



Standards Board for Alternative Investments

Annual Report 2021

Established in 2008, the Standards Board for Alternative Investments (SBAI) is an active alliance of alternative investment managers and investors dedicated to advancing responsible practice, partnership and knowledge. We ensure the quality and efficacy of the alternative investment arena, through responsible standards and the exchange of ideas.

At our core, the SBAI is an active community committed to knowledge sharing, informed dialogue, and innovation. Together, our network of allocators and managers create real world solutions to tomorrow's industry challenges. We set clear standards and actively promote responsible practice to normalise quality and fairness.

Our mission is to advance understanding and connectivity between our members and to improve industry outcomes by promoting responsible practice and normalising quality and fairness.

The SBAI is a non-profit organisation governed by a Board of Trustees comprising of leading managers and investors. As a neutral alliance, we do not act to advocate on behalf of either managers or allocators, but together work to advocate for and protect the integrity of the alternative investment community.

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1 Message from the Chair of the Board – Mario Therrien



It has been another exciting year for the SBAI packed with new content, return to in-person events and welcoming new members to the SBAI family.

I am incredibly happy to continue to lead this important organisation and support its mission to improve outcomes in our industry

As the pandemic finally began to reach the end of its road, the SBAI team turbo-charged its efforts to continue its work to return to in-person events in North America, Europe and APAC regions, as well as published important content and welcomed new members.

In 2021, the Standards Board produced industry guidance via its Toolbox in a wide range of areas, including implementation of responsible investment in various strategies, ODD on crypto assets, guidance for China Alternative managers expanding offshore and foreign hedge fund manager access to Japanese pension funds.

Regulatory engagement is a critical part of the Standards Board's work, and this past year was no exception. We actively engaged in discussions and consultations with senior regulators around the

globe, sometimes publicly, but often in private as a "trusted partner". Regulators take a strong interest in our work, from conflicts of interest to cyber security, and they view the Standards Board as an important reference point, complementing their efforts in a number of areas, and not a self-interest group or a lobbyist. The SBAI team continues its regulatory engagement by responding to consultation papers published by global regulators, including the FCA papers on enhancing climate related disclosures, diversity, and the SEC paper on climate change disclosures.

The SBAI has been exploring the topic of Culture and Diversity for several years and implemented a number of initiatives, including the establishment of its Global Culture & Diversity Advisory Committee, publication of reports and memos on the matter as well as the creation of a forum of

alternative investment industry organisations committed to addressing diversity in the alternatives industry.

We also launched our Communities initiative which provide opportunities to network with peers combined with educational content. Each community is global and can be an important supplement to existing local networks and an extension of internal teams when exploring new ideas or processes.

In 2021, the SBAI launched its podcast series which includes interviews with industry leaders sharing their thoughts on topical issues.

With the growing workload of the team, the SBAI welcomed new team members: Shani Mogan as Events and Marketing Manager and Tina Hu a consultant to co-ordinate the SBAI efforts in the APAC region.

In the 2021/2022 fiscal year, we welcomed 19 new Signatories and 7 Investor Chapter members. Several of our stakeholders increased their involvement by becoming Core Supporters in 2021/2022: Canyon Partners, Lafayette Square, and Leadenhall Capital Partners. We would like to take this opportunity to thank our Signatories,

Investor Chapter Members, Core Supporters and Founders for their ongoing support and commitment to the Standards and efforts to improve practices in the industry.

Looking ahead at the next 12 months, the SBAI will continue its efforts to engage with managers and allocators through its working groups, content development and events.

In 2021/2022, we welcomed new Trustees: Edward O'Reilly of Citadel, Priti Singh of CPP Investments and Paula Volent of The Rockefeller University. Their knowledge of the industry will benefit our Board tremendously. During the same period, we also said good-bye to our long-serving Trustees: Clint Carlson of Carlson Capital, David George of Future Fund, Dan Stern of Reservoir Capital and Poul Winslow of CPP Investment. I would like to take thank them for their invaluable contribution the SBAI's mission.

In closing, I would like to pay special tribute to our Founders and Core Supporters who have been so steadfast in their support, both financially and with their time. We would not be here today without their foresight and dedication.

Mario Therrien
July 2022

2 Board of Trustees



Mario Therrien

Head of Investment Funds
and External Management
CDPQ
Chair, SBAI



Luke Ellis

CEO
Man Group Plc
Deputy Chair,
SBAI



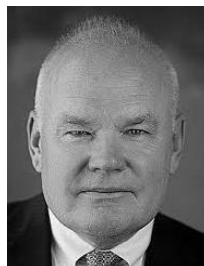
Leda Braga

CEO
Systematica
Investments



Jane Buchan

Founder
Martlet Asset
Management



Clint Carlson

President & CIO
Carlson Capital



John Claisse

CEO
Albourne Group



Stuart Fiertz

Co-Founder, President
and Director of Research
Cheyne Capital
Management



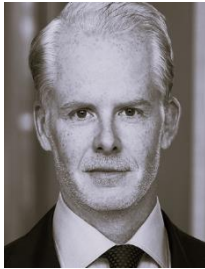
Chris Gradel

Co-Founder and CEO
PAGt



**Richard
Lightburn**

CEO
MKP Capital
Management



Edward O'Reilly

Sr MD, Global Head
Client and Partner Group
Citadel



David George

Deputy CIO
Future Fund
Australia



Daniel H. Stern

Co-Founder &
Co-CEO
Reservoir Capital
Group



Priti Singh

Global Head of Capital Markets
and Factor Investing
CPP Investments



Betty Tay

MD, Head of
External Managers
Department
GIC



Paula Volent

VP & CIO
The Rockefeller
University



Dale West

Senior MD,
Public Markets
Teacher Retirement
System of Texas



Poul Winslow

Global Head of
Capital Markets
and Factor Investing
CPP Investments

3 Key Highlights

The 2021/22 fiscal year has been very productive for us at the SBAI. We have developed new content, launched a podcast series, welcomed new stakeholders and hosted global events. There also have been changes on the SBAI Board of Trustees.

Toolbox

We have continued to expand our Toolbox adding more practical guidance designed to help both asset managers and allocators. New additions have been made in the following areas:

- SPARK Programme
- Governance
- China Responsible Investment
- Culture and Diversity
- ILS
- Japan
- Digital Assets

We have also completed a series of articles responding to topical events in the following areas:

- Liquidity Risk
- Counterparty Risk (Archegos)
- Standards (Russian Sanctions)
- Responsible Investment
- Fraud

(see section 5 for more details)

SPARK for Small and Emerging Managers

Following the launch of our dedicated programme for small and emerging managers – SPARK. We have run dedicated in person events in both London and New York as part of the SPARK Ask the Allocator Series.

Podcast

In 2021, we launched the SBAI podcast series where industry leaders, along with our Trustees, discuss a range of topical issues. Episodes released in 2021/2022:

- Podcast Episode 1: A Conversation on Culture
- Podcast Episode 2: A Conversation on Carbon
- Podcast Episode 3: A Conversation on Diversity from a Board and Allocator Perspective
- Podcast Episode 4: A Conversation on China

Regulatory Interaction

We continue to contribute to the global regulatory process directly with regulators and through our Affiliate Membership of IOSCO. Areas of focus include, amongst others, responsible investment/ESG, cyber security, conflicts of interest, big data/AI, financial stability, definition of leverage and culture & diversity in asset management.

See section 11 for more detail.

Global Events

In 2021, we gradually returned to the in-person format for most of our events, although we continue to host some of our discussion in a virtual format. The full list of events in 2021/2022 is in Section 9 – Global Events section.

Stakeholder campaign

19 new managers signed up to the Standards and 7 investors joined the Investor Chapter in the 2021/2022 fiscal year.

New Partnerships

In March 2022, we announced our partnership with the CAIA Association (the Chartered Alternative Investment Analyst Association) to drive better standards and professionalism in the alternative investment industry. CAIA and the SBAI will share knowledge and collaborate on education, industry resources and transparency tools on topics including due diligence, ESG and Culture & Diversity.

We also are keen on collaborating with other leading organisations in the financial industry, who support our mission of improving industry outcomes by advancing responsible practices, partnership and knowledge. We believe that we can achieve the best results by collaborating globally with like-minded organisations on education, industry resources, transparency tools and sharing knowledge.

Board of Trustees

Paula Volent was elected to the Board in September 2021

Clint Carlson retired from the Board in March 2022 having served on it since 2016

Edward O'Reilly was elected to the Board in March 2022

Poul Winslow retired from the Board in May 2022 having served on it since 2015

Priti Singh was elected to the Board in May 2022

David George retired from the Board in May 2022 having served on it since 2015

4 Looking Ahead

Our key priority remains to advance responsible practice in the alternative investment ecosystem. We achieve this by focussing on the continuous adoption of the Standards by managers and the support for the Standards by investors. Our Board, Signatories and Investor Chapter members are committed to this critical initiative, and we expect to see strong progress in this area in the coming year.

We will continue to strengthen the SBAI stakeholder community, providing more opportunities for active collaboration, knowledge sharing, informed dialogue, and innovation. Together, our network of allocators and managers will create the real-world solutions to tomorrow's industry challenges and to normalise quality and fairness.

We will also continue to build our virtual engagement platform with stakeholders and regulators to continue the active dialogue on standards and practices even as we move back towards a more physical world.

From a content perspective, we will focus on the following important initiatives.

**Responsible
Investment**

**Culture &
Diversity**

**Private
Markets**

**Emerging
Trends**

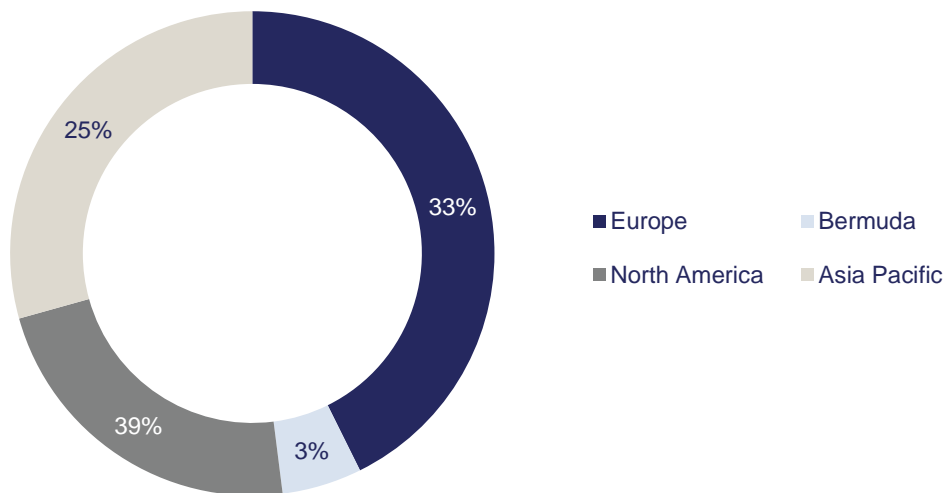
5 Stakeholder Campaign

We have continued our active engagement with the alternative investment fund manager and investor communities in North America, the Asia-Pacific region and Europe.

Signatory Progress

Since its inception, managers with over US\$3tn in AUM have committed to the Alternative Investment Standards. The signatories from North America continues to retain the largest share of our signatory base, accounting for 39% of all signatories. However, our APAC signatories' share has increased from 22% to 25%. There is a growing interest from Bermuda-based managers who predominantly focus on insurance-linked strategies (ILS) and they represent 3% of our signatory base. In 2021/2022 we welcomed 24 new signatories from North America, Europe, and Asia Pacific, but we also lost a few signatories due to closure, mergers, and redemptions.

Signatories: 146 managers with over \$3tn in AUM (as at July 2022)



New Signatories in 2021-2022

Acasta Partners

AnglePoint Management Ltd

First Beijing

Finex LLP

Folios Invest Ltd

Grand Alliance Asset Management

Hel Ved Capital Management

Kersley Capital

Lafayette Square

Mingshi Investment Management

Nordis Capital

OP Investment Management (OPIM)

Pantehnicon Advisors

PEO partners

Picea Oriental Investment Management

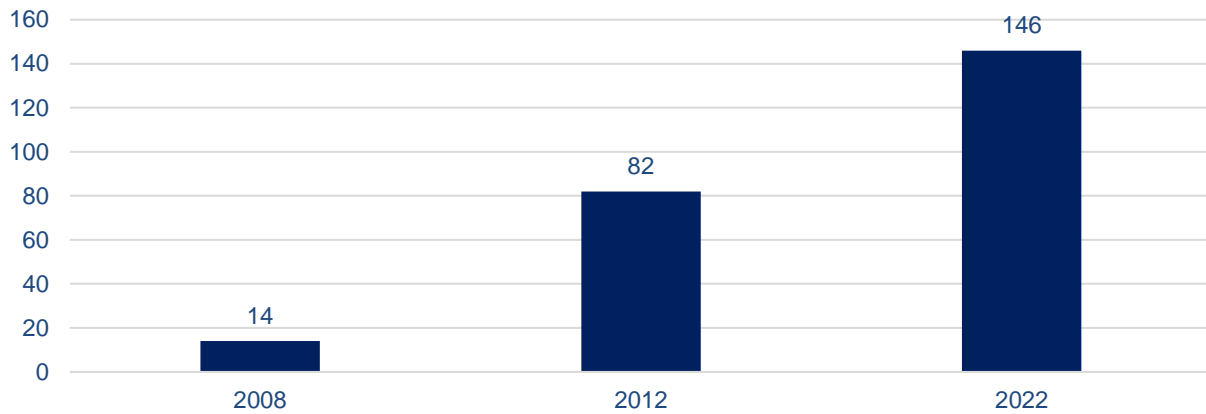
Pinpoint Asset Management

QVR Advisors

Y2 Capital Partners

Zerobridge Partners

Evolution of Signatories



Attracting new signatories, particularly in North America, remains one of our key priorities for the next 12 months. We recognise that the benefits the Standards bring to the industry – including strengthening manager practices, improving investor confidence, and bringing greater efficiency to investor/manager relationships – all grow as adoption of the Standards increases.

Investor Campaign

One of the most powerful aspects of the Standards Board is the fact that institutional investors are equal partners in our community as members of the Investor Chapter—pension and endowment funds, sovereign wealth funds, hedge funds of funds, private banks and family offices all are active participants in, and drivers of, our process. The Investor Chapter members manage US\$5tn in assets.

Since the launch of the Investor Chapter in 2010, we have actively engaged with investors around the globe in a variety of initiatives, such as reviewing amendments to the Standards, participating in joint panels on investor expectations and contributing to working groups to develop Toolbox items. Investor Chapter members also actively have encouraged their peers to become involved and have played a critical role in encouraging managers to commit to the Standards.

In 2021-2022 our Investor Chapter welcomed 7 high-profile institutional investors as members

BCI

Carnegie Corp of NY

Ericsson Pension

Mandatum Asset Management

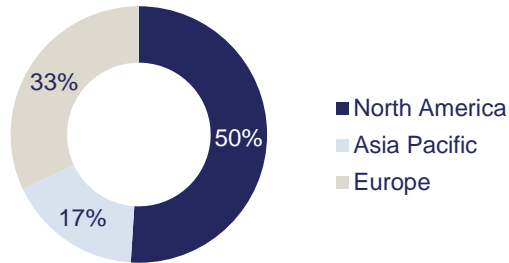
Nanyang Technological University (NTU) Investment Office

Raytheon Technologies

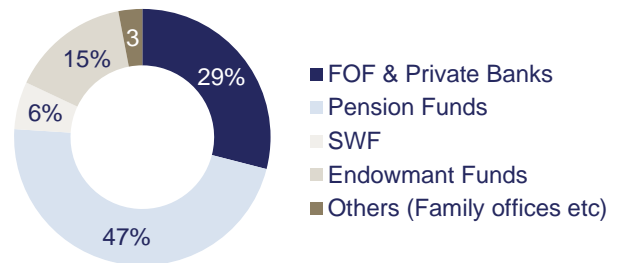
The Rockefeller University

Investor Chapter: 97 members

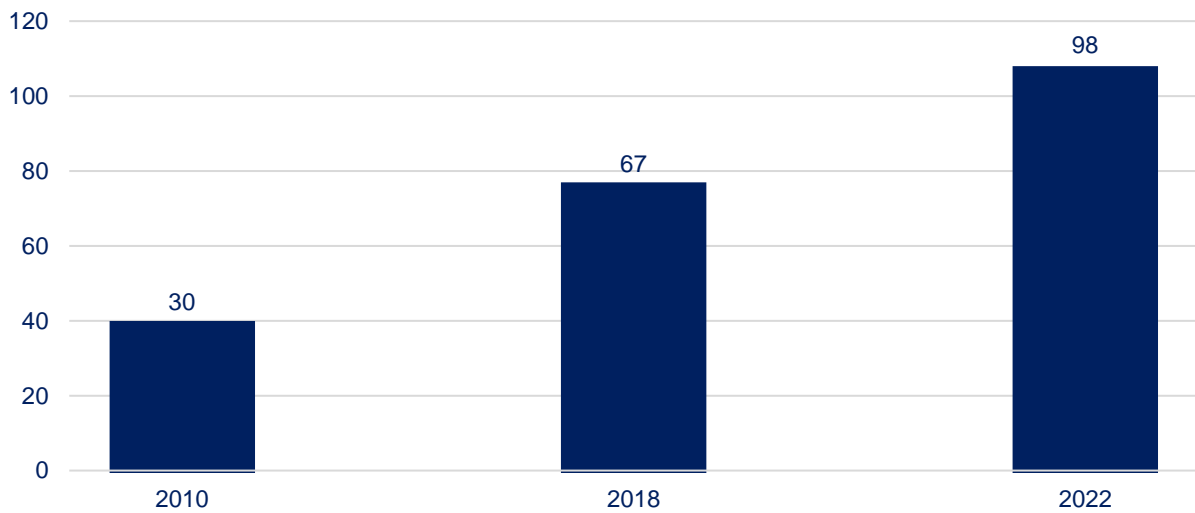
Investor Chapter Members by region



Investor Chapter Members by type



Evolution of Investor Chapter Members



Core Supporters

In autumn 2010, we created a special group of stakeholders – Core Supporters – that are committed to making a significant contribution to the SBAI’s efforts. Today, there are 32 members in this critically important leadership group:



Core Supporters are associated with SBAI thought leadership and are involved actively in our efforts to improve the market and the industry’s contribution to the wider community. Their logos are displayed on our website, and they interact with the SBAI Trustees and Founders through informal meetings, panels and board dinners, as well as through meetings with senior regulators in a wide variety of jurisdictions.

¹ Founders

6 Building a Robust Eco-System

The SBAI is an active community committed to knowledge sharing, informed dialogue, and innovation. Together, our network of allocators and managers create real world solutions to tomorrow's industry challenges. We set clear standards and actively promote responsible practice to normalise quality and fairness.

We ensure the quality and efficacy of the alternative investment arena through responsible standards and the exchange of ideas.

Our objectives are to:

- Advance understanding and connectivity
- Improve industry outcomes
- Create real world solutions to tomorrow's industry challenges
- Normalise quality and fairness
- Support the supervisory community in improving conduct and financial stability

We achieve this by:

- Bringing managers and investors together as a community
- Collaborating on key industry issues
- Setting, maintaining and improving the Standards and industry guidance
- Promoting the adoption of the Standards by managers

7 Setting the Standards

The Alternative Investment Standards provide a powerful mechanism for creating a framework of transparency, integrity, and good governance to simplify the investment process for managers and investors. They set levels of quality of working practice that complement the public policy framework, facilitate investor due diligence, streamline consultant and investor due diligence by establishing a set of common practices and approaches, provide a benchmark for manager practice and complement public policy.

While we welcome appropriate regulation of the industry, traditional rules and regulations are not expected to meet all the needs of investors and investment managers. Standards provide a more flexible tool to account for the diversity of investment strategies, the speed of innovation, the complexity of many platforms and the global scope of the industry. They are principles-based, consistent with existing regulation in multiple jurisdictions and intended to benefit alternative investment managers and investors from all jurisdictions.

The Standards are always likely to be more demanding, comprehensive and appropriate than the regime in any one country, because the Standards are defined by those with a strong vested interest in the success of the industry. Over time, the Standards are expected to become the generally accepted norm with all market participants adhering to them.

The Standards are based on a “comply or explain” regime, catering for the entire breadth and diversity of the industry. This flexible approach accommodates managers who are unable to conform to specific standards due to unique business reasons, however, it requires managers to renew conformity with the Standards annually and explain if they choose not to comply with specific Standards.

The signatory process requires that managers make a public commitment to investors. While conformity with the Standards is based on self-certification, failure to conform is a form of misrepresentation. In this sense, the Standards are binding, and conformity with them can be verified by investors at any point.

Keeping the Standards fit for purpose is an iterative process, and in line with its mandate, the SBAI responds to changes in industry practices and investor expectations by consulting publicly on improvements to the Standards from time to time. So far, the Standards have been amended four times:

| | | | |
|--|---|---|---|
| <p>CP1 Handling of redemptions 2009</p> | <p>CP2 Administration and Safekeeping 2009</p> | <p>CP3 Globalisation of the Standards 2011</p> | <p>CP4 Managing conflicts of interest 2015</p> |
|--|---|---|---|

All amendments resulting from the above consultations have been incorporated in the Standards.

The Role of the Standards

The Standards

- Demonstrate the industry is willing voluntarily to establish responsible standards of practice
- Provide a benchmark and a set of common practices that investors can adopt in their due diligence and monitoring – making the process more predictable and efficient
- Result in the industry being defined by the responsible practices represented in the Standards rather than by irresponsible actions of individual sub-par firms
- Enable the industry to organise and take control of its future, rather than having that future dictated by regulators, the media and random events

The Standards expand the Investor Base

- Well-established standards will enable the industry to grow by building investor confidence
- The Standards establish common practices that make the investor/ manager relationship more predictable and efficient – vs. discordant practices resulting from individual negotiations
- The presence of investors as equal partners in the SBAI ensures that the Standards are meeting their needs
- Investors are able to pre-identify managers who have committed to the Standards, which aids their selection and due diligence process
- Better industry practices decrease the need for costly regulation. Strong industry standards help investors address criticisms and concerns some constituents may have about alternative investment funds in areas such as disclosure, valuation, risk management, governance and shareholder conduct

8 Toolbox: Thought Leadership in Practice

Not all aspects of manager practice need to be enshrined in Standards, and that is where the SBAI Toolbox comes into play. Launched in 2014, the Toolbox complements our standard-setting activities by providing additional guidance to managers and investors on practical issues. The materials available through the Toolbox have been developed by our working groups, comprised of investors, managers and select relevant service providers (see section 6).

Managers and investors have told us that the content material in the Toolbox has become one of the most valuable outputs of the SBAI’s activities.

Overview of Toolbox

| Transparency Reporting Tools | Guidance | | | Templates |
|--------------------------------------|--------------------|------------------------|-------------------------------------|---------------------------------------|
| | Alternative Credit | Responsible Investment | Alternative Risk Premia | Standardised Board Agenda |
| Administrator Transparency Reporting | Co-Investments | Governance | ILS Valuation | Standard Trial Data License Agreement |
| Standard Total Expense Ratio (STER) | Cyber Security | Culture & Diversity | SPARK (Emerging Manager Initiative) | |
| | China | Crypto Assets | Japan | |

The materials available through the Toolbox serve as a guide only. They are not formally part of the Standards and the comply-or-explain approach.

Toolbox - additions and updates in 2021/2022

Governance

- Indemnification Wording in Offering Documents

Responsible Investment

- Review of Global Responsible Investment Regulations (2021 update)
- Implementation of Responsible Investment in Credit Strategies
- Implementation of Responsible Investment in ELS Strategies
- Implementation of Responsible Investment in Systemic Strategies
- Implementation of Responsible Investment in Macro Strategies
- Implementation of Responsible Investment in ILS Strategies

Digital Assets

- Operational Due Diligence on Crypto Assets

China

- Guidance – China Alts Managers Expanding Offshore (in English and Chinese)
- Chinese Translation of the Review of Global Responsible Investment Regulations (2021 update)

Japan

- Foreign Hedge Fund Manager Access to Japanese Pension Funds

Culture and Diversity

- Principles of Culture and Diversity Strategies
- Beyond the Metrics: Demonstrating and Assessing Diversity in Smaller Asset Managers

SPARK

- Guidance for Preparing for Operational Due Diligence

Open Protocol

- Open-Protocol-Template-I-Revised-Oct-2021

In addition, we added the following articles to our Toolbox

- Liquidity Risk Management
- Archegos and Counterparty Disclosure
- Ukraine, Russia and the Alternative Investment Standards
- Responsible Investment: Are you Saying What You're Doing and Doing What You're Saying
- Fraud, Fund Risk Management and the Alternative Investment Standards
- Short Selling and Responsible Investment

1 Governance

Governance remains at the heart of our mission at the SBAI and throughout our Alternative Investment Standards.

The following SBAI Toolbox memo on Governance was produced by our Governance Working Group. This working group involves over 70 participants from leading allocators and asset managers.

Indemnification Wording in Fund Governing Documents

The governing documents of most alternative investment funds include indemnification clauses. These clauses are important to investors as they highlight the circumstances or events where the fund may be required to reimburse the asset manager for losses related to the management of the fund. How these clauses are drafted can have implications for investors, as the use of different standards of care has significant impact on the types of loss events that asset managers can claim against the fund's indemnity.

The wording used within indemnification clauses is not standardised and can vary from manager to manager and jurisdiction to jurisdiction. Investors should be aware of the spectrum of existing indemnification provisions and how they could potentially impact all parties.

This Toolbox memo covers:

- Indemnification as a sub-set of Liability covering both contractual obligations and indemnification
- Spectrum of Wording in Governing Documents including standard of care and indemnification language
- Regulatory Views on Indemnification Wording, and
- Potential Issues and Considerations such as the scope of the indemnity, consistency, insurance, and survivability

The memo also includes a list of questions investors should ask asset managers during their due diligence process.

The memo can be found [here](#).

2 Responsible Investment:

Responsible Investment (RI) is a growing area of interest for asset managers, investors, and regulators, but implementation of RI approaches outside of traditional equity strategies can be challenging. The SBAI Toolbox resources on RI provide guidance to asset managers and investors on developing and documenting RI approaches and facilitating a nuanced approach to RI in different alternative investment strategies.

The SBAI Toolbox memos on RI have been produced by our Responsible Investment Working Group. This working group involves over 180 participants from leading allocators and asset managers.

Review of Responsible Investment Regulatory Environment – Updated 2021

An updated version of our Toolbox memo which provides a global overview of the different types of regulations and guidance that have been issued by regulators and other authorities as well as guidance that has been proposed. It looks at regulation from the perspective of issuers, investors, and asset managers.

The memo can be found [here](#).

Responsible Investment in Different Alternative Investment Strategies

Following the publication of our Responsible Investment Policy Framework, we have supplemented this with five strategy specific memos discussing the impact on implementation of Responsible Investment of different asset class and strategy specific considerations.

These SBAI Toolbox memos are a non-prescriptive supplemental framework for alternative investment managers to adapt their approach to RI based on their strategy and the asset classes they trade:

- Implementation of Responsible Investment in Equity Long/Short Strategies
- Implementation of Responsible Investment in Credit Strategies
- Implementation of Responsible Investment in Systematic Strategies
- Implementation of Responsible Investment in Macro Strategies
- Implementation of Responsible Investment in Insurance Linked Strategies

These memos can be found in our Responsible Investment Toolbox [here](#).

3 Operational Due Diligence of Crypto Assets

Crypto Assets operate using different infrastructure than more traditional asset classes, therefore any ODD must take account of certain risks that are more prominent within this asset class. This toolbox memo explores the key areas for ODD for crypto assets.

Institutional allocators conduct operational due diligence (ODD) on the underlying managers and funds that they invest in, including on elements such as counterparties, valuation, and conflicts of interest.

Our Alternative Investment Standards help asset managers apply the required controls to satisfy an ODD process and specific standards are referenced throughout this memo.

This SBAI Toolbox memo looks at:

- Key areas of ODD for crypto assets, including custody, trade processes, valuation and asset verification, conflicts of interest, and regulatory risk
- Other ODD considerations including a brief look at crypto assets and responsible investment

The appendices contain a list of ODD questions for investors to ask and a glossary of common crypto asset terms.

The memo can be found [here](#).

4 Guidance for Chinese Alternative Managers Moving Offshore

Access for global institutional investors to Chinese onshore managers can be challenging for several reasons, including different regulatory and operational environments. Chinese onshore managers may therefore choose to expand their operations offshore to be able to distribute their products more efficiently to global allocators – typically choosing Hong Kong or Singapore as their destinations. It is important that managers understand the regulatory framework, operational expectations, and practical differences when selecting a new jurisdiction.

This memo provides an informational guide to these considerations including:

- A comparison of regional practices covering regulation, fund structuring, investors, marketing, operations, investment strategy, and investment restrictions
- Key regulatory differences in areas such as regulatory bodies, key rules, fund definition and licencing requirements, and distribution and marketing
- Practical considerations for setting up an offshore asset management business including office space and rental, talent pool, and the financial services ecosystem

The memo can be found in English [here](#) and in Chinese [here](#).

5 Foreign Hedge Fund Manager Access to Japanese Pension Funds

The strict rules generally mean that the investment decisions of these Japanese Pension funds are primarily delegated to registered investment managers in Japan. The registered investment management industry in Japan is relatively small compared to its population and highly concentrated with a small number of firms representing most of the cumulative assets under management. Foreign managers could potentially provide increased choice and competition for Japanese Pension Funds but there are high regulatory hurdles that must be overcome for these investment managers. This Toolbox memo discusses some of these challenges and looks at potential entry strategies for foreign hedge fund managers, including how they compare in terms of licencing and regulatory requirements.

The memo includes:

- An overview of Japanese Private Defined Benefit Pension Fund market
- A comparison of relevant regulatory frameworks in Japan, the US, and the UK, and
- An overview of access routes for foreign managers to Japanese Pension Funds

The memo can be found [here](#).

5 Culture and Diversity

Culture and Diversity is a widely discussed topic in the alternative investment industry. There is increased focus from allocators and increasingly from regulators. Our focus is on providing practical guidance for the alternative investment industry and continuing to facilitate conversations and the exchange of ideas.

Our initiative is led by a Global Culture & Diversity Advisory Committee of senior industry leaders chaired by Jane Buchan, Martlet Asset Management alongside Co-Deputy Chairs Luke Ellis, Man Group and Susan Lee, Albourne Partners supported by a collaborative working group consisting almost 100 representatives from both asset managers and allocators.

Principles of Culture and Diversity Strategies

We believe that most participants in the alternatives industry are genuinely supportive of improving culture and diversity. It can be challenging to know where to begin as the topic is wide, can be sensitive, and publications on the “best” ways to achieve this are numerous.

This report contains five principles which can act as a framework to help guide the thought processes of both asset managers and allocators when defining their culture and diversity strategy. The principles are not prescriptive as there is no one size fits all approach to diversity, strategies need to be tailored to suit individual firms and jurisdictions. It also includes case studies and links to additional resources.

The five principles covered are:

- Leadership
- Strategy
- Communication
- Policies, and
- Inclusion

The memo can be found [here](#).

Beyond the Metrics: Demonstrating and Assessing Diversity in Smaller Asset Managers

Smaller asset managers face unique challenges when being assessed by allocators on culture and diversity, but they also have unique opportunities. This toolbox memo looks at how allocators can assess smaller managers and provides practical tips for smaller managers looking to contribute to increased diversity within the industry.

Culture and diversity are central to most allocator due diligence processes. Key to this assessment is the ability to compare managers across allocator portfolios, both to form a baseline and to monitor for improvements.

Of the challenges faced by smaller asset managers face, the most prominent is the relatively small size of investment teams means one hire or departure can significantly distort metrics. Improving the diversity of these teams needs to be balanced against allocator preferences for stable investment teams. Smaller firms are unlikely to be able to follow published guidance that involves extensive affinity groups or mentoring schemes – and shouldn't feel obliged to try to put these in place.

Smaller firms also have several important advantages for promoting diversity within the industry. Leaders with a commitment to diversity can have a bigger impact on their employees and even admin-based roles provide opportunities for employees to experience more of the industry, compared to more siloed roles at larger firms.

Diversity initiatives are also broader than the firm, extending to relationships with service providers and support of industry wide initiatives.

The memo can be found [here](#).

6 SPARK – Guidance for Preparing for Operational Due Diligence

Institutional Investors carry out Operational Due Diligence (ODD) on each asset manager they invest with, and each fund that they invest in. ODD is an important part of the investor allocation process. Typically, an ODD team will have the right to “veto” an investment. The ODD process involves a desktop review of documents collected in advance, onsite visit(s), and follow up verifications. Institutional investors expect a robust control environment even in small and emerging managers; although there is recognition that controls may look different in small versus large managers.

This SPARK memo outlines how managers can best prepare for institutional investor ODD and includes:

- Before the Meeting: Documentation requests and the level of detail required
- During the Meeting: Time required, who should attend, system and process walkthroughs and office tours
- After the Meeting: Background checks, service provider verification and additional follow ups

ODD teams at different institutional investors may have different priorities and as such may ask for differing levels of documentation or ask different questions; however, this memo should help provide the basis for preparation for most due diligence meetings. There may be some instances where a small or emerging manager is not able to provide some of the required documentation or information. Some of these instances are detailed below along with advice on how to provide the investor with comfort that controls are still in place.

The memo can be found [here](#).

9 Working Groups – Practical Collaboration

Our Working Groups bring together institutional investors and managers to advance responsible practice, partnership, and knowledge. Over 440 individuals participated in working groups representing 169 manager and investor stakeholders.

Overview of Working Groups and Initiatives

| Strategy Specific | Thematic | Regional |
|-------------------------|--|---------------------|
| Alternative Credit | Responsible Investment | Japan Working Group |
| Insurance Linked Funds | Culture & Diversity | |
| Alternative Risk Premia | Governance | China Working Group |
| | Standard Investor Profile (SIP) Template | |

Our working groups are a neutral place for asset managers and allocators to come together to discuss key areas of concern and develop practical industry guidance. The outputs of the working groups are made available to the alternative investment industry via the SBAI Toolbox. The SBAI working groups are global with members from Asia, Europe, and North America.

Detailed Overview of SBAI Working Groups

Areas of Focus and Previous Publications

| Working Group | Areas of Focus | Previous Publications |
|------------------------|--|---|
| Responsible Investment | Carbon Footprints Short Selling and Derivatives in ESG Governance of the ESG Process | Implementation of RI in Insurance Linked Strat. (2022) Implementation of RI in Systematic Strategies (2021) Implementation of RI in Macro Strategies (2021) Implementation of RI in Credit Strategies (2021) Implementation of RI in Equity Long/Short Strat. (2021) Update – Review of Regulatory Expectations (2021) Framework for a Responsible Investment Policy (2021) Responsible Investment – Review of Regulatory Expectations (2020) |
| Culture & Diversity | Increasing the Diversity in Allocator Portfolios Resource Guide of External Initiatives | Principles of Culture and Diversity Strategies (2021) Beyond the Metrics – Demonstrating and Assessing Diversity in Smaller Asset Managers (2021) |
| Governance | Internal Governance of Asset Management Firms | Indemnification Wording in Fund Governing Documents (2021) Governance – Cash Handling & Cyber Security (2020) Governance – Conflicts of Interest in Parallel Funds (2020) Governance – Updated Standardised Board Agenda (2019) |
| Alternative Credit | New Areas for Potential Exploration: Covenants and Disclosure Transparency on newly issued debt subordinating existing debt Standardisation of risk reporting (including reviewing Open Protocol) Operational Nuances in Private Credit Governance – Role of LPACs and Conflicts with GPs | Alternative Credit – Fund Structuring (2020) Alternative Credit – Valuation (2020) Alternative Credit – Conflicts of Interest (2020) |

| Working Group | Areas of Focus | Previous Publications |
|------------------------------------|---|--|
| Insurance Linked Funds | Brainstorming Sessions about to begin to discuss new topics for exploration | Side Pocketing in ILS Funds (2021) Insurance Linked Securities – Valuation (2019) |
| Alternative Risk Premia | Risk Monitoring Benchmarking and Indices | Alternative Risk Premia – Back-Testing (2020) Alternative Risk Premia – Broker Dealer Practices (2020) Alternative Risk Premia – DDQ for Broker Dealer Products (endorsed by large brokers) (2020) |
| Standard Investor Profile Template | Objective Streamline the subscription and redemption processes by creating a Standard Investor Profile Template for hedge funds and private market funds that captures the essential elements necessary in the most common jurisdictions. | |
| China | Current Active Work Market access to China | Guidance for Chinese Alternatives Managers Moving Offshore (2021) Comparison of Chinese regulation and Standards of international practice (2017) |
| Japan | Current Active Work Comparison of Japanese practices and regulation with international practice Future Areas for Exploration: DIM (Discretionary Investment Manager) regulation in Japan (overview, conflicts of interest) | Foreign Hedge Fund Manager Access to Japanese Pension Funds (2021) |

In 2022/23, following on from our publication on Operational Due Diligence of Crypto Assets, we will be launching a Digital Assets working group to further explore best practices in this area.

10 Global Institutional Investor Events: Connecting the Investment Community

Starting in 2013, we host small-scale but highly effective institutional investor roundtables, bringing together managers, investors and regulators to explore topics of the day through interactive discussions and practical case studies.



11 Regulatory Engagement

As part of our mission to participate in the global regulatory debate, we actively engage with the global supervisory community. We respond to public consultations, meet with senior officials and have smaller workshops which bring together regulators, managers and investors on important issues of mutual interest.

In 2021/2022, the SBAI has continued its active support of the regulatory community through the International Organization of Securities Commissions (IOSCO) and in direct interaction with authorities, such as the US Securities & Exchange Commission, the European Securities Markets Authority (ESMA), Monetary Authority of Singapore, Securities and Futures Commission (Hong Kong), Hong Kong Monetary Authority (HKMA), Australian Securities and Investment Commission (ASIC), the Federal Reserve Bank of New York, and many other regulators

Topics of particular focus include regulation of sustainability/ESG disclosures, securities lending and short position reporting and financial stability (counterparty disclosure).

Overview of Regulatory Consultation Responses (2021/22)

- US SEC Requests for Comment on Climate Change Disclosures
- UK FCA Discussion Paper on Diversity
- UK FCA Discussion paper on Sustainability Disclosure Requirements
- US SEC Request for Comment on Securities Lending
- US SEC Request for Comment on Short Position and Activity Reporting
- US SEC Request for Comment on Proposed Rules for Private Funds
- US SEC Request for Comment on ESG Rules

We also launched our Global Regulatory Committee bringing together leading institutional investors, asset managers and investment consultants to enhance and support the SBAI's dialogue with regulators around the world.

Our Global Regulatory Committee provides input into our regulatory engagement, supports our dialogue with authorities, and helps us keep informed of current and emerging regulatory topics. The Committee has balanced representation of institutional investors and investment managers.

Please see section 12 for overview of committee members.

12 New SBAI Committees

Global Culture & Diversity Advisory Committee

We established our Culture & Diversity Advisory Board, which includes senior industry leaders chaired by Jane Buchan, Martlet Asset Management alongside Co-Deputy Chairs Luke Ellis, Man Group and Susan Lee, Albourne Partners supported by a collaborative working group of both asset managers and allocators.

APAC

- **Julie Chang**, Blackstone Group (HK) Ltd
- **Chris Gradel**, PAG
- **Theresa Han**, GCM Investment Hong Kong
- **Philip Meyer**, Oasis Management Company Ltd
- **Michael Teo**, Avanda Investment Management

Europe

- **Edel Bashir**, abrdn
- **Leda Braga**, Systematica Investments
- **Elena Manola-Bonthond**, CERN Pension Fund
- **Erich Gerth**, BlueBay Asset Management

North America

- **Jase Auby**, Teachers Retirement System of Texas
- **John Claisse**, Albourne America LLC
- **Robin Diamonte**, Raytheon Technologies
- **Manny Roman**, PIMCO
- **Paula Volent**, The Rockefeller University

Appendix I: Board of Trustees

Mario Therrien

Head of Investment Funds and External Management, CDPQ Chair, SBAI

Mario Therrien leads CDPQ's investment funds activities. The teams he oversees invest in private investment funds and credit in private markets, as well as in venture capital in Québec and internationally. They are also responsible for external management in equity markets, as well as developing and managing strategic and institutional relationships. His mandate consists of adding value by building portfolios with the best external managers, while improving in-house management through the sharing of knowledge and expertise. He sits on the Investment-Risk Committee.

Prior to this role, Mr. Therrien was Senior Vice-President and Head of Strategic Partnerships, Developed Markets. He joined CDPQ in 1993 as an Analyst before taking on the role of Portfolio Manager in the group responsible for absolute return activities. Subsequently, he was mandated to develop external management activities in liquid-asset classes.

He holds a Bachelor's degree in Economics and a Master's degree in Finance from Université de Sherbrooke. He has also completed the Canadian Securities Course given by the Canadian Securities Institute, and is a CFA charter holder. Mr. Therrien is a member of the Montreal CFA Society.

Luke Ellis

Chief Executive Officer, Man Group plc Deputy Chair, SBAI

Luke Ellis is CEO of Man Group plc ("Man") based in London. Luke was previously President of Man, having joined the firm in 2010, and had been a member of the Executive Committee. Before joining Man, he was Non-Executive Chairman of GLG's Multi-Manager activities. Prior to this, he was Managing Director of FRM from 1998 to 2008 and one of two partners running the business. Before joining FRM, he was a Managing Director at JPMorgan in London, and as Global Head was responsible for building the firm's Global Equity Derivatives and Equity Proprietary trading business. Mr. Ellis holds a BSc (Hons) in Mathematics and Economics from Bristol University.

Leda Braga
CEO, Systematica Investments

Leda Braga is the founder and CEO of Systematica Investments, a global institutional hedge fund manager with approximately \$8.2 billion in assets under management. Systematica was formed in January 2015 as a spin-off of BlueCrest Capital, where Ms Braga was President and Head of Systematic Trading for 14 years. Prior to BlueCrest, she was part of Cygnifi Derivatives Services (a J.P. Morgan spin-off). At Cygnifi Ms Braga was part of the management team and head of its Valuation Service. Prior to Cygnifi, she spent nearly seven years at J.P. Morgan as a Quantitative Analyst in the derivatives research team. Her past experience includes modelling of interest rate exotics, FX/interest rate hybrid instruments and equity derivatives.

Ms Braga holds a PhD in Engineering from Imperial College London, where she worked as a lecturer and led research projects for over three years prior to joining J.P. Morgan. In addition, she has served in the advisory board of the pension fund of the CERN in Geneva and currently serves on the advisory board of the London School of Economics' Systemic Risk Centre.

Jane Buchan
CEO, Martlet Asset Management

Jane is Chief Executive Officer of Martlet Asset Management responsible for firm strategy, organization and performance. Martlet is based in Newport Beach, CA and was founded in July 2018. The firm's strategies include alternative risk premia and developing liquid strategies with a focus on fixed income.

Prior to this, Ms. Buchan co-founded and led Pacific Alternative Asset Management Company (PAAMCO), a Fund of Hedge Funds focused on institutional investors for 18 years. Under her leadership first as CEO of PAAMCO and then co-CEO of PAAMCO Prisma, the firm grew to \$32 billion AUM placing it third globally in the league tables by the time of her retirement in July 2018 (HFM InvestHedge Billion Dollar Club).

Jane began her career at J.P. Morgan Investment Management in the Capital Markets Group where she was trained in quantitative fixed income portfolio management. She has been an Assistant Professor of Finance at the Amos Tuck School of Business at Dartmouth. She recently served as chairwoman of the board for the Chartered Alternative Investment Analyst Association (CAIA) and is a member of the Advisory Board for the Master of Financial Engineering Program at UCLA Anderson School of Management.

Jane holds both a PhD and an MA in Business Economics (Finance) from Harvard University. She earned a BA in Economics from Yale University. Jane has thirty-three years of experience in investment management and portfolio construction with institutional investors.

Clint Carlson²

President & CIO, Carlson Capital

Mr. Carlson founded Carlson Capital in 1993. For five years prior, he was head of risk arbitrage for the investment arm of the Bass Brothers organization. Before joining the Bass organization, Mr. Carlson co-managed a risk arbitrage fund for Maxxam Group and affiliated companies.

Mr. Carlson received a B.A. and an M.B.A. from Rice University and a law degree from the University of Houston. He is a Board Member of the Rice Management Company and a member of the Board of Overseers for the Jones School of Business at Rice University.

John Claisse

CEO, Albourne Group

John Claisse joined Albourne in July 1996, relocated from London to San Francisco in July 2003 and became Albourne Group CEO in August 2015. John is an equity partner and member of Albourne's Executive Committee and also chairs the firm's Corporate Planning Council, which comprises Albourne's function and region heads. John helped develop the firm's proprietary risk analytics and was formerly the Senior Analyst for quantitative equity strategies and multi-strategy hedge funds. John remains a Portfolio Analyst working with several public and corporate plans, large endowments and foundations. John holds a first-class Mathematics Degree and a PhD from Sussex University.

Albourne is an independent advisory firm focused on hedge funds, private equity, private credit, real assets, real estate and dynamic beta. Founded in 1994, Albourne has over 280 clients with over \$550bn invested directly in alternative investments.

² Clint Carlson stepped down from the Board in March 2022

Stuart Fiertz**Co-Founder, President and Director of Research, Cheyne Capital Management**

Stuart Fiertz is the Co-Founder, President and Director of Research of Cheyne Capital Management (UK) LLP. From 1991 to June 2000, and prior to establishing Cheyne Capital with Jonathan Lourie, Stuart worked for Morgan Stanley where he was responsible for the development and implementation of customised portfolio strategies and for credit research in the convertible bond management practice.

Prior to joining Morgan Stanley, Stuart was an equity research analyst for the Value Line Investment Survey, and a high yield credit analyst in Boston at Merrill Lynch and in New York at Lehman Brothers. Stuart is a CFA® charterholder and a CAIA designee. He is also on the board of the CFA Society of the UK, a council director of the Alternative Investment Management Association (AIMA) and chairman of the AIMA Alternative Credit Council.

Stuart was educated at the International School of Geneva and at Dartmouth College where he was awarded a BA degree in Political Science and Economics.

David George³**Deputy Chief Investment Officer, Public Markets, Future Fund Australia**

David George is Deputy Chief Investment Officer, Public Markets, of Australia's Sovereign Wealth Fund, the Future Fund, valued at A\$154 billion on 31 March 2019. The organisation is also responsible for the investment of five other special purpose funds on behalf of the Australian Federal Government. At 31 March 2018 these funds had a combined value of A\$33.6 billion.

David joined the Future Fund in 2008, serving as Deputy Chief Investment Officer, Public Markets from April 2018. From 2008 to 2018 he was a member of the Fund's Debt & Alternatives team, leading it from 2013 to 2018. He held prior consulting and investment roles at Mercer, the Royal Bank of Canada, and Integra Capital.

David holds a degree in economics from Western University in Canada, is a CFA and CAIA Charterholder, sits on the Board of the CAIA Association.

³ David George stepped down from the Board in August 2022

Chris Gradel
Co-Founder and CEO

Mr. Chris Gradel is Co-Founder and Chief Executive Officer of PAG. PAG is an Asia focused alternative investment manager with approximately USD55 billion of assets under management. PAG's investment funds include public market strategies, private debt, real estate, infrastructure and private equity. He has over 20 years of investment experience and co-founded PAG in 2002. Before PAG, Mr. Gradel was an Engagement Manager at McKinsey & Company in Hong Kong, and worked for The Marmon Group in China.

Mr. Gradel received his master's degree in Engineering, Economics and Management from Oxford University. He is a member of the Board of Trustees at the Standards Board for Alternative Investments (SBAI), the hedge fund industry's global standard-setting body, a member of the Investment Committee of Oxford University Endowment Management, and a Wykeham Fellow of New College, Oxford.

Richard Lightburn
CEO, MKP Capital Management

Richard Lightburn serves as Chief Executive Officer of MKP Capital Management, bringing more than 25 years' experience in financial markets to the role. He is a Principal of the firm and is a member of the Investment Committee. Prior to being named CEO, Mr. Lightburn led all of MKP's global rates and Agency MBS trading strategies at the firm. Before he joined MKP in 2008, Mr. Lightburn worked for three years as a Managing Director at HSBC Securities, where he managed the prime mortgage trading business. Prior to HSBC, Mr. Lightburn worked for 15 years at Goldman Sachs. When he left the firm in 2004, Mr. Lightburn was a Managing Director and Co-Head of the Mortgage Liquid Products trading group.

Edward O'Reilly⁴**Senior Managing Director, Global Head of the Client and Partner Group, Citadel**

Ed O'Reilly is a Senior Managing Director and Global Head of the Client and Partner Group at Citadel. He is responsible for managing the firm's relationships with all investors globally. Ed is on the Executive Leadership Team and a Portfolio Committee member.

Ed started his career at The O'Connor Partnership, Chicago, where he managed the non-investment aspects of a dynamic, derivatives market making and proprietary trading business within the Fixed Income, Currencies and Commodities (FICC) and Equities businesses in a COO function. Throughout his career with O'Connor / Swiss Bank Corporation / UBS, Ed was based in a variety of financial centers: Chicago, Singapore, Zurich and London. This experience ultimately led him to spend 18 years abroad.

Ed is a member of The Economic Club of New York, The Aspen Institute Society of Fellows, The Investment Committee for the Bruce Museum of Arts and Science, and The Development Committee for the Brunswick School in Greenwich, Connecticut. Ed is on the Investment Committee for the Miami University Endowment and a Director of the Miami University Foundation Board. He is also Chairman of the SBAI's North American Committee.

Ed O'Reilly received his Master of Business Administration from Duke University and a bachelor's degree from Miami University, Oxford, Ohio.

Dan H. Stern⁵**Co-Founder and Co-CEO, Reservoir Capital Group**

Dan Stern co-founded Reservoir Capital Group in 1998. Prior to founding Reservoir, Mr. Stern co-founded and was President of Ziff Brothers Investments and served as a Managing Director of William A.M. Burden & Co., and an Associate at Bass Brothers Enterprises in Fort Worth, Texas. Mr. Stern has participated in the formation and development of numerous investment management entities, including HBK Investments, Och-Ziff Capital Management, Starwood Capital, Ellington Capital Management, and Anchorage Advisors, among others. He is the President of the Lincoln Center Film Society and serves as a Trustee of Lincoln Center, the Mt. Sinai Medical Center, and the Educational Broadcasting Corporation (PBS Channel 13 New York). Mr. Stern received an A.B. from Harvard College and an M.B.A. from Harvard Graduate School of Business.

⁴ Ed O'Reilly joined the Board in March 2022

⁵ Dan Stern stepped down from the Board in March 2022

Priti Singh⁶**Senior Managing Director and Global Head of Capital Markets and Factor Investing, CPP Investments**

Dan Priti Singh leads CPP Investment's global Capital Markets and Factor Investing department, which is comprised of External Portfolio Management, Active Macro, Research & Innovation Group, and Quantitative Strategies & Risk Premia groups.

Before this appointment, she was Managing Director and Head of External Portfolio Management, responsible for managing a global portfolio of externally managed funds that complement and enhance our internal public market investment programs. Prior to joining CPP Investments in 2008, Priti worked for over eight years in the financial services and telecommunication industries.

Priti holds an MBA from the Rotman School of Management of the University of Toronto and an MS in Physics from the University of Waterloo.

Betty Tay**Managing Director, Head of External Managers Department, GIC Private Ltd**

Betty is Managing Director, Head of External Managers Department in GIC. In her current capacity, Betty oversees the day-to-day activities of the External Managers Department, including portfolio management for all of GIC's public market external managers programs, manager selection and monitoring, operations and administration for the department. In addition, Betty is a member of GIC's Business Continuity Plan Steering Committee.

Betty joined GIC in July 1999 as a Senior Portfolio Manager. She served as a Portfolio Manager within the Emerging Markets Group from 1999 to 2002. In this capacity, Betty was posted to GIC's London office, and was instrumental in developing portfolio management expertise in non-Asia emerging markets. In 2002, Betty joined the External Managers Group.

Betty has over 20 years of experience in international financial markets including trading functions across various products in local and international financial institutions. She began her career as a proprietary trader with the Development Bank of Singapore (DBS). Prior to joining GIC, Betty spent 6 years as a Principal at Bankers Trust Company (Singapore). She served as the Head of the Foreign Exchange Forwards Division and managed the firm's balance sheet in Singapore.

⁶ Priti Singh joined the Board in May 2022

Betty graduated from the National University of Singapore in 1991 with a BSc in Mathematics. She also holds both Chartered Financial Analyst (CFA) and Chartered Alternative Investment Analyst (CAIA) designations. She completed the Stanford Executive Program in August 2014.

Betty is a member of the Investment Advisory Committee for the Lee Kuan Yew Fund for Bilingualism Limited.

Paula Volent⁷ **VP & CIO, The Rockefeller University**

Paula Volent is Vice President and Chief Investment Officer at The Rockefeller University, the world's leading biomedical research university. Prior to joining The Rockefeller University in August 2021, Ms. Volent served as Chief Investment Officer and Senior Vice President at Bowdoin College, a private, residential college in Brunswick, Maine. At Bowdoin, where she was responsible for the oversight and management of the College's endowment. Prior to joining Bowdoin in July 2000, Ms. Volent was a Senior Associate at the Yale Investments Office.

Ms. Volent has a BA from the University of New Hampshire; a Master's Degree in Art History from the Institute of Fine Arts at New York University; a Certificate in Conservation from the Conservation Center at NYU, with a specialization in the conservation of works of art on paper; and an MBA from the Yale School of Management. Prior to focusing on endowment management, Paula worked as a paper conservator at the New-York Historical Society, the San Francisco Palace of Fine Arts, the LA County Museum of Art, and the National Gallery of Art in Washington DC. She also ran a private paper conservation studio in Los Angeles, California. She serves on the Board of Directors of MSCI, Inc.; the Board of Directors of 1st Dibs; a member of the Investment Committee of the Pritzker Family Foundation, a member of the Advisory Board of Girls Who Invest, a Trustee of the Skowhegan School of Art and Painting, and an Investment Committee Member of the Rockefeller Foundation. She is also Vice Chair of the Yale School of Management Advisory Board, a member of the Milken Institute's Global Markets Advisory Council, a member of the Advisory Board of the Private Capital Research Institute and a member of the National Gallery of Art Investment Subcommittee. In 2020 Barron's named Ms. Volent as one of the "100 most influential women in U.S. Finance.

⁷ Paula Volent joined the Board in August 2021

Dale West**Senior Managing Director, Teacher Retirement System of Texas**

Dale West is the Senior Managing Director of External Public Markets at the Teacher Retirement System of Texas in Austin, Texas. TRS is a \$130 billion pension system serving 1.4 million active and retired educators and their families. Dale's team oversees the Trust's \$39 billion portfolio of externally managed public market assets, including \$27 billion in traditional long-oriented equities and \$11 billion in hedge funds. Dale serves on the TRS Internal Investment Committee and Management Committee. He is a member and past board member of the Texas Hedge Fund Association.

Prior to joining TRS, Dale was based in London with the emerging markets equity team of T. Rowe Price International, where he covered telecoms and emerging markets. He also served in the U.S. Foreign Service, including a three-year posting to the American embassy in Bucharest, Romania.

Dale received an MBA from Stanford University, and is a graduate of the Plan II Honors Program at the University of Texas at Austin.

Poul Winslow⁸**Senior Managing Director and Global Head of Capital Market and Factor Investing, CPP Investments**

At CPP Investments, Poul Winslow leads the team responsible for selecting and managing relationships with external managers across a wide range of active mandates. He has more than 25 years of experience in the financial services industry. Prior to joining CPP Investments, Poul had several management and investment roles at Nordea Investment Management. He was also Chief Investment Officer of Andra AP-fonden (AP2) within Sweden's national pension plan system.

Poul obtained his undergraduate and Masters degree in Economics and Management from Aarhus University in Denmark.

⁸ Poul Winslow stepped down from the Board in May 2022

Sir Andrew Large

Chairman Emeritus of the SBAI

Sir Andrew Large was Deputy Governor of the Bank of England from 2002 to 2006. He now acts independently for central banks and governments in relation to financial stability and crisis prevention issues. He is also Chairman of the Senior Advisory Board of Oliver Wyman; Senior Adviser to Hedge Fund Standards Board; Chairman of the Advisory Committee of Marshall Wace, and Chairman of the Board Risk Committee of Axis, Bermuda.

Sir Andrew's career has covered a wide range of senior positions in the world of global finance, within both the private and public sectors. Sir Andrew spent twenty years in capital markets and investment banking, first with Orion Bank and then with Swiss Bank Corporation, on its Management Board from 1987-1989. Prior to his time at the Bank of England he chaired the Securities and Investments Board (precursor of the FSA) 1992-1997 and Deputy Chairman of Barclays Group from 1998-2002. When at Barclays, Sir Andrew was Chairman of Euroclear in Brussels. Concurrently he served on the Managing Director of the IMF's Capital Markets Consultative Group 1999-2002 and chaired for the Group of 30 a global report into strengthening the global financial infrastructure for clearing and settlement. Sir Andrew chaired the Hedge Fund Working Group, that created the original standards and was the first Chairman of the Standards Board for Alternative Investments (formerly known as Hedge Fund Standards Board).

Sir Andrew has a keen interest in education; he is the Chairman of the INSEAD Advisory Council and was a member of the INSEAD Board 1998-2010.

Appendix II: Overview of Accounts

| in £ | Year to 31 Jan '22 | Year to 31 Jan '21 | Year to 31 Jan '20 | Year to 31 Jan '19 | Year to 31 Jan '18 | Year to 31 Jan '17 | Year to 31 Jan '16 | Year to 31 Jan '15 | Year to 31 Jan '14 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Turnover | £2,209,170 | 1,757,959 | 1,285,957 | 1,197,972 | 1,198,306 | 1,142,172 | 1,190,717 | 1,142,605 | 1,041,897 |
| Admin expenses | (1,877,800) | (1,508,415) | (1,275,369) | (1,196,640) | (1,206,368) | (1,126,307) | (1,103,384) | (1,075,186) | (997,242) |
| Loss/profit on ordinary activities before taxation | 335,149 | 258,992 | 10,588 | (1,292) | (8,062) | 15,865 | 87,348 | 67,419 | 44,655 |
| Interest receivable and similar income | 127 | 294 | 1,410 | 1,030 | 72 | 51 | 15 | - | - |
| Tax on loss/profit on ordinary activities | (20,038) | (50,352) | (2,899) | (3,654) | 40 | (4,425) | (19,322) | (15,825) | (3,262) |
| Loss/profit for the financial year (before tax) | 307,238 | 208,924 | 9,099 | 2,362 | (7,950) | 11,491 | 68,026 | 51,594 | |

Appendix III: Members of Working Groups

Members of Working Groups

Members of our working groups include stakeholders and supporters of the SBAI

| | |
|---|--------------------------------------|
| 400 Capital Management LLC | Brilliance Asset Management Limited |
| Aalto University Foundation | Brummer & Partners |
| abrdrn | Cairn Capital |
| Acadian Asset Management | Canyon Partners LLC |
| Aktia Asset Management | Capital Fund Management |
| Albourne Partners | CDAM Ltd |
| AlphaCat Managers Ltd | CDPQ |
| Angelo Gordon | Cerberus European Capital Advisers |
| AnglePoint Asset Management Limited | CERN Pension Fund |
| AP1 | Cheyne Capital Management (UK) LLP |
| AP7 | Church Commissioners for England |
| APG Asset Management | Citadel Advisors LLC |
| Arch Ventures | Clocktower Group LP |
| Aspect Capital Limited | CN Pension Fund |
| Asset Management One Alternative Investments. Ltd | CPP Investments |
| Avanda Investment Management | CQS |
| Balyasny Asset Management LP | DE Shaw |
| Banco Central de Timor-Leste | Dorsal Capital Management |
| BofA Securities | Dymon Asia Capital |
| BIMCOR | Edgehaven Pty Ltd |
| BlackRock | Elementum Advisors LLC |
| Blackstone Alternative Asset Management | Elo Mutual Pension Insurance Company |
| Bluebay Asset Management | Employees Retirement System of Texas |
| Bluebell Capital Partners Limited | EnTrust Global |
| Boussard & Gavaudan | Ericsson Pensionsstiftelse |
| Bridgewater Associates | Ferd AS |
| | Fiera Capital |
| | Finex LLP |

| | |
|--|---|
| \\Future Fund | New Holland Capital |
| GaoTeng Global Asset Management Limited | New Silk Road Investment Pte Ltd |
| GCM Grosvenor | New Zealand Superannuation Fund |
| GIC Ltd | Noah Holding Group HK |
| Golden Nest Capital Management (Hong Kong) Co. Ltd | Nordis Capital |
| Graham Capital Management LP | Nordkinn Asset Management |
| Grand Alliance Asset Management Ltd | NorthPeak Advisory |
| Graticule Asia Macro Advisors LLC | Noviscent |
| Harvard Management Company, Inc. | Oasis Management Company Ltd |
| Hiscox Re Insurance Linked Strategies | Ocean Arete Limited |
| HOOPP – Healthcare of Ontario Pension Plan | Office of New York City Comptroller |
| HPS Investment Partners | One River Asset Management |
| Hudson Structured Capital Management (HSCM) | Ontario Teachers’ Pension Plan |
| Inherent Group | OP Investment Management Ltd |
| Innocap Investment Management Inc. | OPTrust |
| Ionic Capital Management | Orchard Global Asset Management |
| IXI Investments | PAAMCO Prisma |
| Jasper Capital International | PAG |
| K2 Advisors/Franklin Templeton Investments | Pennsylvania Public School Employees’ Retirement System (PSERS) |
| KEVA – The Local Government Pensions Institution | Periscope Capital |
| Lafayette Square | PGGM |
| Lakefront Asset Management (HK) Co. Ltd | PGIM Wadhvani LLP |
| Leadenhall Capital Partners | Picea Oriental Investment Management Ltd |
| Lynx Asset Management | Pictet Asset Management |
| Magnetar Capital | Pictet Alternative Advisers |
| Man Group | PIMCO |
| Marshall Wace LLP | Platinum Investment Management Limited |
| Martlet Asset Management | Polar Asset Management Partners |
| Maryland State Retirement and Pension System | PRI Pensiongaranti |
| Minority Asset Management | PSP Investments |
| Mitsui & Co Pension Fund | Quantica Capital AG |
| MKP Capital Management | QVR Advisors |
| Monarch Alternative Capital | Raytheon Technologies |

| | |
|---|---|
| Redington | Transtrend |
| RockCreek Group | Trium Capital |
| Rockhampton Management Limited | Two Sigma Investments LP |
| RPMI Railpen Investments | Unigestion |
| Sandbar Asset Management | University of Toronto Asset Management (UTAM) |
| Schroder Secquaero | Utah Retirement Systems |
| Sculptor Capital Management | Varma Mutual Pension Insurance Company |
| Securis Investment Partners LLP | Veritas Pension Insurance |
| Soros Fund Management | Versor Investments |
| Springs Capital (Hong Kong) Ltd | Victorian Funds Management Corporation |
| State of Wisconsin Investment Board | Washington Harbour Partners LP |
| Steadfast Financial LP | Washington State Investment Board |
| Sussex Capital Management Ltd | Wellington Alternative Investments LLC |
| SVP (Strategic Value Partners LLC) | Welton Investment Partners |
| Systematica Investments | West Virginia Investment Management Board |
| Taconic Capital Advisors | Whitebox Advisors |
| Tagency Capital | Winton Capital |
| Tasku Japan | World Bank |
| Teacher Retirement System of Texas | Y2 Capital Partners Limited |
| The State Pension Fund of Finland (VER) | Zebedee Capital Partner |

SBai

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