

Property & Infrastructure Investment Strategies for Pension Funds

Thursday 10 October 2019
at Le Meridien Piccadilly, London

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Credit Suisse Asset Management
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CPD = 6.5 hours



08.45 **Registration and coffee**

09.15 **Welcome and Opening Remarks**

TREVOR COOK, MANAGING DIRECTOR, SPECIALIST PENSION SERVICES

09.25 **Session 1 Global & UK Real Estate**

MODERATOR: **JOHN FORBES**, INDEPENDENT CONSULTANT

Global Perspectives on Real Estate Investing

Institutional investors remain acutely focused on high levels of economic uncertainty. Taken together with the cyclical nature of real estate, many are asking what this means, and where opportunities lie, for their portfolios. This session will share views on the global outlook for real estate markets, explore the different investment themes emerging around the world and consider why now could be a good time to consider global real estate investments.

OLIVER HAMILTON, PRINCIPAL, THE TOWNSEND GROUP, AN AON COMPANY

UK Commercial Real Estate

A look at different sectors and trends/dynamics in the industry. View on Brexit and impact on commercial real estate. Case study on key sectors

ANTHONY LEONARD, HEAD OF UK REAL ESTATE, CREDIT SUISSE ASSET MANAGEMENT

10.40 **Coffee / Tea**

11.10 **Session 2: UK Income & Capital Strategies**

MODERATOR: **BOB HYMAS**, TRUSTEE EXECUTIVE, BESTRUSTEES

Active Income Investing in the UK into the 2020s

- Income remains the main driver of ungeared real estate returns in the UK
- The drivers behind why real estate sector returns are at their most diverse in a decade
- How global megatrends continue to shape Real Estate sectors
- Recent yield compression has made annuity and prime investing a more difficult strategy to execute and successfully secure value
- “Active” income investing incorporates the potential to improve the asset and income stream

TIM LEGGE, FUND MANAGER, INVESTMENT COMMITTEE AND INVESTMENT TEAM, TRITAX GROUP

Capturing Value: Timing and Specialist Expertise

At a time of record low bond yields and diminishing core real estate returns, forecast to be 4.3% per annum over the next five years, the case for investing in a UK value-add strategy backed by a strong component of income is becoming more compelling. Heightened risk aversion and market uncertainty is dominating sentiment during the ongoing Brexit negotiations. This is creating volatility in the capital markets and a divergence of pricing between core and non-core assets. The lack of development activity across the sectors for the past ten years has severely restricted supply levels. The fundamental demand/supply

imbalance across the occupational markets supports the case for taking income risk. This presents an opportunity to target fundamentally well-located non-core assets then actively asset manage the real estate to add income, extend the lease-term and enhance the capital value over time to dispose into an improved property market.

PAUL CROSBIE, FUND MANAGER, M&G REAL ESTATE

12.25 **Drinks and Lunch**

13.35 **Session 3: Infrastructure**

MODERATOR: **JAMES WALTON**, SECTOR SPECIALIST - GLOBAL REAL ESTATE, M J HUDSON ALLENBRIDGE

Infrastructure Investment: The Experiences of Investors

Infrastructure is attractive to pension investors because it can offer downside protection, diversification, inflation protection in addition to a stable income stream. It is however also seen as a complex investment and difficult to access for many investors. How are UK investors accessing infrastructure and what are their experiences to date? How do they compare with investors in other countries, such as Australia? What are the current trends and challenges in infrastructure investing for UK investors of different sizes?

ANISH BUTANI, DIRECTOR INFRASTRUCTURE, BFINANCE

EDF Energy: Sizewell C

Nuclear energy is receiving renewed interest as an attractive proposition for funds and an ESG compliant model for future low carbon energy investment in the UK. Since infrastructure became accessible to private investors, its popularity has grown almost exponentially. Last year, global fundraising for privately owned or ‘unlisted’ infrastructure projects reached a new record level \$85 billion in 2018. EDF’s Sizewell C nuclear power station is a new opportunity for pension fund investment.

JULIA PYKE, NUCLEAR DEVELOPMENT DIRECTOR, EDF ENERGY

14.50 **Coffee / Tea**

15.10 **Session 4: ESG Issues & Pension Fund Insights**

MODERATOR: **KEITH SCOTT**, DIRECTOR, LAWDEB PENSION TRUSTEES

ESG in Property and Infrastructure Investment

Private market investments offer different challenges for investors considering ESG issues. This talk will look at how ESG considerations can be taken into account when investing in property and infrastructure.

DUNCAN HALE, SENIOR INVESTMENT CONSULTANT, WILLIS TOWERS WATSON

Pension Fund Insight

Case study perspective in these asset classes from one of the largest UK pension funds.

PADDY DOWDALL, ASSISTANT EXECUTIVE DIRECTOR, PENSIONS, GREATER MANCHESTER PENSION FUND

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

Speaker bios



Anish Butani is a Director in the Private Markets team at **bfinance** and leads their coverage of the infrastructure sector. This involves providing strategic advice to institutional investors globally in deploying capital to the sector, with a focus on fund manager research, evaluation and selection in the infrastructure equity and debt space as well as assessing potential co-investment opportunities. Prior to joining bfinance, Anish gained experience at KPMG where he was a corporate finance adviser on M&A and valuations in the sector as well as John Laing Group, the infrastructure developer, where he managed their divestment programme.



Paul Crosbie is the fund manager of the Fund at **M&G Real Estate**. He is responsible for delivering the overall strategy and overseeing the investment team to meet the Fund's objectives. Paul joined M&G Real Estate in 2015 as head of the Industrial & Logistics team. With responsibility for £2.5 billion of industrial assets, the team has successfully transacted c. £300 million of assets under Paul's leadership, including the development of some 1.5 million square feet. Paul has 19 years' industry experience. Before joining M&G, he spent nine years at the UK fund manager Rockspring. During his time at Rockspring he was Deputy Fund Manager of Rockspring UK Value Fund (£450m) between 2010-2015 which involved active management across all sectors, development management, strategic business planning, and asset disposals. Prior to this, Paul worked at CBRE both in London and Dubai, focusing on investment valuations and development across all sectors. Paul graduated with a BSc (Hons) in Land Management from the University of Portsmouth. He is a member of the Royal Institution of Chartered Surveyors ("RICS") and the Investment Property Forum ("IPF").



Oliver Hamilton is a Principal within the Townsend Group, an **Aon** Company. He advises institutional investors on real asset strategies as well as researching a range of real estate asset classes including core property, residential, commercial real estate debt and illiquid secure income opportunities. Before joining Aon, Oliver was Head of Manager Research at Redington Limited, a London-based UK consultancy firm. Oliver has substantial investment consulting experience providing investment advice to large UK pension schemes. He started his career at PwC and holds an MBA from the Cambridge University Judge Business School and studied Physics with Theoretical Physics at Imperial College London.



Tim Legge is Fund Manager, Investment Committee and Investment Team at **Tritax Group**. Tim has overall responsibility for TPIF's day-to-day management and leads the Investment Team in implementing the Fund's investment objective. After reading Politics and Economics at university, Tim began his career with Hillier Parker (now CBRE), in the Investment Agency and Business Space Agency teams, and qualified as a chartered surveyor in 1995. In 1997, Tim joined Gartmore Property Asset Management (now Lothbury Investment Management), as part of the asset management and development team, before taking over marketing and investor relations for the Lothbury Property Trust in 2000. In 2005, Tim structured and launched the KBC European Property Fund, a pan-European fund of funds, investing €160 million. In 2007, Tim joined RREEF (now DWS) as a real estate product specialist for UK and European clients, responsible for capital raising and client relationship management. Tim joined Tritax in 2015.



Anthony Leonard is Head of UK Real Estate at **Credit Suisse Asset Management Limited**. He is responsible for the acquisition and sale of direct real estate assets and the management of the UK real estate portfolio. Mr Leonard has 20 years UK real estate experience and previously worked for Hines and Hammerson. He is a member of the Institute of Chartered Accountants in England and Wales, is a fellow of the Royal Institution of Chartered Surveyors and has a BA from Oxford University.



With over 15 years of experience advising infrastructure and energy projects around the world, **Julia Pyke** joined **EDF Energy** in July 2017 to focus on Hinkley Point C, Sizewell C, Bradwell B and the decommissioning of advanced gas-cooled reactors. Prior to her present role, Julia led a cross-practice team advising on power projects as Partner and Head of Power and Renewables for UK, US & Europe at Herbert Smith Freehills LLP, focusing on defence, nuclear decommissioning and transport projects. Julia is now working with Government to identify an innovative way for Sizewell C to be funded at best value to electricity consumers, and with potential investors.

Conference Notes

Purpose: This conference will take a broad look at the investment opportunities available to Pension Funds in the property and infrastructure sectors, both direct and indirect, liquid and illiquid, quoted and unquoted. After reviewing recent performance we aim to examine the prospects of the various approaches as well as to consider how they can be used to best achieve pension funds' specific risk and return objectives. We will also seek to address related practical issues such as incorporating ESG factors, liquidity constraints, risk management, transparency requirements whilst controlling fees and other costs.

Date: Thursday 10 October 2019 **Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000

Cost: There is no cost to you to attend this event and your conference documentation, drinks, lunch, tea and coffee breaks will all be provided free of charge. If you would like to nominate a colleague to attend please ask them to contact us so we can ensure they are eligible for a free place. SPS 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.

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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

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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 £1650 + VAT may be available. Please enquire to Sue Golton sue@spsconferences.com.

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