



Annual Report 2018

Established in 2008, the Standards Board for Alternative Investments (Standards Board or SBAI), (previously known as the Hedge Fund Standards Board (HFSB)) is a standard-setting body for the alternative investment industry and custodian of the Alternative Investment Standards (the Standards). It provides a powerful mechanism for creating a framework of transparency, integrity and good governance to simplify the investment process for managers and investors. The SBAI's Standards and Guidance facilitate investor due diligence, provide a benchmark for manager practice and complement public policy. The Standards Board is a platform that brings together managers, investors and their peers to share areas of common concern, develop practical, industry-wide solutions and help to improve continuously how the industry operates.

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1. Message from the Chairman

The Standards Board for Alternative Investments appreciates the ongoing support and commitment of its Signatories, Investor Chapter Members, Core Supporters and Founders to the Standards and continuous efforts to improve practices in the industry.

Since its inception in 2008, the Standards Board, as the neutral standard-setter for the industry, has become an important part of the global alternative investment industry. Its role in facilitating a dialogue between investors and managers benefits the whole industry and the wider economy. Today, the Standards Board platform is widely supported and recognised by regulators for its ability promptly to address issues and concerns raised in the industry, such as conflicts of interest, cyber security, administrator transparency reporting for improving investor due diligence, understanding fees and expenses and many others.

The last 12 months have been ground-breaking for the Standards Board in a number of areas, including content development, global expansion and regulatory interaction.



Dame Amelia Fawcett, Chairman

The Standards Board has continued its expansion into the broader “alternative investment arena” with a diverse set of new joiners, including alternative credit managers and ILS Fund managers, diversified asset managers, alongside “traditional” hedge fund managers. This follows the change of the Standards Board’s name in 2017 (from the Hedge Fund Standards Board (HFSB)) and the explicit strategy to widen the remit of applicability of the Standards. As a result, our Standards are now a set of globally applicable practices and principles that can be used across an alternative manager’s business.

Following the success of its APAC Committee, the Standards Board created another regional committee in 2018 – the North American Committee -- to support its efforts in the US and Canada. I would like to take this opportunity to thank the APAC Committee, especially Chris Gradel (former Chairman) and Ted Lee (incumbent Chairman) for their invaluable contribution to the Standards Board’s mission the APAC region and making the APAC Committee a blueprint for the North American

Committee. In addition, the global events hosted by the Standards Board reached new destinations, including Austin, Dallas, San Francisco and Shanghai.

In 2018, the Standards Board announced new working groups, including alternative credit, governance and big data, and has continued its work on ILS Fund Valuation. In 2019, these working groups produced industry guidance for the Toolbox in a wide range of areas, including cyber security, fund governance, Standardised Trial Data Agreement, insurance-linked fund valuation and co-Investments. These materials are covered in more detail further in the Toolbox chapter of this report.

As I look ahead to the next 12 months, it is obvious that regulatory issues in relation to potential vulnerabilities in asset management will continue to loom large on the agenda for all of us, but we also see investors back in the driving seat, focussing the discussion on their priorities. The Standards Board will continue its relentless efforts to get as many managers as possible around the globe to sign up to the Standards and to involve more investors in its activities through its Investor Chapter. The Standards Board also will continue its activities in content developments and is planning to publish the materials produced by its working groups on governance (conflicts of interest of Fund Directors and conflicts of interest in parallel funds); alternative credit (conflicts of interests; valuation and choice of fund structure) and factor investing (back-testing and broker dealer practices)

Regulatory engagement is a critical part of the Standards Board's work, and this past year was no exception. We actively were engaged in discussions and consultations with senior regulators around the globe, sometimes publicly, 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. They understand that we are not a self-interest group or a lobbyist—they see us as a neutral standard-setter and an ally in driving better practices globally and in helping improve outcomes in markets in a cost-effective way.

I am pleased to report that over the course of the last year we added three new trustees to our Board: Stuart Fiertz of Cheyne Capital and Rich Lightburn of MKP Capital joined the Board in 2018, and Leda Braga of Systematica Investments joined in 2019. Their wealth of experience, expertise and independent thinking will continue to add greatly to an already strong Board.

We are fortunate at the Standards Board to have an exceptionally talented and dedicated team, both the executive and the Trustees. Their support, engagement and goodwill will continue to be the key to our ability to make an impact and a positive difference for the industry. I would like to take this opportunity to thank them all. In particular, I would like to thank George Robinson of Sloane Robinson and Kathryn Graham of USS, who retired from the Board earlier this year. We have benefited tremendously from their extraordinary commitment and wise counsel over many years, and we will miss them both.

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.

Dame Amelia Fawcett DBE CVO

2019

2. Trustees and Regional Committees

Board of Trustees

Dame Amelia Fawcett DBE CVO , Chairman, SBAI	David George , Deputy Chief Investment Officer, Future Fund Australia
Leda Braga , CEO, Systematica Investments	Richard Lightburn , CEO, MKP Capital Management
Jane Buchan , CEO and Co-CIO, Martlet Asset Management	Daniel H. Stern , Co-Founder & Co-CEO, Reservoir Capital Group
Clint Carlson , President & Chief Investment Officer, Carlson Capital	Simon Ruddick , Chairman & Co-Founder, Albourne Partners
Bruce Cundick , CIO, Utah Retirement Systems	Betty Tay , Managing Director, Head of External Managers Department, GIC
Luke Ellis , CEO, Man Group plc	Mario Therrien , Senior Managing Director and Head of Strategic Partnerships – Developed Markets, Caisse de dépôt et placement du Québec
Stuart Fiertz , Co-Founder, President and Director of Research, Cheyne Capital Management	Dale West , Senior Managing Director, Public Markets, Teacher Retirement System of Texas
Chris Gradel , Founder, Managing Partner & CIO, PAG	Poul Winslow , Senior Managing Director & Global Head of Capital Markets and Factor Investing, Canada Pension Plan Investment Board

Regional Committees

APAC Committee	North American Committee
<ul style="list-style-type: none"> • David George, Future Fund Australia • Chris Gradel, PAG • Richard Johnston, Albourne Partners • Ted Lee, CPPIB (Chairman) • William Ma, Noah Holdings (HK) Ltd • Brian Pohli, CQS (HK) Ltd • Betty Tay, GIC • Danny Yong, Dymon Asia Capital (Vice-Chairman) 	<ul style="list-style-type: none"> • Bradley Belt, Orchard Global Asset Management¹ • Jane Buchan, Martlet Asset Management² • Clint Carlson, Carlson Capital • John Claisse, Albourne Partners • Anoop Dhakad, HPS Investment Partners³ • Tom DeVita, MKP Capital Management⁴ • Derek Drummond, State of Wisconsin Investment Board (SWIB)⁵ • Samantha Foster, University of Southern California

¹ Bradley Belt joined the Committee in 2018

² Jane Buchan stepped down in 2019

³ Joined the Committee in 2019

⁴ Stepped down in 2019

⁵ Joined the Committee in 2019

APAC Committee	North American Committee
	<ul style="list-style-type: none"> • Ed O'Reilly, Citadel (Chairman) • Marcus Frampton, CIO, Alaska Permanent Fund Corporation (APFC)⁶ • John Richardson, Ionic Capital Management • Priti Singh, Canada Pension Plan Investment Board • Scott Taylor, Mellon Foundation • Karl Wachter, Magnetar Capital • Kirk Wickman, Angelo Gordon⁷

⁶ Stepped down in 2019

⁷ Joined in 2019

3. Key Highlights

The 2018/2019 fiscal year has been a critical year for the Standards Board with increased activity in North America and the APAC region, as well as a strong content focus and engagement with senior regulators around the globe.

North American Committee

In March 2018, the Standards Board established a North American Committee of leading alternative investment managers and institutional investors to direct its efforts in the region. In September 2018, the Standards Board hired Elizabeth “Betsy” Ewing, a US-based consultant, who is involved in the Standards Board’s activities in North America. She works closely with the North American Committee, as well as supports the Standards Board’s global efforts.

APAC Committee⁸

In September 2018, the APAC Committee elected Ted Lee of Canada Pension Plan Investment Board (CPPIB) as their new Chairman and Danny Yong of Dymon Asia Capital as their Vice-Chairman. In 2019, the Committee also welcomed two new members: William Ma, CIO of Noah Holdings (HK) Limited and Brian Pohli, Executive Director of CQS (HK) Limited. In 2018, the APAC Committee’s China Working Group published a comparative analysis of the Alternative Investment Standards and the Chinese regulation. *(See section 7 for more detail)*

Toolbox

The SBAI has continued to expand its Toolbox with the addition of the following items:

- Standard Investor Profile Template
- Updated Standardised Board Agenda
- ILS Funds Valuations
- Big data/AI Standard Trial Data Licence Agreement
- Cyber Security

(see section 5 for more details)

Newly launched Working Groups

The SBAI has launched several new working groups in the following areas:

⁸ In Sep 2019, George Long, Founder, Chairman & CIO of LIM Advisors stepped down from the Committee

- Alternative Credit
- Governance
- Standard Investor Profile Template
- ILS Funds – Side pocketing practices
- Responsible Investing

In addition, the SBAI has continued its Culture and Diversity in Asset Management roundtable series.

(see section 6 for more details)

Regulatory interaction

The Standards Board continues to contribute to the global regulatory process directly with regulators and through its Affiliate Membership of IOSCO. Areas of focus include, amongst others, cyber security, conflicts of interest, big data/AI, financial stability, definition of leverage and culture & diversity in asset management.

Global events

In the 2018/2019 fiscal year, the SBAI hosted 20 global institutional investor roundtables to discuss industry issues. These roundtables were attended by over 600 representatives from major investors and managers and were held in Boston, Chicago, Geneva, Helsinki, Hong Kong, London, Los Angeles, Melbourne, Montreal, New York, San Francisco, Shanghai, Singapore, Sydney, Tokyo, Toronto and Washington D.C.

Stakeholder campaign

- 14 new managers signed up to the Standards and 4 investors joined the Investor Chapter in the 2018/2019 fiscal year.

Board of Trustees

- George Robinson of Sloane Robinson and Kathryn Graham of USS retired from the Board of Trustees having served on it since 2008.
- In September 2019, Leda Braga of Systematica Investments was elected to the Board

4. Standard-Setting

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, provide a benchmark for manager practice and complement public policy.

While the SBAI welcomes 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 principle-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 and allowing managers to “explain” where a specific standard is inconsistent with local law and regulation or specific local business model etc.

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.

Why the Standards are important

The Standards:

- Demonstrate the industry is willing voluntarily to establish responsible standards of practice
- 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

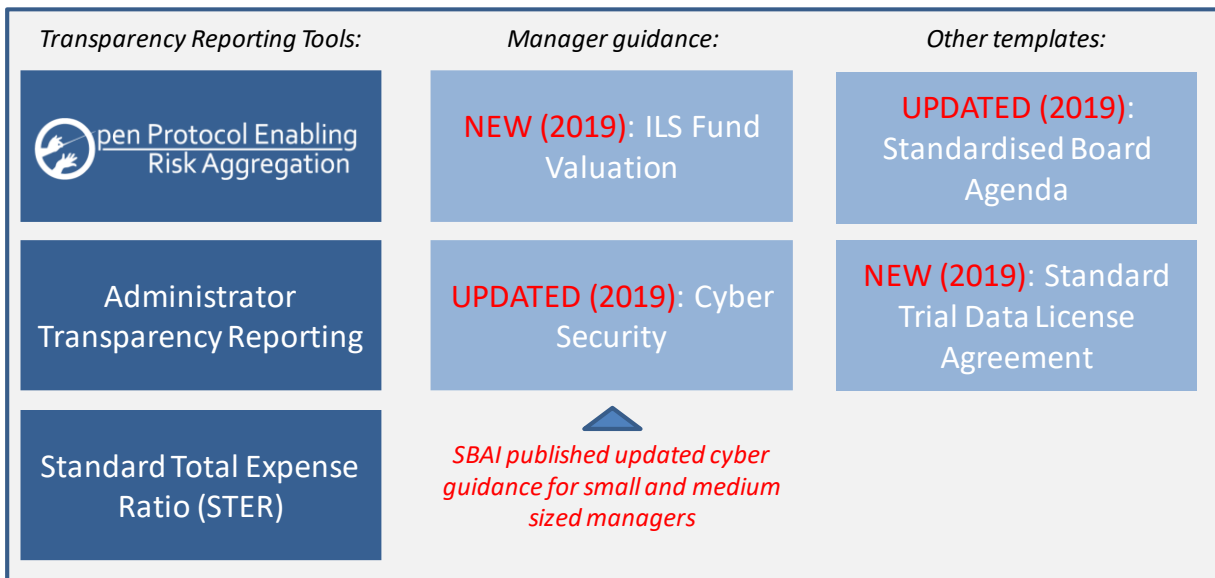
5. Toolbox: Thought Leadership in Practice

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 the SBAI’s standard-setting activities by providing additional guidance to managers and investors on practical issues.

The materials available through the Toolbox have been developed by the SBAI working groups, comprising investors, managers and relevant service providers, and they serve as a guide only. They are not formally part of the Standards and the comply-or-explain approach.

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

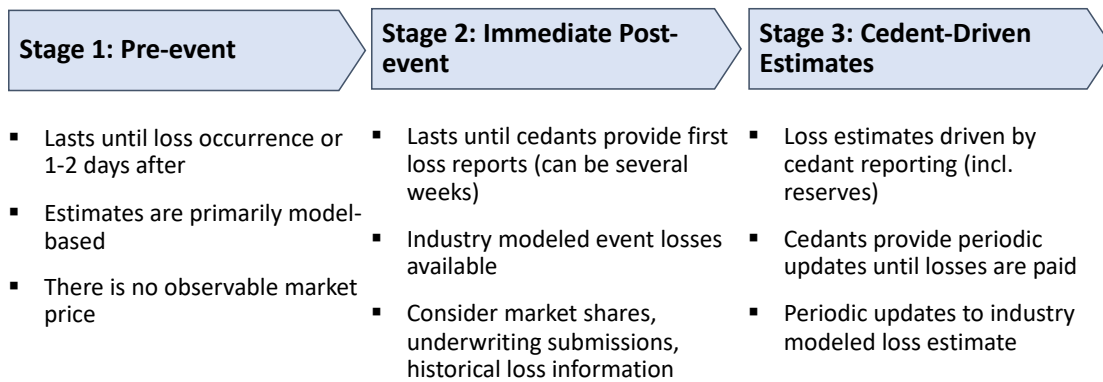


Toolbox - additions and updates in 2018/2019:

ILS Fund Valuation

Following the insurance losses from catastrophic events worldwide in 2017 and 2018, the Standards Board, whose members include both managers and institutional investors in alternative investments, published “Valuation of Insurance-Linked Funds”, a document that provides guidance for investors conducting due diligence on funds that invest in (re)insurance-linked investments (“ILS Funds”). It also identifies particular aspects of the process that relate to ILS Funds, including processes for capturing material information about catastrophe events, use of modelling, income recognition and loss estimation procedures.

Illustration: Stages of valuation (pre-ultimate loss determination)



The memo also suggests questions that investors may wish to ask when assessing a manager’s approach to valuation. The document, developed by a working group of institutional investors, investment managers, and investment consultants, is the first in a series of Toolbox Memos on ILS Funds to be published by the Standards Board. Currently the working group is focusing of the topic of side-pocketing.

The ILS Valuation memo is available [here](#).

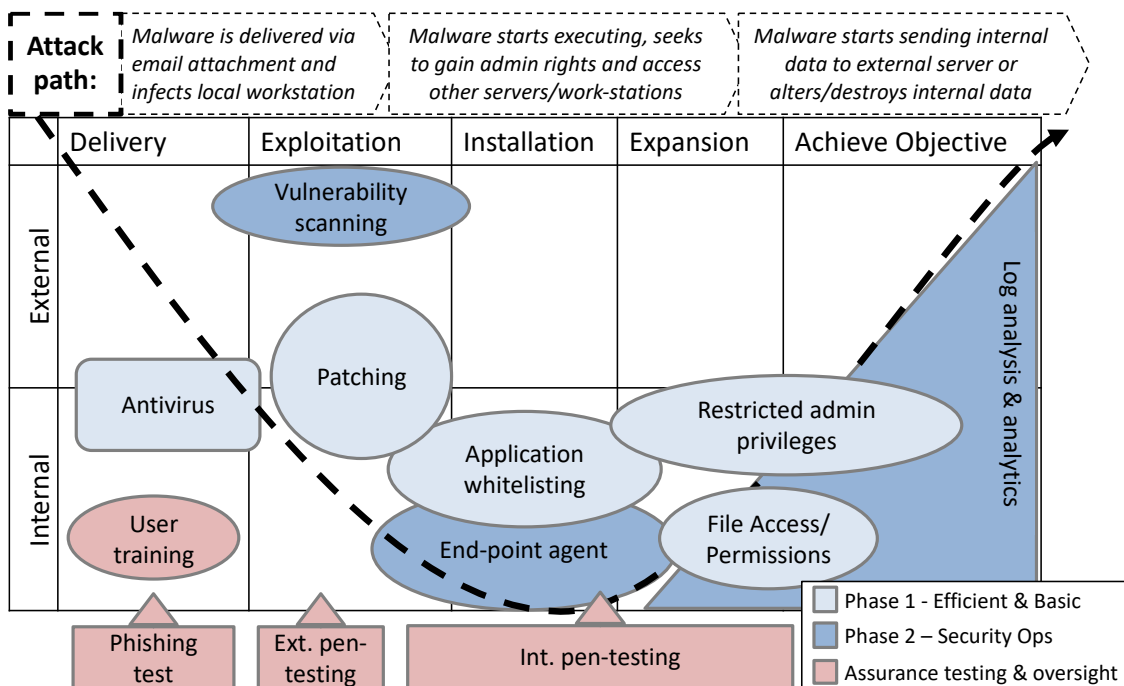
Toolbox - additions and updates in 2018/2019:

Cyber Security

Following the publication of its first Cyber Security Memo in 2015, the SBAI published an updated Cyber Security Memo in 2019. The Memo focuses on small and medium-sized alternative investment managers and provides a series of practical tools these managers can consider, including:

- A cyber defence framework
- A basic cyber hygiene implementation (the “SBAI Basic Approach”)
- Due diligence of managed IT service providers
- An overview of regulatory expectations
- Examples of contractual requirements for technology service providers
- Summary of cyber security testing options

Illustration: Impact of controls on a data theft attack



The SBAI also ran a series of table-top cyber-attack simulation exercises with its Signatories, Investor Chapter Members and regulators to explore responses to realistic attack scenarios, including data theft, financial infrastructure attack and crypto ransomware.

The Cyber Security Memo is available [here](#).

Toolbox - additions and updates in 2018/2019:

Standardised Board Agenda

The governance arrangements of investment funds seek to address conflicts of interest that can arise between the manager, the funds that they manage and the investors in those funds. Fund governance has been at the heart of the Standards since its inception, and more recently, they have become an area of increased investor scrutiny and regulatory attention. The purpose of the SBAI's Standardised Board Agenda is to provide guidance to fund directors, managers and investors on issues and topics to be addressed and documentation to be produced at those board meetings. The original version was published in April 2014.

The Standards Board's Governance Working Group, formed in 2018, updated the Standardised Board Agenda, following an extensive review of these fund governance frameworks in key investment fund jurisdictions, including the Cayman Islands, Ireland and Luxembourg. The agenda now includes a declaration and review of conflicts of interest of fund directors, a review of structural conflicts of interest (e.g., between different funds of the same manager), a more extensive review of the fund manager's Management/Executive Committee Report, a review of non-audit services provided by the auditor and an assessment of independence of the audit firm.

Standardised Board Agenda – Overview

1. Formalities
2. Investment Manager Report
3. Operations Report
4. Investor Relations Report
5. Administrator Report
6. Third Party Service Provider Report
7. Auditor's Report (annually)
8. Legal and Compliance Update
9. Regulatory and Compliance Update
10. Industry Developments
11. General Issues
12. AOB
13. Ratification of all documents signed by directors

The detailed Standardised Board Agenda is available [here](#).

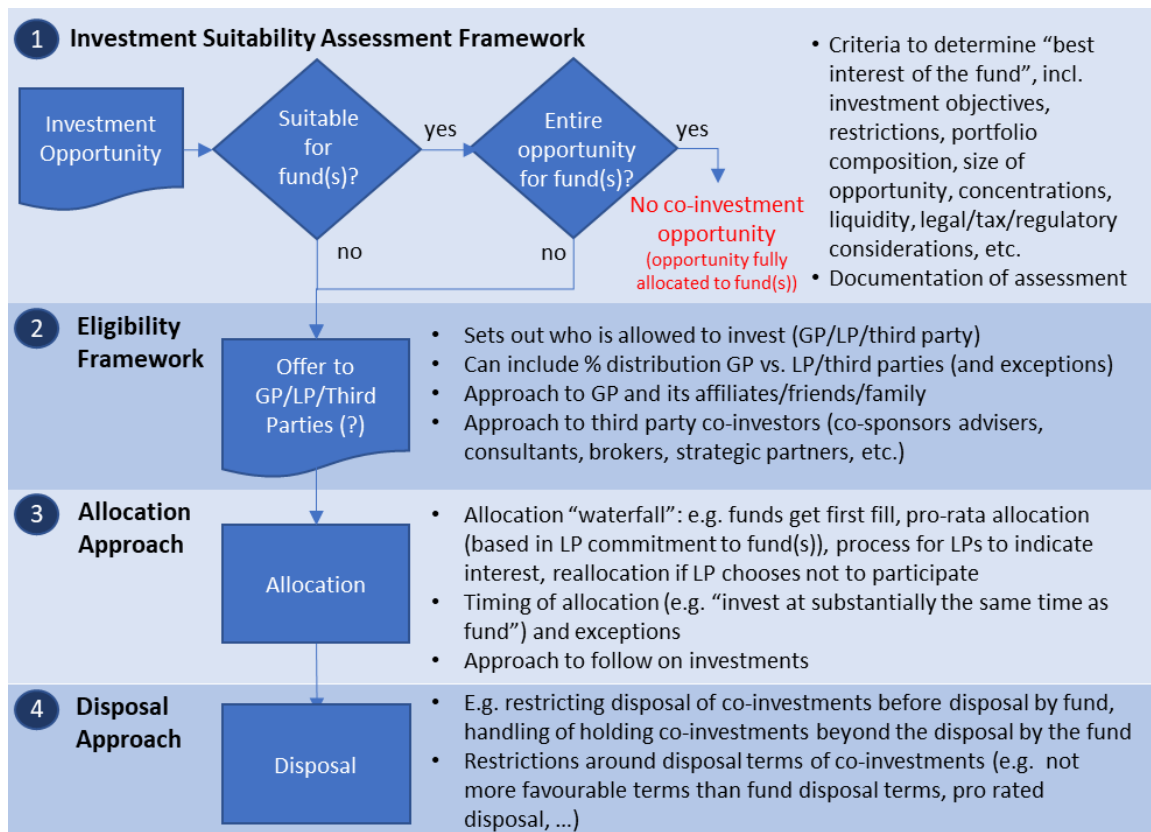
Toolbox - additions and updates in 2018/2019:

Co-Investments

Co-investments have become increasingly popular in alternative funds, not just in Private Equity and Real Estate, but also in other liquid and illiquid alternative investment strategies, including alternative credit and activist funds. Co-investments allow investors to participate in individual investment opportunities in parallel with the regular fund structure and most often at lower fees. Co-investments are used when opportunities are too large to be (fully) allocated to the fund vehicle or exceed the investment restrictions of the fund.

The Standards Board’s Co-Investment Memo sets out the processes that investment managers need to put in place to address key governance and compliance challenges that can arise when granting investors the right to co-invest. The memo also covers structuring considerations and issues in relation to fee, expense and cost allocation.

Illustration: Co-investment process



The Co-investment memo is available [here](#).

Toolbox - additions and updates in 2018/2019:

Standard Trial Data Licence Agreement

Alternative investment managers always have sought to access a wide array of data sources to inform their investment research and decisions. In recent years, the topic of “big data”, combined with artificial intelligence and machine learning, have attracted significant attention, fuelled by explosive growth in available alternative data sources, such as business and financial transactions, social media, apps, web-scraping, geo-location data, satellites and sensors.

Trialling such new data is significantly slowed due to the negotiating process of a trial data license agreement. The SBAI’s Trial Data Licence Agreement addresses this by providing a template which tackles some of the key issues, including personal data protection, prevention of insider trading and ‘right to use data’.

The publication of the Trial Data Licence Agreement follows the SBAI’s Big Data/Artificial Intelligence in Asset Management events in London ([summary](#)), New York ([summary](#)), Hong Kong and San Francisco. At these important events, a wide array of SBAI stakeholders explored the impact of innovation on investment strategies and focused on better understanding key legal and compliance considerations.

The Standardised Board Agenda is available [here](#).

6. Working Groups – Current Areas of Focus and Outlook

The SBAI Working Groups bring together SBAI stakeholders to advance the Standards Board’s efforts to improve industry practice in key areas. Over 180 stakeholders participated in working groups. The Standard Board’s Culture & Diversity Roundtable series attracted over 75 stakeholders in 2018 and over 150 stakeholders in 2019.

Overview of Working Groups and Initiatives

NEW: Alternative Credit	NEW: Governance	Culture & Diversity
Factor Investing	NEW: Standard Investor Profile (SIP) Template	China Working Group
Insurance Linked Funds	NEW: Responsible Investing Working Group	NEW: Japan Working Group

The working groups focus on key areas of manager and investor concern and seek to develop guidance to be published in the SBAI Toolbox. Each working group has members from some of the leading alternative investment managers and investors around the globe. They explore areas such as Alternative Credit, Factor Investing and Insurance Linked Funds, reflecting the SBAI’s continuing strategy of expanding beyond the core area of “hedge funds”.

Overview of active working groups

Project/ Working Group	Areas of focus
Alternative Credit	<ul style="list-style-type: none"> Conflicts of interest Choice of fund structure Valuation practices Investor disclosure
Factor investing	<ul style="list-style-type: none"> Back-testing practices Broker dealer practices
Insurance Linked Strategies Funds	<ul style="list-style-type: none"> Valuations memo (published in 2019) Side Pocketing practices
Governance	<ul style="list-style-type: none"> Standardised Board Agenda (published in 2019)

	<ul style="list-style-type: none"> • Co-investments • Conflicts of interest (including Fund Director Conflicts of interest) • Manager committee structures
Standard Investor Profile (SIP) Template	<ul style="list-style-type: none"> • Development of a Standardised Investor ID (streamlining KYC and AML)
Responsible Investing	<ul style="list-style-type: none"> • Review of existing materials about RI in alternative investments (including emerging regulatory developments) • Development of a framework to help investors and managers calibrate their approach to RI in alternative investment strategies (spectrum of approaches) • Translation of approaches into RI policy and/or investor disclosure
Culture & Diversity	<ul style="list-style-type: none"> • Launched in 2017 with a series of private sessions for CEOs and Chairmen hosted by Dame Amelia Fawcett, 2018/2019 events were held in Austin, Boston, Chicago, Dallas, Los Angeles and Toronto. • Focus on exploring how organisations understand the need for more diversity at senior management and Board levels, the need for accountability at all levels of an organisation and how they should cultivate an ethical and compliant culture.
China Working Group	<ul style="list-style-type: none"> • Help foreign investors to understand the similarities and differences between onshore China and global industry standards and provide context why those differences exist. • Help China fund managers who are seeking foreign capital to understand the global best practices.
Japan Working Group	<ul style="list-style-type: none"> • Identify current challenges faced in establishing Tokyo as a financial hub • Relevance of the SBAl's Standards to practices in Japan in areas such as Risk Management, Valuation, Fund Governance and Shareholder Conduct

7. Overview of Activities in 2018/2019

North American Committee

In March 2018, the Standards Board established a North American Committee to direct its efforts in the region—identify local issues for inclusion in the Standards Board’s studies and working groups, support its North American roundtables and continue to raise its profile in the broad alternative investment and regulatory communities. Members of the Committee include leading alternative investment managers and institutional investors. Ed O’Reilly of Citadel and Jane Buchan of Martlet Asset Management were appointed Chairman and Deputy Chairman, respectively.

In September 2018, the Standards Board hired Elizabeth “Betsy” Ewing, a US-based consultant, who is involved in the Standards Board’s activities in North America. She works closely with the North American Committee and supports the Standards Board’s global efforts. Betsy spent 20 years at Carlson Capital, most recently serving as a partner and Head of Client Development & Investor Relations.

APAC Committee⁹

In September 2018, Chris Gradel of PAG, who served as Chairman of the APAC Committee since 2016, stepped down in line with the Committee’s rotating chairman system. The Committee then elected Ted Lee of Canada Pension Plan Investment Board (CPPIB) as their new Chairman and Danny Yong of Dymon Asia Capital as their Vice-Chairman. In 2019, the Committee also welcomed two new members: William Ma, CIO of Noah Holdings (HK) Limited, and Brian Pohli, Executive Director of CQS (HK) Limited.

The APAC Committee helps the SBAI establish a dedicated effort in the region by assisting with the SBAI’s dialogue and relationships with APAC-based regulators, fund managers and investors. It also ensures that Asia-Pacific regional and local issues are addressed as the SBAI develops standards and guidance.

In 2018/2019, the APAC Committee supported a number of high profile events hosted by the SBAI across the APAC region, including Hong Kong (co-hosted by the Hong Kong Monetary Authority), Shanghai (in collaboration with the Lujiazui Financial City), Singapore (an Institutional Investor

⁹ In 2019, George Long, Founder, Chairman & CIO of LIM Advisors stepped down from the APAC Committee

Roundtable and a Cyber Attack Simulation co-hosted by the Monetary Authority of Singapore (MAS), in Melbourne (co-hosted by Future Fund Australia) and Sydney (co-hosted by PIMCO Australia).

In 2018, the APAC Committee's China Working Group published a comparative analysis of the Alternative Investment Standards and Chinese regulation. In January 2019, it put together a working group consisting of legal and compliance specialists from Albourne, CPPIB, Dymon Asia and Tasku Advisers to explore current issues institutional investors and managers face in Japan today, how the Alternative Investment Standards can help the Japanese asset managers meet institutional investor expectations and how the Japanese asset owners compare to overseas asset owners in terms of structure, resources and asset allocation.

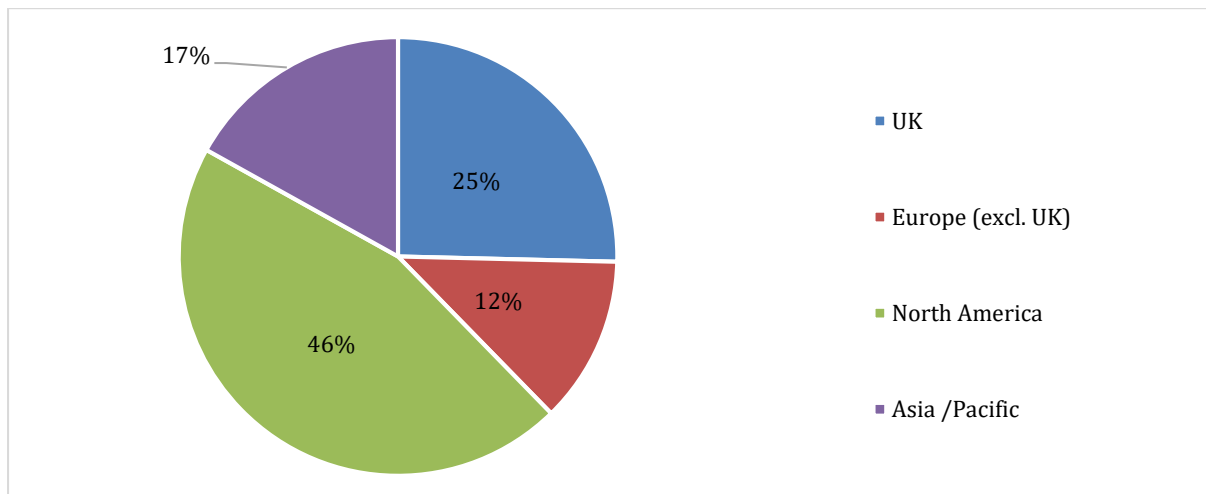
8. Stakeholder Campaign

The Standards Board has continued its 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\$1tn in AUM have committed to the Alternative Investment Standards. By comparison, the assets of the global hedge fund industry are estimated at approximately US\$3.1tr¹⁰. The signatories from North America still have the largest share of our signatory base [59 signatories] - they account for 46% of all signatories. However, the share of our APAC signatories has almost doubled since last year – an increase from 8% to 17%. In 2018/2019 we welcomed 28 new signatories from North America, Europe and Asia Pacific, but we also lost a few signatories due to closure, mergers and redemptions.

Signatories: 130 managers with over \$1tn in AUM (as at August 2019)



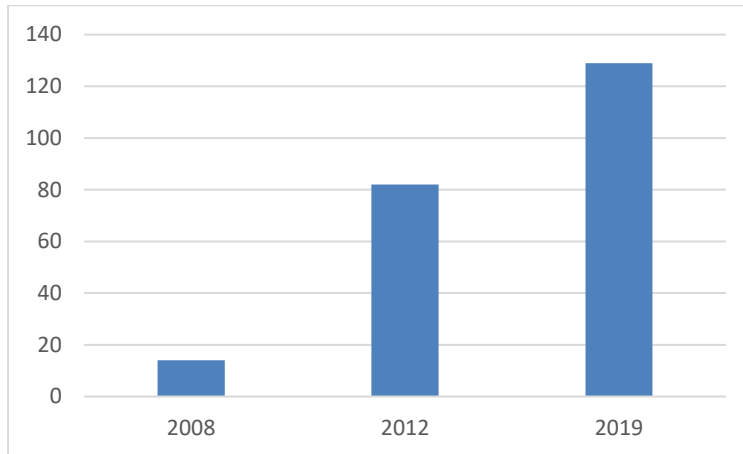
New Signatories in 2018-2019

- Academy Investment Management
- AlphaCrest Capital Management
- Angelo Gordon
- Black-and-White Capital
- Brilliance Capital Management
- CdR Capital
- Martlet Asset Management
- Maverick Capital
- Noah Holdings (Hong Kong) Ltd
- Noviscient
- PIMCO
- Quest Partners

¹⁰ As of 2nd Quarter 2019 according to [Barclay Hedge](#)

- Crabel Capital Management
- Dorsal Capital Management
- DSAM Partners
- Elementum Advisors
- Graham Capital
- HPS Investment
- InfraHedge
- Inherent Group
- Leadenhall Capital Partners LLP
- Sandbar Asset Management
- Shanghai Topfund Capital Management
- Steadfast Capital Management
- Telligent Capital Management
- Transtrend
- Voss Capital
- Wellington Alternative Investments
- Whitebox Advisors

Evolution of Signatories



Attracting new signatories, particularly in North America, remains one of the SBAI’s 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 the SBAI process 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, the SBAI process. The Investor Chapter members manage US\$3tn in assets.

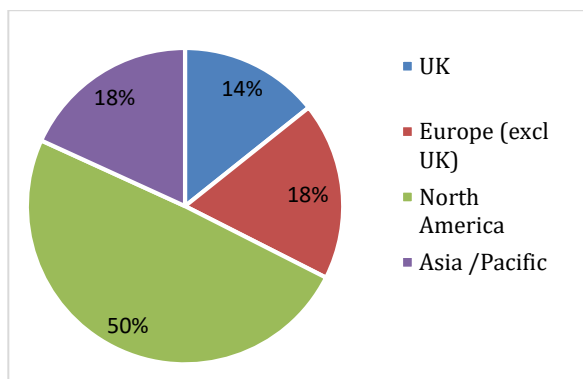
Since the launch of the Investor Chapter in 2010, the SBAI actively has engaged with investors around the globe in a variety of initiatives, such as reviewing amendments to the Standards, participating in joint panels on investor expectations and contributing to working groups to develop Toolbox items. 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 2018-2019 our Investor Chapter welcomed ten high profile institutional investors as members:

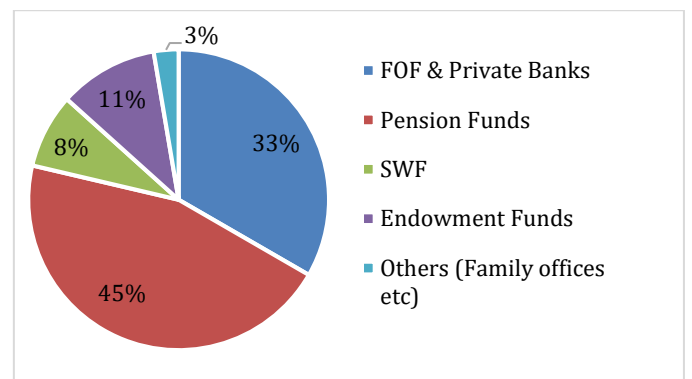
- Aalto University Foundation
- AIMCO
- Aktia Asset Management
- AMOAI
- Annuitas
- CERN Pension Fund
- Clocktower Group
- Fire & Police Pension Association
- J Paul Getty
- LGT Capital
- Noah Holdings (Hong Kong) Ltd
- Office of NYC Comptroller
- Ontario Teachers' Pension Plan
- OPSEU Pension Trust
- PSP Investments
- Regents of the University of California
- State of Wisconsin Investment Board
- University of Southern California
- UTAM
- UTIMCO
- VER (The State Pension of Finland)

Investor Chapter: 76 members

Investor Chapter Members by region

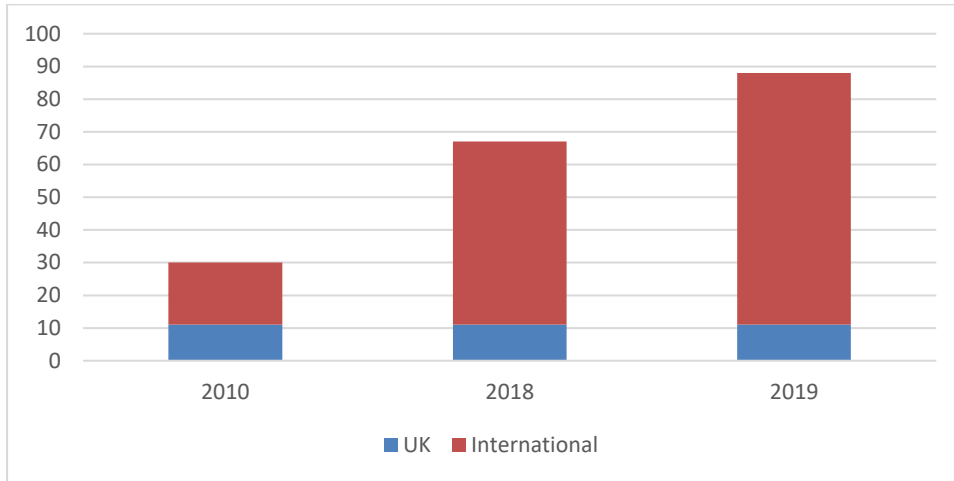


Investor Chapter Members by type



*Others - Family offices and other banks

Evolution of Investor Chapter Members



Core Supporters

In autumn 2010 the Standards Board created a special group of stakeholders – Core Supporters – that are committed to making a significant contribution to the SBAI’s efforts. Today, there are 17 members in this critically important leadership group:

- Aberdeen Asset Management
- Albourne Partners
- Angelo Gordon
- Arrowgrass Capital Partners LLP¹¹
- BlackRock
- Bridgewater Associates
- BlueBay Asset Management
- Capital Fund Management
- Carlson Capital
- Citadel
- Fiera Capital
- HPS Investment Partners
- Ionic Capital Management LLC
- Magnetar Capital
- Orchard Global Asset Management
- PAG
- PIMCO
- Unigestion

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

¹¹Closed down in 2019

9. Global Institutional Investor Events

Starting in 2013, the SBAI has hosted small-scale but highly effective institutional investor roundtables, which bring together managers, investors and regulators to explore topics of the day through interactive discussions and practical case studies.

In the 2018/2019 fiscal year these events included:

- Helsinki: 6 February 2018: Nordic Institutional Investor Roundtable
- Geneva: 8 February 2018. Swiss Institutional Investor Roundtable
- New York: 6 March 2018: Big Data and Artificial Intelligence Roundtable
- Toronto: 7 March 2018: Institutional Investor Roundtable
- Singapore: 9 May 2018: Institutional Investor Roundtable
- Hong Kong: 10 May 2018: Institutional Investor Roundtable
- New York: 30 May 2018: Annual North American Stakeholder Forum
- Melbourne: 21 August 2018: Institutional Investor Roundtable
- Sydney: 22 August 2018: Institutional Investor Roundtable
- Auckland: 24 August 2018: Institutional Investor Roundtable
- London: 4 September 2018: Big Data & AI Roundtable
- London: 26 September 2018: Annual General Assembly
- Washington, D.C.: 9 October 2018: Culture & Diversity Roundtable
- London: 15 October 2018: Institutional Investor Roundtable at Albourne Conference
- Montreal: 27 November 2018: Institutional Investor Roundtable
- Chicago: 28 November 2018: Institutional Investor Roundtable
- New York: 30 November 2018: Culture & Diversity Roundtable
- Shanghai: 13 December 2018: Institutional Investor Roundtable
- Hong Kong: 21 January 2019: Institutional Investor Roundtable
- Tokyo: 23 January 2019: JIAM-SBAI Meeting, Tokyo: Building a leading financial centre

Topics covered during the above events included:

Institutional investor and manager priorities and perspectives:

- Fee/expense transparency (working group results)
- Big data, machine learning and AI: among other things, the arms race for data and talent
- ESG: State of play in alternative investments
- Current market environment and outlook 2018

- Investor preferences – structuring loan investments
- Risk premia investing
- Mitigating conflicts of interest in insurance-linked securities
- China Working Group update
- How to develop and foster the right culture in asset management, including diversity
- Institutional Investor Priorities 2018/19
- Cyber security: case studies
- Valuation of illiquid instruments
- Evolving investor needs: bespoke investment strategies and co-investments – sourcing, diligence, delegations and structuring
- Building strategic partnerships between managers and investors
- Alignment and fees
- Managing the firm – balancing cost drivers versus investing in growth
- Governance of pension funds – outsourcing versus internalising
- China Fixed Income and Bond Markets: State of Play

The Standards Board highly appreciates support and hospitality extended by all of its hosts, which included Albourne, Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board, Dymon Asia Capital, Future Fund Australia, Grosvenor GCM, Herbert Smith Freehills, Hong Kong Monetary Authority, KPMG New York, Mirabaud Asset Management, [New Zealand Superannuation Fund](#), Shanghai Lujiazui Financial City Development Authority, Nasdaq, PIMCO Australia, Varma Mutual Pension Insurance Company, Winton Capital and Zhong Lun Law Firm. None of these valuable events would have been possible without the support of these institutions, and we are extremely grateful for their continued support.

10. Regulatory Engagement in 2018/2019

Pursuant to its mission to participate in the regulatory debate, the Standards Board actively engages with the global supervisory community through meetings with senior officials and smaller workshops bringing together regulators, managers and investors on important issues of mutual interest. The below table shows the regulators we interacted with over the year.

Overview of Regulatory Interaction

<p>Australia</p> <ul style="list-style-type: none"> - Australia Prudential Regulation Authority (APRA) - Australian Securities & Investments Commission (ASIC) <p>Canada</p> <ul style="list-style-type: none"> - Autorité des marchés financiers (Québec) - Canadian Securities Administrators (CSA) - Ontario Securities Commission (OSC) <p>China</p> <ul style="list-style-type: none"> - Alternative Management Association of China (AMAC) - China Securities Regulatory Commission (CSRC) - Shanghai Lujiazui Financial City Development Authority 	<p>EU (ex UK)</p> <ul style="list-style-type: none"> - AMF (France) - Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) - European Securities and Markets Authority (ESMA) - Ministry of Finance of Finland <p>Hong Kong</p> <ul style="list-style-type: none"> - Hong Kong Monetary Authority - Securities and Futures Commission (SFC) <p>Singapore</p> <ul style="list-style-type: none"> - Monetary Authority of Singapore (MAS) <p>Switzerland</p> <p>FINMA</p>	<p>UK</p> <ul style="list-style-type: none"> - Bank of England - Financial Conduct Authority (FCA) - HM Treasury - Prudential Regulatory Authority (PRA) <p>US</p> <ul style="list-style-type: none"> - FBI Cyber Branch (New York) - Federal Reserve Bank of Dallas - Securities and Exchange Commission (SEC) - US Attorney’s Office, Eastern District of New York <p>International Organisations</p> <ul style="list-style-type: none"> - International Organization of Securities Commissions (IOSCO) - International Forum of Sovereign Wealth Fund (IFSWF) - Financial Stability Board (FSB)
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The Standards Board also participates in IOSCO’s annual cyber security survey in collaboration with the Affiliated Members Consultative Committee (AMCC) and ICI Global (SBAI is an AMCC member). IOSCO also regularly distributes the materials published by the Standards Board to their membership of global regulators, further broadening the SBAI’s influence and impact. For example, the Administrator Transparency Reporting documentation, which was published by the SBAI working group, was shared and distributed widely by IOSCO.

There is little doubt that regulators value the Standards Board’s contribution to promoting better practices in the industry, as they have noted many times over the years—they see us as a neutral standard-setter which complements their own work. We will continue to do all we can to add real value to the process of developing constructive and effective standards. Below are some of the quotes provided by various regulators since the inception of the Standards Board.

Quotes on the Standards Board by Regulators

Christina Choi, Executive Director of Investment Products, Securities and Futures Commission of Hong Kong, May 2018: “We commend the SBAI’s activities in cyber security, specifically its series of table-top cyber-attack simulation exercises, as well as its helpful guidance on basic measures to prevent cyber-attacks. These initiatives help market participants understand key risks and develop practical approaches to address them.” The SBAI’s collaborative approach is unique in that it gives managers and institutional investors an equal voice in the development of industry practices and proactively addresses emerging issues.”

Gerard Fitzpatrick, Senior Leader, Investment Managers and Superannuation, Australian Securities and Investment Commission (ASIC), May 2017: “I commend the HFSB for identifying the importance of adequate risk disclosure and its ongoing transparency initiatives, including the launch of the standardised Administrator Transparency Report last year and the Open Protocol risk reporting standard later this month. These initiatives are not just relevant to hedge fund managers but to all alternative investment funds and beyond.”

Ashley Alder, CEO of the Securities and Futures Commission of Hong Kong and the new Chairman of IOSCO, June 2016:

“I would like to recognise the fact that in its short existence, the HFSB has, in my view, broken new ground in the way in which industry associations can operate as standard setters.

The HFSB is one of the first of a new brand of industry associations, which bridges the gap between the old self-regulatory organisation model and conduct regulation by the likes of the SFC. It is significant that the HFSB was the model for the FICC Markets Standards Board set up in the UK last year as a result of the Fair and Effective Markets Review recommendations.

And when the industry evolves its own robust conduct standards, particularly through an organisation like the HFSB where funds and investors come together, the chances are that the laws and rules we enforce are less likely to be breached. This is of obvious value to members as well as the regulators.

At the same time, we are not normally in a position to formally endorse industry standards as part of our formal framework of regulation. For one thing, we cannot do so when rules have not gone through the usual legislative or consultative process. **But more importantly, we should not fetter or formalise the HFSB’s own freedom to develop its standards without too much interference from us.”**

Drew Weilbacher, US SEC’s Office of Compliance Inspections and Examinations, September 2015:

“I welcome investors and managers collaborating to improve industry standards, and the HFSB has created an important framework to allow such collaboration to occur.”

Andrew Bailey, Deputy Governor, Bank of England and CEO, Prudential Regulatory Authority, May 2015:

“The trend towards greater market-based finance should be welcomed, but it is important that accompanying risks to financial stability are well understood and managed. The HFSB provides a powerful platform for the market participants, specifically institutional investors and managers, to contribute to this effort to strengthen the resilience of capital markets.”

11. What's Next

A key priority of the Standards Board is to ensure the continuous adoption of the Standards by managers and support for the Standards by investors, particularly in North America and the Asia Pacific. The Board, Signatories and Investor Chapter members are committed to this critical initiative and expect to see strong progress in this area in the coming year.

We also will focus on a number of other important initiatives:

- Toolbox Guidance
 - Responsible Investing
 - Conflicts of interest
 - Factor investing: Broker Dealer Practices and Back-testing
 - ILS Funds: Side pocketing practices
- Enhanced collaboration with securities regulators via IOSCO: dedicated workshops on topics such as cyber security, liquidity risk management, conflicts of interest and leverage.

Appendix I: Board of Trustees

Dame Amelia Fawcett, DBE CVO

Chairman, SBAI

Dame Amelia Fawcett was appointed Chairman of the Standards Board for Alternative Investments on 1 July 2011. Dame Amelia is Chairman of Kinnevik in Stockholm and the Lead Director of State Street Corporation in Boston, Massachusetts. She was a Non-Executive Director and then Chairman of the Guardian Media Group plc from 2007 – 2013, and she worked for Morgan Stanley for 20 years. She joined Morgan Stanley in London in 1987 and became Chief Operating Officer and Vice Chairman in 2002. Dame Amelia started her career at the US law firm of Sullivan & Cromwell, first in New York and then in Paris.

Dame Amelia is the Chairman-elect of Royal Botanic Gardens Kew, a Governor of the Wellcome Trust and a Trustee of Project HOPE UK. Until recently she was a Non-Executive member of the Board of HM Treasury, Chairman of The Prince of Wales's Charitable Foundation, Deputy Chairman and a Governor of the London Business School and a Commissioner of the UK-US Fulbright Commission. She also has been a member of the Court of the Bank of England and Deputy Chairman of the National Portrait Gallery.

Dame Amelia was appointed a Commander of The Royal Victorian Order (CVO) in the Queen's 2018 Birthday Honours. She was appointed a Dame Commander of the British Empire (DBE) in the 2010 Queen's Birthday Honours List and a CBE in 2002, in both cases for services to the financial services industry. She received The Prince of Wales's Ambassador Award in 2004.

Dame Amelia, a British and American citizen, was born in Boston, Massachusetts, USA in 1956. She has a degree in History from Wellesley (1978) and a law degree from the University of Virginia (1983). She was admitted to the New York Bar in 1984.

Leda Braga¹²

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

¹² Joined the Board in September 2019

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 and Co-CIO, Martlet Asset Management

Jane is Chief Executive Officer and Co-Chief Investment 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 Carlson

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.

Bruce H. Cundick

Chief Investment Officer, Utah Retirement Systems

Bruce H. Cundick is the Utah Retirement Systems' Chief Investment Officer and responsible for directing the overall operations of the Investment Department. He manages all aspects of investment functions for all plans. The Utah Retirement Systems is a \$27bn state pension fund.

Bruce graduated Magna cum laude from the University of Utah with a BA in Accounting and an MBA. Bruce is a Chartered Financial Analyst (CFA) and a Certified Public Accountant (CPA).

He has been with the Utah Retirement Systems for fourteen years. During the previous fourteen years, Bruce was the CFO and CIO at Beneficial Life Insurance Company where he directed \$2bn portfolio of fixed income, mortgage-backed and equity securities. Prior to that, he held the position of President and Chief Executive Officer at Deseret Federal Savings and Loan. He has also taught at the University of Utah for over 30 years. He was an adjunct professor and has taught part-time as an associate instructor of Business Finance and Investments in the University's Masters of Science and Technology program. He currently sits on the Benefits Finance Committee of the Board of Directors for Intermountain Health Care and the Investment Advisory Committee for the University of Utah Endowment.

Luke Ellis

Chief Executive Officer, Man Group plc

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.

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 George

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 April 2008 and from 2013 has had responsibility for investments across the debt, cash and public market alternative investment programs. In March 2018 David took on the

newly created role of Deputy Chief Investment Officer, Public Markets, which has oversight of the listed equity, debt, cash, hedge fund and derivative overlay investment activities.

Prior to joining the Future Fund, David was a Principal at Mercer Investment Consulting in Sydney and previously has held management and analytical roles at Mercer in Toronto, the Royal Bank of Canada and Integra Capital Management. David sits on the Board of the CAIA Association. David earned a BA in Economics from Western University and is a CFA and CAIA charter holder.

Chris Gradel

Founder, PAG

Chris Gradel is the Founder of PAG, one of Asia's largest alternative investment firms with over USD11 billion under management. At PAG he acts as CIO of its absolute return strategies, which includes managing PAG's multi-strategy hedge fund, as well as a number of credit funds.

Chris has spent 19 years in the Asia Pacific region. Prior to founding PAG in 2002, he led several investments in China for the Marmon Group. This included the buy-out and turnaround of a Chinese State-owned manufacturing company in 1996. Chris also worked as an Engagement Manager for McKinsey and Company, working with clients across the Asia Pacific region.

Chris graduated from New College, Oxford, with an MEng in Engineering, Economics and Management.

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.

Richard Lightburn received a B.S. in Mechanical Engineering from the Massachusetts Institute of Technology (1989).

Simon Ruddick

Chairman & Co-Founder, Albourne Partners

Albourne's 250+ clients have over \$350 billion invested in alternatives. Albourne received the Queen's Award for Enterprise in 2006 and 2009. Simon Ruddick received Lifetime Achievement Awards from Global Custodian in 2010 and from HFR in 2012, along with the International Leadership Award from the American Red Cross. Also in 2012, Albourne was ranked 1st in HFM Week's Investor Power 30.

Simon Ruddick previously managed a hedge fund and worked at Bankers Trust, Morgan Grenfell and Daiwa Securities.

Simon Ruddick holds an MA in PPE from Trinity College, Oxford.

Dan H. Stern

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.

Betty Tay

MD, Head of External Managers Department, GIC Private Limited

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.

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.

Mario Therrien

Senior Managing Director and Head of Strategic Partnerships, Developed, Markets, Caisse de dépôt et placement du Québec

Mario Therrien leads the Strategic Partnerships – Developed Market team, which is responsible for developing a network of sustainable and high-quality local partnership in these markets. He also oversees all investment activities in external hedge funds and public equity funds, in addition to applying an integrated management approach to the Growth Markets mandate in the Equity Markets portfolio. His mandate consists of adding value by building portfolios with the best external managers, while improving CDPQ's in-house management through the sharing of knowledge and expertise. He sits on the Executive Committee.

Mr. Therrien 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.

Mr. Therrien 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.

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 Winslow

Senior Managing Director and Global Head of Capital Market and Factor Investing, Canada Pension Plan Investment Board

At CPPIB, 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 the CPPIB, 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.

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.

George Robinson resigned as a Trustee in March 2019

Kathryn Graham resigned as a Trustee in March 2019

Appendix II: Overview of Accounts

in £	Year to 31 Jan 2018	Year to 31 Jan 2017	Year to 31 Jan 2016	Year to 31 Jan 2015	Year to 31 Jan 2014	Year to 31 Jan 2013
Turnover	1,198,306	1,142,172	1,190,717	1,142,605	1,041,897	905,075
Admin expenses	(1,206,368)	(1,126,307)	(1,103,384)	(1,075,186)	(997,242)	(886,120)
Loss/Profit on ordinary activities before taxation	(8,062)	15,865	87,348	67,419	44,655	18,955
Interest receivable and similar income	72	51	15	-	-	-
Tax on loss/profit on ordinary activities	40	(4,425)	(19,322)	(15,825)	(3,262)	13
LOSS/PROFIT FOR THE FINANCIAL YEAR (before tax)	(7,950)	11,491	68,026	51,594	41,393	18,968

All activities derive from continuing operations.

Appendix III: Quotes on the Standards Board by Regulators

Ashley Alder, CEO of the Securities and Futures Commission of Hong Kong, April 2017: “When the industry evolves its own robust conduct standards, particularly through an organisation like the HFSB, where funds and investors come together, laws and regulations we enforce are less likely to be breached. There is no reason why the Standards should only apply to hedge fund managers, and we would like to encourage the HFSB to explore widening its remit.”

Tan Yeow Seng, Director & Head of the Technology Risk and Payments Department of the Monetary Authority of Singapore, April 2017: “I commend the HFSB’s efforts to improve cyber security practices in the asset management industry. The cyber-attack scenarios explored during the event were useful in raising awareness of the participants about different safeguards and actions to consider when responding to a cyber-attack incident.”

Michel Noel, Head of Investment Funds, Finance & Markets Global Practice, World Bank, September 2015:

“As part of its support to the development of financial markets in emerging markets and developing countries (EMDEs), the World Bank places a great emphasis on the development of broad and well-regulated capital markets... It welcomes the work done by the HFSB and looks forward to collaborating with the HFSB to contribute to the development of transparent capital markets across EMDEs.”

Rob Taylor, Head of the FCA’s Investment Management Department May 2015: “it is encouraging to see the hedge fund industry being proactive in addressing topical issues through the HFSB process, which complements the FCA’s efforts”.

Tang JinXi, Vice Chairman, Asset Management Association of China (AMAC), the self-regulatory organisation for the mutual fund industry, April 2015:

“The Hedge Fund Standards can help the Chinese hedge fund industry improve risk management, investor disclosure and governance.”

James Shipton, Exec Director, Member of the Securities and Futures Commission of Hong Kong, March 2015:

“Improvements in culture cannot be achieved through rules alone, and that the industry needs to take a proactive approach in addressing emerging issues. This is why what the HFSB does is so important.”

Drew Bowden, US SEC’s Office of Compliance Inspections and Examinations, September 2014:

“Investors play a critical role in improving the industry, and the HFSB has created a helpful platform for collaboration between managers and investors.”

Arminio Fraga, former Governor of the Central Bank of Brazil, September 2014:

“The work of the HFSB is incredibly important at a time when we see the limitations of conventional regulation.”

David Wright, Secretary General of IOSCO, July 2014:

“We are pleased to welcome the Hedge Fund Standards Board as an affiliate member of IOSCO. There is an important role for industry standards to play alongside statutory regulation in promoting transparency and good governance in the financial markets. The HFSB can play a valuable role working with regulators and supervisors.”

Mathieu Simard, Director, Investment Funds Dept of Quebec’s Autorité des marchés financiers, June 2014:

“The application of industry standards that are aligned with the securities regulatory framework and IOSCO principles are encouraged”.

Esther Wandel, Head of Investment Funds Policy, UK FCA, May 2014:

“The FCA encourages the asset management industry to challenge itself constantly. We need a change of culture, not just a change of rules or systems. Initiatives like the Hedge Fund Standards Board can be an important driver for that.”

Hector Sants, Former CEO, FSA, October 2008:

“FSA sees the HFSB Standards as a very constructive addition to the wider regulatory architecture. It should be noted that the FSA will take compliance with these standards into account when making supervisory judgements...”



Standards Board for Alternative Investments

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