Portfolio Analyzer and the Investment Optimizer to become the industry standard for the modelling of constrained portfolios and investment strategies

time, requiring more analysis in shorter timeframes. To support this, our software takes advantage of the Cloud in two ways: by providing access to powerful, on-demand computing power via our GaaS (Grid-as-a-Service) offering, which is compatible with our desktop client systems, and by providing access to our tools through SaaS (Software-as-a-Service) via a web-browser client. Both of these approaches provide clients with power-on-demand without the need to justify the costly procurement of specialist IT and a highly time-efficient model that better reflects the peaks and troughs of normal usage patterns.

As an additional benefit, the latest web-browser technologies provide our system developers with greater power and flexibility

to implement new, cutting-edge graphical interfaces and to manage deployment of systems updates in a more timely and efficient manner, helping further drive the pace of development.

What are Conning's aims and ambitions going forward in the technology space?

Conning's goal is for FIRM Portfolio Analyzer and the Investment Optimizer to become the industry standard for the modelling of constrained portfolios and investment strategies. To support this, our software undergoes a process of continual improvement, driven both by our clients' requirements and by our own consultants' experience. Based on their feedback, our current focus is on the application of new technologies to further enhance our capabilities. This includes further streamlining of usability to particular use cases and extending the deployment to the Cloud for greater flexibility and efficiency.



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Alternatives Investment Provider of the Year HSBC GLOBAL ASSET MANAGEMENT



Alternatives have become an essential part of asset managers' portfolios, and the Alternatives Investment Provider of the Year Award recognises firms across the institutional and retail asset management spaces that have shown a true flair for extracting value from the alternatives space to the benefit of their clients. Leading the pack is HSBC Global Asset Management.

HSBC has a proud history in alternative investments and its range includes hedge funds, private equity, real estate and infrastructure debt. In particular, the HSBC Real Economy Green Investment Opportunity (REGIO) GEM Bond and the HSBC Senior UK Direct Lending Fund 2020 are standouts, alongside its flagship alternatives fund, the HSBC GH Fund.

The HSBC REGIO GEM Bond qualifies as an alternative investment fund due to its investment lock-up period. It is an investment vehicle that builds on the Paris Agreement and the SDG framework to direct long term investor capital to global emerging markets, and delivers competitive risk-adjusted EMD returns. The fund creates a greater breadth and depth

of green and sustainable bond issuance for investors to access EMD markets and benefits from several levers to channel capital to achieve impact – partnership with leading DFIs; technical support to assist emerging issuers; and engagement from HSBC's portfolio managers and credit analysts.

The judges applauded the firm for the breadth of its strategies in this investment area and its outstanding investment results

HSBC's Senior UK Direct Lending Fund 2020 is also exemplary. It is a closed ended fund investing in UK senior secured loans originated and held by HSBC Bank UK, targeting a GBP 6% gross return (c.7% US\$ gross return) and offering competitive annual management fees (75bps) with no performance fee drag. The senior secured loan portfolio targets the lower end of the risk spectrum within the private debt market, targeting 3 to 4x leverage, creates a more

defensive position if the credit cycle turns and an attractive return per unit of leverage. Loans will typically only be held by HSBC UK Bank and this fund thereby offers a unique pipeline of loans not available to other private debt funds. The bank retains exposure to all loans acquired by the fund ensuring alignment of interest with investors.

Rounding up HSBC's excellence in this space, is the HSBC GH Fund. Invested globally across a broad range of hedge fund strategies, the fund has delivered solid risk adjusted returns over many market cycles. Launched in June 1996, the fund has delivered a total net return of 355.79%, an annualised net return of 6.7%, outperformance versus HFRI FoF: +2.1% (Annualised Return) and outperformance versus US\$3m LIBOR: +4.0% (Annualised Return).

The judges applauded the firm for the breadth of its strategies in this investment area and its outstanding investment results.

Congratulations to HSBC, an outstanding company delivering market leading results.

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Emerging Markets Manager of the Year

HSBC GLOBAL ASSET MANAGEMENT



Seeking out potential in the less developed markets is a challenging role at which only the best can succeed. This award recognises those managers across the institutional and retail asset management space that have shown a dedication to the emerging markets space with a view to achieving performance often in areas where information flow is in short supply.

Standing head and shoulders above the rest in this category is HSBC Global Asset Management. With over US\$117.1bn in emerging markets worldwide, managed by over 200 dedicated professionals in 10 emerging market locations, HSBC's array of products and solutions includes a comprehensive range of EM debt and equity strategies. The global EM debt offering includes hard and local currency strategies (and blends of the two), investment-grade, corporate, inflation-linked and total return strategies. On the EM equity side, HSBC offers one of the longest running most differentiated frontier markets equity offerings in the industry, with a dedicated team of investment professionals devoted to this resource intensive asset class.

The company is also strategically expanding its asset management activities in Asia with the aim of capturing expected opportunities from the regions development for clients.

HSBC's array of products and solutions includes a comprehensive range of EM debt and equity strategies

For European institutional clients e.g. insurers under Solvency II, seizing opportunities in emerging markets is not always straightforward. HSBC applies three steps to make an EMD total return strategy more efficient in terms of the SCR market. The first is an optimisation of the bond portfolio to reduce SCRspread, thus resulting in approximately a 15%-25% reduction in spread. Secondly hedging only the USD exposure to EUR (as opposed to using a EUR-hedged share class), reduces the SCR FX by typically around 20%. Lastly, HSBC omits or limits the CDS to sell protection, further

reducing SCRspread. The result is that you have a SCR market of around 15% to 18% depending on positioning.

Innovation is at the heart of all that HSBC does. The launch of the HSBC Real Economy Green Investment Opportunity (REGIO), enables investors to align their financial objectives with real economy impact to deliver against the Paris Climate Agreement and Sustainable Development Goal Agenda. The goal of the fund is to harness \$500-700m investment capital to support climate-aligned investments that deliver real economy impact in lower Gross National Income (GNI) countries by investing in eligible emerging markets. The fund targets real economy issuers in global emerging markets (GEM) to increase access to climate finance and promote the development of sustainable capital markets by broadening the range of issuers.

The judges were impressed with the firm's EM debt and equity capabilities and particularly the liability-focused investments and Solvency II capabilities in emerging markets.

Congratulations.

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Passive Manager of the Year

HSBC GLOBAL ASSET MANAGEMENT



The role of the passive manager cannot be underestimated in the institutional or retail asset management spaces. The Passive Manager of the Year award aims to celebrate the passive manager that demonstrates strong returns, provides excellent customer service and shows a true understanding of the needs of their clients.

Index fund management has been at the heart of HSBC Global Asset Management's business strategy since 1988, and with this strong heritage it has developed strategies to evolve with changing markets and client objectives. The firm's proposition is highly transparent and risk controlled, has a strong choice of investment strategies and considers ESG issues when building products with these being embedded in the investment process.

As a responsible indexer, HSBC strongly believes that it has two equally important objectives: close index tracking and minimising transaction costs. This dual objective is achieved through HSBC's people, its disciplined and diligent process and robust proprietary technology.

In October 2019, HSBC launched three additional cross-border ICAV funds: the US Equity Index Fund, the Global Emerging Markets Government Bond Index Fund and the China Government Local bonds (onshore) and furthering its excellence in innovation, the firm developed new portfolio management investment techniques that focus on the trading micro structure to generate alpha, source liquidity and generate execution opportunities. This in turn reduces trading costs and improves fund performance. This is called trade optimisation. HSBC also works closely with index providers, with specialists represented on their boards and committees, and various relevant industry panels.

On the equity platform, with the introduction of China to major indices, HSBC launched a MSCI China A Inclusion UCITS ETF to coincide with the new market being promoted by MSCI to emerging markets status. HSBC has again demonstrated leadership and innovation to passive investing with the launch of a lower carbon investment strategy which increases

exposure to carbon efficient companies.

HSBC has continued technology integration and enhancements within the investment process, which has delivered investment decision tools for its investment teams across both its passive equity and fixed income asset class. HSBC's dedicated quantitative research team participates in ongoing research for new strategies, for example integrating ESG factors into equity portfolios, as well as building and improving proprietary investment risk models. One of the ways HSBC has been addressing ESG concerns for its passive investment solutions is by filtering out companies involved with cluster munitions from the index universe. In its market capitalisation portfolios it has now extended this focus to all HSBC passive portfolios. For its index funds HSBC regards ESG as representing part of its stewardship responsibility.

The judges praised HSBC for its levels of technological integration in the passive investment process and its outstanding overall performance. A richly deserved win.



Insurance Asset Management Conference

26 November 2020
The Waldorf Hilton, London

This event attracts up to 6 CPD hours with some accrediting bodies.

Now in its second year, the Insurance Asset Management Conference, from the team behind the well-established brand Insurance Asset Management, aims to address some of the key regulatory and investment challenges facing global insurers. At this one-day event, key players in the insurance area, including chief investment officers, associations, providers, consultants and insurance companies, will come together with a series of presentations and panel discussions to discuss and reflect on:

- Economic, regulatory and legislative challenges impacting insurance provision
- Investment strategies and asset allocation trends in play across leading insurance companies
- Risk management
- The increasing role that ESG and sustainability is playing in the insurance arena

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Infrastructure Manager of the Year

PANTHEON



Infrastructure is now a major part of investment portfolios in the institutional and retail asset management spaces, and this award recognises the players showing that they understand this complex asset class, and that are working hard to help investors reap the potential rewards.

The judges felt that Pantheon had demonstrated some excellent historical rates of return from earlier funds to confirm their quality performance in this field¹.

With four decades' experience of investing in private markets, Pantheon is a leading global private equity, infrastructure, real assets and debt fund investor that invests on behalf of approximately 600 investors. These include public and private pension plans, insurance companies, endowments and foundations. Founded in 1982, the group has developed an established reputation in primary, co-investment and secondary private asset solutions across all stages and geographies.

As of 31 December 2019, the group had \$49.1bn in assets under management, and currently has

around 330 employees located across eight international offices, which includes 99 investment professionals.

Pantheon's investment solutions include customised separate account programmes, regional primary fund programmes, secondaries, co-investment, infrastructure, real assets and debt programmes.

The group executes a highly targeted and disciplined investment strategy, with its investment team screening in the region of 1,300 infrastructure and real assets deals across strategies through 2014 to 2019.

Last year also marked the group's first official decade of managing its dedicated global infrastructure strategies. In that time, Pantheon has been entrusted to invest around \$13bn of assets on behalf of its clients.

When it formed this platform in 2009, having invested in the sector through private equity strategies since 1997, Pantheon was one of the first investors to spot the opportunities emerging in the nascent infrastructure and real assets secondaries market. This has proved

to be a key component of a highly differentiated investment strategy, which to date has generated strong returns for the group's clients.

Uncommon for the asset management industry, Pantheon's global infrastructure and real assets investment team has been led by two female investment partners, based in San Francisco and London, and the team itself has a 50% female to 50% male profile. The group says it is focused on meeting its clients' expectations in terms of workforce diversity and has always taken a transparent approach to publicly disclosing its gender and ethnic diversity profile. It recently published its fifth annual diversity disclosure and was one of the earliest private equity firms to sign the UK Government's Women in Finance Charter.

Combined with an excellent historical track record, Pantheon has demonstrated it is a clearly deserving winner in a complex asset class. Congratulations to everyone involved on an impressive year.

¹ Past performance is not indicative of future results. Future performance is not guaranteed and a loss of principal may occur.



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- 4 decades of private markets origination, execution and investment
- 8 global offices
- ~100 investment professionals

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The Asset Management AWARDS 2020

Private Equity Manager of the Year

NEUBERGER BERMAN



With all eyes on both risk and return, this category acknowledges the private equity experts in the institutional asset management or retail asset management spaces that have displayed a true understanding of private equity and are passionate about helping clients obtain the most from this complex area of the market. The judges were quick to applaud Neuberger Berman for its outstanding results and innovation in this sector.

Neuberger Berman is a global, independent investment manager, focused on delivering compelling and innovative investment solutions for its clients. Its distinct structure as a private, entirely employee-owned business, without third party shareholders or an external parent, fosters a long-term and client-driven perspective. The firm works closely with its clients to offer solutions in line with their investment goals, risk tolerance, liquidity and income requirements – adjusting objectives and parameters to their needs.

Managing strategies across private markets is an important component of Neuberger Berman's business, and

the firm's private equity activities are conducted by its wholly-owned subsidiary, NB Alternatives Advisers LLC (NB Private Equity).

The close collaboration dynamic between Neuberger Berman and its clients has fostered a unique culture of agile innovation and evolution

NB Private Equity has been an active and successful private equity investor for over 30 years, and managed over \$84bn of investor commitments since inception across primary funds, co-investments, secondary investments, private credit and specialty strategies, as of 31 March 2020. The firm employs more than 220 private equity professionals across ten office locations globally. Its longevity, experience, large and stable investment team allowed NB Private Equity to build a strong global network of relationships with high-quality private equity firms, with whom it partners to deliver solutions.

Widely regarded as one of the leading firms investing in private markets today, Neuberger Berman continues to innovate as the ecosystem deepens across asset classes, strategies and regions. Neuberger Berman suggests its breadth of talent has become paramount and the firm's multi-skilled teams aim to take advantage of classic and emerging opportunities across private markets.

The close collaboration dynamic between Neuberger Berman and its clients has fostered a unique culture of agile innovation and evolution that has leveraged internal expertise, complemented by strategic talent acquisition, to build capabilities to deliver a range of attractive investment solutions across private markets.

Neuberger Berman manages \$330bn of assets across traditional equity, fixed income and alternative assets classes, with approximately 650 investment professionals and 2,300 employees worldwide, as of 31 March 2020.

Congratulations to all involved on an outstanding year.



NEUBERGER BERMAN

Private Equity Specialists

**The Asset
Management
AWARDS 2020**
WINNER
PRIVATE EQUITY MANAGER OF THE YEAR

Neuberger Berman is a leading global private equity investor with over 30 years of experience in the alternative investments industry, and has managed over \$84 billion of commitments since inception through April 2020. We manage assets across private markets, including primary fund investments, secondary investments, direct equity co-investments, private debt investments and a number of specialty strategies, including asset management minority stakes, brand royalties, insurance-linked solutions, Italian buyouts and healthcare credit investments. Our dedicated team of over 220 professionals has a global presence, with offices in the US, Europe, Asia and South America.

Our fully integrated approach to private equity investing provides robust deal flow and enhanced due diligence and execution capabilities, resulting in a long and successful investment history.

We believe alternative investing is now more central to the modern portfolio than ever, seeking to address a range of investor needs, from growth to income and risk management.

Find out more about our broad range of solutions:

nb.com

nbalternatives@nb.com

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The Asset Management AWARDS 2020

Currency Manager of the Year

MESIROW FINANCIAL



Currency is playing an increasingly important and more diverse role in today's portfolios, and this category highlights the currency managers in the institutional and retail asset management spaces that have displayed a capability and expertise in the area.

The judges felt that Mesirow Financial was a true leader this year, demonstrating strong performance and industry innovation.

With over \$90bn in currency management assets (as of March 31, 2020), Mesirow Financial delivers highly customised currency management solutions to institutional clients globally. The group's innovative solutions are complemented by expertise in providing client-specific solutions to institutional partners, while implementing best practice currency programmes for a range of unique objectives.

Mesirow Financial, a leading currency specialist dedicated to improving returns and minimising risk for European clients, offers

a full range of currency applications, from passive to active currency risk management to currency alpha and execution services, and actively apply knowledge that derives from partnering with global institutions for over 25 years.

As an independent, employee-owned firm, Mesirow Financial is also free from potential conflicts of interest inherent in some other market participant corporate structures and is able to align fully with the interests of their clients.

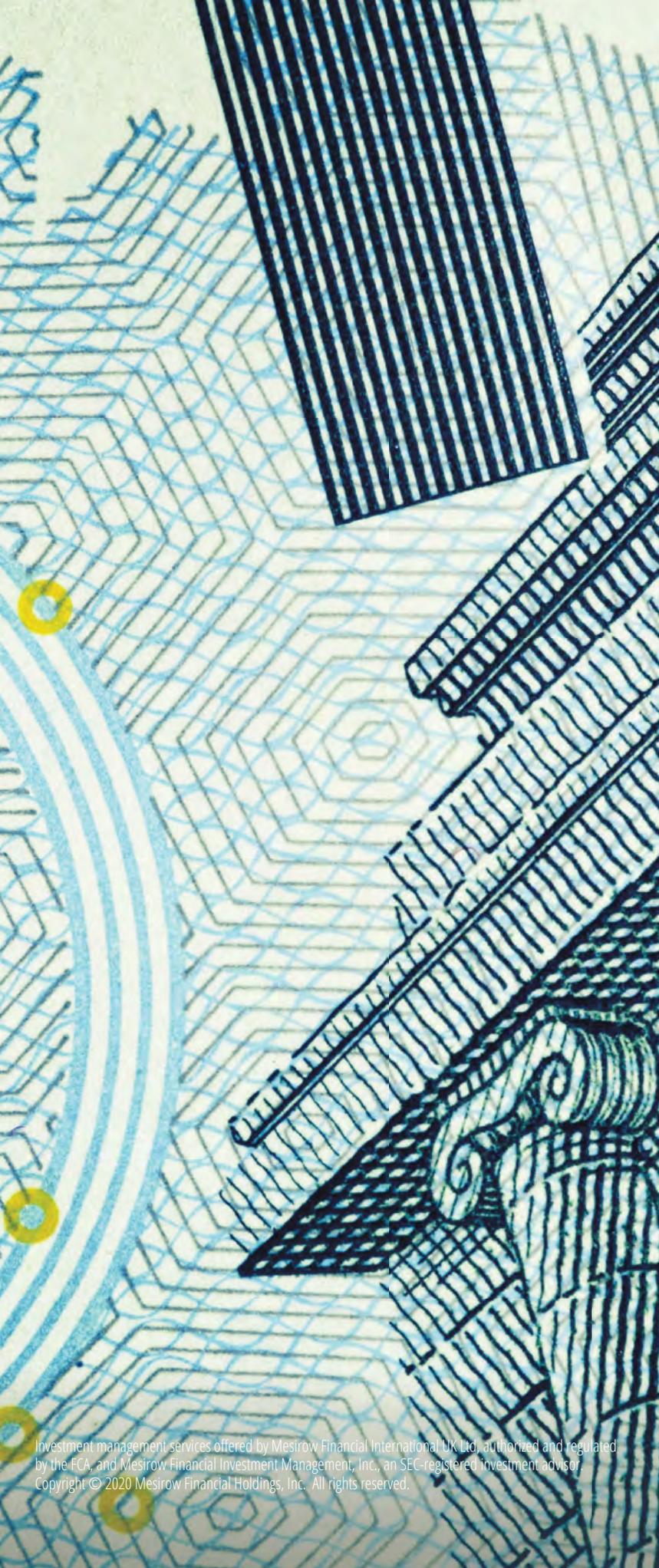
Mesirow Financial believes currency is one of the most significant risks for institutions investing abroad, and as more money is put to work overseas, this risk continues to grow. Whether investors decide to manage currency risk or not, the firm suggests careful evaluation of the investors' exposure to foreign exchange moves would be worthwhile. The firm helps clients decide if currency hedging would benefit investment portfolios, while also offering guidance on currency risk management programme aspects – such as which currencies to include, and the appropriate exposure.

The expansion of the group's product offerings and research library in 2019 demonstrated its continued drive to remain a premier specialist currency manager. Mesirow Financial seeks to deliver best-in-class service on each of its strategies – passive currency risk management, passive-plus currency risk management, active currency risk management, and Fiduciary FX – but it continues to offer new solutions too, from currency alpha strategies to meeting unique client needs.

Mesirow Financial's longevity in the industry has helped it to establish long-term, strategic partnerships with its European pension fund clients – relationships that the group believes are the basis of its efforts to be the premier, independent currency specialist.

For these reasons, combined with a strong demonstration of innovation over the year, the judges selected Mesirow Financial as the highly deserving winner for this award.

Congratulations to all involved for a successful year.



A custom approach to currency management

We customize solutions to suit each client's needs, with capabilities ranging from passive and active currency risk management to currency alpha and execution services.

mesirowfinancial.com/currency

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 **Mesirow Financial[®]**

The Asset Management AWARDS 2020

Active Manager of the Year

WESLEYAN

WESLEYAN
we are all about you

The role of the active manager cannot be underestimated in the institutional or retail asset management spaces. This award aims to celebrate the active manager that has demonstrated strong returns, provided excellent customer service and shown a true understanding of the needs of its clients.

The judges praised Wesleyan for the diversity of its Investments team, for supporting new starters in the industry, and for a strong performance relative to its peer group. The team's blend of 'buy and hold' strategy and its ability to identify out-of-favour stocks with long-term potential were also recognised, with the judges noting that Wesleyan has an investment horizon "aligned with the needs of its customers".

One of the distinctive features of Wesleyan is its mutual status. This means it is owned by, and run for, the benefit of its members, who share in the society's success. Wesleyan suggests that is why openness and honesty have always been a vital part of the business' core philosophy.

Founded in 1841, Wesleyan is based in Birmingham and provides financial products and services to doctors, dentists, teachers and lawyers across the UK. Each professional segment is served by dedicated financial consultants, who only work within their specific segment and therefore build specialist knowledge of their customers' financial needs.

Wesleyan's Investments department is responsible for approximately £7bn of assets under management and applies a consistent approach across all funds – with long-term analysis at the heart of every investment decision made. This philosophy is an integral part of the team's culture, which is why, typically, it recruits at the trainee analyst and apprentice level. In doing so, Wesleyan has supported new starters in the industry with professional development and qualifications, while instilling a 'long-term investment' attitude that keeps Wesleyan customers, and sound stewardship of their invested assets, at the forefront of all investment thinking.

While other investment houses may attempt to second guess the vagaries of the market, the consistent and measured approach that Wesleyan's Investments department applies has enabled it to outperform competitors over longer time periods.

The firm's portfolio turnover is also extremely low by industry standards, partly due to its preference for investing for the long term. When combined with low market impact, Wesleyan believes it is able to keep direct and indirect trading costs low for customers, with risk managed through diversification – both across and within asset classes.

The ability to focus on long-term performance, while remaining mindful of short-term opportunities, has allowed Wesleyan's fund managers to invest in a way that results in strong performances across the board. With customers at the forefront of every decision it makes, Wesleyan has demonstrated all the attributes of an exceptionally strong active manager to win this award. Well done to all involved.



WHEN I GROW UP I WANT TO CARE FOR PEOPLE

For professionals in constant demand, we know it's difficult to find time to consider your financial future. Wesleyan is dedicated to society's most trusted professions, offering specialist financial advice throughout your career and into retirement.

For 179 years, Wesleyan Assurance Society's mutual status and values have been at the heart of everything we do, meaning we put our members and customers first.

Visit [wesleyan.co.uk](https://www.wesleyan.co.uk) or call **0800 975 7952** to arrange a meeting with a Wesleyan Financial Services Consultant.

Financial Advice: Retirement Planning • Investing • Funding • Insurance

WESLEYAN
we are all about you

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The Asset Management AWARDS 2020

Multi-Asset Manager of the Year

RUSSELL INVESTMENTS



This category recognises the multi-asset manager in the institutional or retail asset management space that has proved itself to be ahead of its peers and demonstrated a true understanding of both the needs of its customers, and the changing needs of the market. The judges were quick to applaud Russell Investments for its dynamic and well-structured approach.

Russell Investments, with 45 years of experience in managing multi-asset portfolios, is a global asset manager with a unique set of capabilities that it believes are essential to managing total portfolios, and meeting the desired outcome of its clients. The firm believes the best way to reach desired outcomes is with a multi-asset approach that combines asset allocation, capital markets insights, factor exposures, manager research and portfolio implementation.

Russell Investments has £1.9trn assets under advice and £217.8bn in assets under management, as of 31 December 2019. It works with corporate sponsors and pension

schemes to lower costs and improve investment strategy implementation, and ultimately when it partners with a client, Russell Investments provides greater certainty that investment outcomes will be achieved, within the appropriate cost and risk budget.

Russell Investments has continued to show innovation in managing around asset class volatility

The firm believes it has a crucial advantage over other multi-asset providers, combining its capital markets insights, manager research expertise, tactical asset allocation capabilities and factor capture skills in one integrated and dynamic process, on a truly global basis.

Approximately half of Russell Investments' £217.8bn assets under management are true multi-asset mandates, and its flagship Multi-Asset Growth Strategy (MAGS) has been successful in achieving a smooth growth path, demonstrating

resilience in a difficult market environment while still participating to the upside. Since inception, MAGS has achieved 76% of the equity market upside with 55% of the volatility.

Many investors debate active vs passive, but the Russell Investments approach typically incorporates the best of active and factor-based strategies together, to achieve stronger risk adjusted net-of-fee returns.

Russell Investments has continued to show innovation in managing around asset class volatility, protecting returns with put and call spreads, and adding diversifying strategies when necessary, all while benefiting from the perspectives of expert managers. Over 2019, the firm took the opportunity to make a number of tactical trades in MAGS, which have reduced portfolio risk as financial markets moved higher.

Russell Investments has proven once again that its dynamic asset allocation processes can unlock value and protect capital in an unpredictable market environment. Congratulations to all involved on an excellent year.

The Asset Management AWARDS 2020

LDI Manager of the Year

BMO GLOBAL ASSET MANAGEMENT



The LDI Manager of the Year award is given to the LDI manager in the institutional asset management space that has a proven record of innovation and a range of efficient strategies to manage clients' liability risks.

Emerging above the rest in this category is BMO Global Asset Management. The firm's commitment to LDI clients is simple: manage complexity, deliver clarity. It works in partnership with clients to reduce, as far as the trustees are comfortable, their day-to-day operational burden. In addition, BMO Global Asset Management understands that LDI is not a product, but a solution, which needs tailoring to each client and to their position within their overall funding journey.

In the 2019 Greenwich Associates LDI survey, the company was ranked first in design and philosophy underpinning the proposition; managing structural risk; best at implementation flexibility; best at partnering to drive innovation and product solutions; best source of intellectual capital transfer; and usefulness of formal investment review meetings (joint).

The firm has also adopted greater integration of an enhanced LDI analytics system to further improve the reporting available to clients and has also launched new services for pooled fund clients like automatic leverage rebalancing between leveraged and unleveraged LDI funds, whilst maintaining the overall level/profile of hedging and the reporting and monitoring against client-specific liabilities, in combination with automatic rebalancing to hedge targets.

The judges were quick to applaud the firm's outstanding performance in its BMO Real Dynamic LDI Fund and BMO Nominal Dynamic LDI fund

Clients can achieve meaningful efficiencies by integrating their credit and LDI assets within a single solution. By combining LDI and credit assets, BMO Global Asset Management has developed a 'smart rebalancing' process that uses cash generated by the corporate bond portfolio to top up cash in the LDI portfolio if it goes

below a target level. It also passes cash back to the corporate bond portfolio for reinvestment if there is too much in the LDI portfolio. This smart rebalancing process is employed in both segregated and fund based portfolios.

In terms of ESG integration, the firm ensures that ESG criteria are explicitly considered when assessing a bank's suitability for inclusion on its approved counterparty list and that it proactively engages with counterparty banks on ESG related topics.

BMO Global Asset Management has also shown excellence in execution and this can be seen in its repo book. To deliver the best outcome, one wants to concentrate one's book with the most competitive banks in the market, which is what the firm has done. For example, concentrating the majority (c.95%) of its repo book with the five best priced banks.

The judges were quick to applaud the firm's outstanding performance in its BMO Real Dynamic LDI Fund and BMO Nominal Dynamic LDI fund.

Congratulations on a fantastic entry.



www.moneyage.co.uk/assetmanagementawards/

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