



Newsletter – October 2020

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New Stakeholders

The Standards Board is delighted to welcome the new addition to the SBAI Family:

Investor Chapter

- OP Asset Management (Finland)

Signatory

- Platinum Investment Management Limited (Australia)

Core Supporter

- Securis Investment Partners (UK) (has been a Signatory since 2019)

SBAI publishes an Overview of Global Regulatory Guidance on Responsible Investments

The Standards Board for Alternative Investments (SBAI) has published a [Toolbox memo](#) that provides a multi-jurisdictional review of current Regulatory Guidance on Responsible Investment. The memo, which is part of a series of SBAI publications and events on the theme of Responsible Investment, focuses on three central perspectives: Regulations for Investors, Regulation for Issuers and Regulation for Investment Managers. It highlights the spectrum of approaches taken by different regulators and takes a brief look at potential changes to the investment landscape that may be driven by this regulation.

This memo, which was developed by the SBAI's Responsible Investment Working Group with input from Herbert Smith Freehills, provides a detailed overview of the regulations in Europe, North America, and Asia.



Brandon Gill New, Senior Portfolio Manager - Capital Markets Group at OPSEU Pension Trust said “Institutional Investors increasingly need to identify their own Responsible Investment-related risks and opportunities and engage with partners accordingly. This memo is an important tool to clarify the local and global regulatory environment in which investment managers operate.”

My-Linh Ngo, Head of ESG Investment at BlueBay Asset Management said “Investment managers must understand their regulatory requirements as they relate to RI. This memo is a timely and useful resource for managers in understanding the key RI regulations around the world. However, given this is still a relatively new area for regulatory intervention, managers should ensure to apply critical thinking on the nature of any regulation and engage in sharing of thinking and practice with peers and policy makers. It is in all of our interests to ensure we have an efficient and well-functioning market which delivers on sustainable development.”

To read the press release in full, please [click here](#).

The SBAI Responsible Investment Working Group is actively reviewing other areas of relevance, including guidance on a Responsible Investment Policy Framework, Strategy specific considerations for implementation of Responsible Investment (with workstreams focussing on L/S Equity, Fixed Income, Credit, Systematic and ILS) and Investor Approaches to Responsible Investment.

Upcoming Responsible Investment Roundtable

As a follow-up to the publication of the above memo, the SBAI also will be hosting a roundtable on 18 November 2020 (please see events section) with a panel of industry experts focusing on practical implications of the current regulation, challenges with compliance, potential conflicts between different regulations and investor expectations.

Roundtable: Payment Processes & Cyber Security – Preventing Cyber-Fraud

Following the publication of the SBAI’s Memo on [Cash Handling and Cyber Security](#), the SBAI hosted a virtual event **Payment Processes & Cyber Security – Preventing Cyber Fraud**. The panellists from Aedile Consulting, OTPP and Orchard Global Asset Management discussed:

- The threat environment ranging from simple invoice fraud to sophisticated attacks
- Key technology controls such as protecting email with Multi-Factor Authentication
- Process controls including call backs and strong due diligence.

Alex Baker, Chief Technology Officer at Orchard Global Asset Management said: “Cyber-security is an increasingly important topic and can provide strong protection against cyber-frauds targeted at



payment processes. Combining these systematic protections with strong payment processes provides credible mitigation against these risks. The SBAI Toolbox memo shows the importance of combining both technology and process controls to protect payment processes.”

The SBAI would like to thank the panellists for their contributions to the discussions. Investment managers and institutional investors are encouraged to review the guidance.

Annual General Assembly

The SBAI will be hosting its Annual General Assembly, traditionally hosted in London in September, on 17 November in a virtual format. The event will consist of two sessions to cater for stakeholders across all time zones. Speakers include senior representatives of Employees Retirement System of Texas, Fiera Capital, Future Fund Australia, Hong Kong Monetary Authority, New Zealand Superannuation Fund, The State Pension Fund of Finland (VER) and State of Wisconsin Investment Board.

Annual Canadian Institutional Investor Roundtable

The SBAI is also delighted to confirm that it will be hosting its Annual Canadian Institutional Investor Roundtable on 3 December. The event was historically hosted in Montreal, but this year the event will be in a virtual format, bringing together major Canadian allocators to explore the “Canadian Pension Model” Confirmed speakers include senior representatives from Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board, Investment Management Corporation of Ontario, New Holland Capital, Ontario Teachers' Pension Plan and PSP Investments.

Upcoming Events (virtual)

- **10 November 2020: Alternative Risk Premia – State of Play**
- **17 November 2020: Annual General Assembly**
- **18 November 2020: Responsible Investment – The Global Regulatory Landscape**
- **3 December 2020: SBAI Canada Institutional Investor Roundtable**
- **9 December 2020: Navigating through COVID-19: What is the Investment Roadmap Ahead?**

The full event schedule is available [here](#).



APPENDIX I

OP Asset Management

OP Financial Group was founded in 1902 and has a history of over a hundred years in managing client assets. OP Asset Management provides services for institutions and Wealth Management clients which includes a wide range of OP funds, alternative investments, real estate investments and many additional services. It also offers a large selection of third party funds. The firm's assets under management are about EUR 80 billion and it has 150 employees.

Platinum Investment Management Limited

Founded in Sydney, Australia in 1994, Platinum has built a strong long-term track record as a fund manager specialising in international equities. Platinum is an active fundamental long/short equities manager focused on delivering long-term absolute returns within a range of index agnostic global, regional and sector strategies. Platinum's Sydney based 33 person investment team manages US\$16bn through a disciplined approach pursuing opportunities overlooked by the market due to temporary uncertainty and/or significant change.

Securis Investment Partners

Founded in 2005, Securis Investment Partners LLP (Securis) is one of the leading Insurance Linked Securities (ILS) managers, with an established infrastructure and a diverse, global team of 61. Basing operations in London, UK, Securis has additional offices in Bermuda, Japan, Switzerland and the US. The firm's overall AUM are \$4.7bn as at 1 October 2020. Securis invests exclusively in ILS across the spectrum of insurance, reinsurance, and retrocession transactions, and across regions and perils opportunistically on both the Non-Life and Life side. Securis is authorised and regulated by the FCA in the UK and is a registered investment advisor with the SEC in the USA. Securis group entities are also appropriately regulated by the Bermuda Monetary Authority and the Japanese FSA.



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