European Pensions AWARDS 2014

26 June 2014
Grosvenor House Hotel, Park Lane, London

WINNERS BROCHURE

Overall sponsor:

Russell Investments

Platinum sponsor:

MN Fiduciary managers

Gold sponsors:

Edmond de Rothschild

Legal & General Investment Management

partnership seeing retirement differently

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European Pensions
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The 2014 judging panel

Chair of the judges

- **Chris Parrott**
  Pensions Manager, Heathrow Airport Holdings

Associations

- **Francesco Briganti**
  Director, AEIP
- **Matti Leppälä**
  Secretary General/CEO, PensionsEurope
- **Jerry Moriarty**
  CEO, Irish Association of Pension Funds (IAPF)
- **Tim Reay**
  Treasurer, International Employee Benefits Association (IEBA)
- **Holly Sheridan**
  Head of Commercial Development, Pensions Management Institute (PMI)
- **Chris Verhaegen**
  Board Member,
  Belgian Technical Cooperation, EIOPA

Pension Funds / Trustees

- **Bernard Abrahamsen**
  Chair of the Investment Committee, M&G Group Pension Scheme
- **Chetan Ghosh**
  Chief Investment Officer, Centrica
- **Richard Poole**
  Legal Director, Pensions, Royal Mail Group Legal
- **Phil Rixon**
  Senior Reward Manager, Ladbrokes

Consultants

- **Sam Gervaise-Jones**
  Director, Business Development, bfinance
- **Dorothee Gnaedinger**
  International Benefit Consultant, Mercer
- **Anne Healy**
  Head of Business Development, BESTrustees
- **Des Hogan**
  Investment Consultant, PiRho Investment Consulting
- **Paul Kelly**
  Director, International Consulting Group, Towers Watson
- **Rob Vandersanden**
  Partner, International Retirement & Investment Practice, Aon Hewitt
- **Emma Watkins**
  Partner, Lane Clark & Peacock LLP
- **Matt Wilmington**
  Partner and International, Benefits Actuary, Aon Hewitt

Providers

- **Rob Barrett**
  Institutional Sales, Invesco Perpetual
- **Chris Connelly**
  Principal Consultant, *aquilaheywood*
- **Stephen Holt**
  Head of Institutional Business Europe, Principal Global Investors
- **David Morley**
  Head of Institutional Sales – UK & Nordics
  Lombard Odier Asset Management
- **John Owens**
  Principal, First Avenue
- **Alistair Wilson**
  Head of Institutional Business, TwentyFour Asset Management

European Pensions
AWARDS 2014

The winners

Excitement once again filled the air on a balmy evening in June as pension professionals from across Europe gathered at London Park Lane's Grosvenor House to celebrate this year's prestigious European Pensions Awards.

Now in its seventh year, the European Pensions Awards have been designed to recognise outstanding achievement in the varied fields of European pension provision, honouring the investment firms, consultancies and pension providers across Europe that have worked tirelessly to meet the ever-changing needs of their pension fund clients.

Excellence, innovation and a dedication to improving the European pensions space are the key characteristics our extensive panel of independent and experienced judges looks for when deciding the winners of these coveted accolades, and with more than 250 entries across 27 categories, this was no easy task.

The calibre of entries this year was also extremely high, making the two days of intensive judging even more challenging for our esteemed panel of judges.

The evening opened with welcome speeches from editor in chief of *European Pensions*, Francesca Fabrizi, and managing director John Woods, with proceedings swiftly taken over by comedian and writer Simon Evans who entertained the crowd with his sharp wit and also announced the lucky winners.

First up was one of the most highly regarded awards of the night – the Consultancy of the Year, which is awarded to the consultancy firm that the judges believe has demonstrated a superior understanding of the market's needs and has shown a tireless commitment to helping clients through the pensions maze. This year's winner was **Mercer** – a firm which, said the judges, is always on the European scene, understanding what's going on and trying to find solutions to pension fund problems.

The second award of the night was for Investment Manager of the Year, which aims to seek out those investment managers who have put performance, innovation and sophistication at the top of their agendas in the last year.

Competition was tight, but the trophy went to **Goldman Sachs Asset Management** for its European focus, dedication to pensions, and highly regarded thought leadership.

The Equities Manager of the Year award followed, a category which looks to give recognition to those firms that have proved themselves to be the most exceptional players when it comes to managing equities on behalf of European pension funds. The winner, **Irish Life Investment Managers** (ILIM), was praised for its focus on the needs of pension funds and its excellent work over the past year.

The next award, for Fixed Income Manager of the Year, aims to recognise those managers that have a true understanding of how this essential asset class can be used by pension funds to help them not only drive returns but manage their risk. **Royal London Asset Management** was this year's winner, having been praised by the judges for its innovation and excellence in this space.

European Pensions Consultancy of the Year: Mercer

Investment Manager of the Year: Goldman Sachs Asset Management

Equities Manager of the Year: Irish Life Investment Managers

Fixed Income Manager of the Year: Royal London Asset Management

Alternatives Investment Manager of the Year: Aberdeen Asset Management

Hedge Fund Provider of the Year: Aurum Funds

Property Manager of the Year: Legal & General Property


Infrastructure Manager of the Year:
IFM Investors


Private Equity Manager of the Year:
LGT Capital Partners


ETF Provider of the Year:
iShares


Emerging Markets Manager of the Year:
Union Bancaire Privée


Risk Management Firm of the Year:
Redington


Currency Manager of the Year:
Edmond de Rothschild Asset Management


LDI Manager of the Year:
Insight Investment

The Alternatives Investment Manager of the Year was the next investment category to be announced, with the judges looking for the nominee that had proved itself the best of the best in the varied field of alternatives. This year it was **Aberdeen Asset Management** going home with the trophy in recognition of its commitment to meeting its clients' needs in this area and long term focus.

Next up was the award for Hedge Fund Provider of the Year, which looks to reward those firms that have helped de-mystify this dynamic asset class and make it more accessible to the pension fund industry. **Aurum Funds** was this year's deserving winner, standing ahead of the competition with its focus on client relationships, its innovation and its commitment to meeting pension fund needs.

A popular asset class among pension funds is property, with no shortage of property managers out there serving the pensions industry. As such, the next award, for Property Manager of the Year, is often one of the most anticipated of the evening. It was no surprise however that **Legal & General Property** walked away with the coveted trophy, having impressed the judges with its excellence, engagement and client focus when structuring funds in this exciting area.

A new category for this year, the Infrastructure Manager of the Year award was launched to recognise those players that understand this complex yet increasingly popular asset class and are working hard to help pension funds reap the potential rewards. **IFM Investors** were the first company to take home this title, having wowed the judges with its strong growth last year and growing presence in Europe.

Another new category for this year was Private Equity Manager of the Year, which acknowledges those private equity experts who have displayed a true understanding of this space and are passionate about helping Europe's pension funds get the most from this complex area of the market. For demonstrating strong performance coupled with exceptional innovation, this year's winner was **LGT Capital Partners**.

With ETFs gaining ground as a useful investment tool among pension funds, the ETF Provider of the Year category aims to recognise those providers who have stayed ahead of the market to offer ETFs to pension funds and have tailored their offerings to meet pension fund demands. This year it was **iShares** who walked away with the trophy, having been described by the judges as streets ahead of its peers in terms of what it has done for the pensions industry.

Seeking out potential in the less developed markets is a challenging role at which only the best can succeed, and with close to 20 entries in this category, the award for Emerging Markets Manager of the Year was one of the most difficult categories to judge. However the winner, **Union Bancaire Privée**, shone through for proving its commitment to its clients as well as boasting a strong performance.

In today's environment, the award for Risk Management Firm of the Year has to be one of the most relevant awards of the night, with effective risk management now high up on the agenda for European pension funds bearing the burdens of increased risk, more stringent regulation, and a brighter spotlight on governance. For the fourth year in a row, **Redington** was the deserving winner, having been praised by the judges for its focus on education and effective communication of complicated subjects.

The complex area of currency was the focus for the next award - Currency Manager of the Year. This category highlights those managers who have displayed capability and expertise, with winner **Edmond de Rothschild Asset Management** clearly demonstrating excellence and innovation in this field.

The next trophy to be handed out was for LDI Manager of the Year - designed to reward those players who have excelled in their LDI offerings in an effort to assist European pension funds better match their assets with their liabilities going forward. This year's deserving winner was **Insight Investment**, for its European pension fund focus, including its dedication to lobbying for European regulatory change.

Index Provider of the Year was up next, a niche category which highlights those index providers offering the highest quality of relevant products and excellent service to European pension funds today. **MSCI** took to the stage this year to receive this trophy, not only for its well-rounded submission, but also for having demonstrated excellence and innovation which was second to none.

With European pension funds becoming increasingly aware of the impact socially responsible investment (SRI) can have on their portfolios, the award for SRI Provider of the Year is ever-important. For its efforts in incorporating SRI throughout its investment processes, coupled with its proven expertise, the deserving winner was **Kames Capital**.

The next award of the night, for the Fiduciary Management Firm of the Year, commends those firms that have led the way in the fiduciary management space, tailoring their offerings to today's pension funds' needs. The winner, **Cardano**, impressed the judges with its pan-European focus and strong track record.

Another key award, Law Firm of the Year, shone the focus on those firms that are dedicated to understanding the complexities facing pension funds. **Linklaters** took home the prize this year for its innovation, sophistication and education of complex cases.

The role of the custodian is an ever-changing one, as products and services evolve to match changing pension fund needs. The award for Custodian of the Year was designed to recognise those players that have proved themselves as leaders in this market with their excellence, innovation and dedication to meeting European pension funds' demands. The winner, **BNP Paribas Securities Services**, excelled in all these areas, displaying innovation and a dedication to meeting its clients' needs.

The role of the transition manager has become more acute, as pension funds seek help in negotiating the minefield of moving to more complex investment strategies in order to meet increasing market demands. This year's award for Transition Management Firm of the Year went to **BlackRock** in recognition of its pan-European focus, its impressive wins


Index Provider of the Year:
MSCI


SRI Provider of the Year:
Kames Capital


Fiduciary Management Firm of the Year:
Cardano


European Pensions Law Firm of the Year:
Linklaters


Custodian of the Year:
BNP Paribas Securities Services


Transition Management Firm of the Year:
BlackRock


Buyout Firm of the Year:
Pension Insurance Corporation


Pension Scheme Administrator of the Year: Premier


Pensions Technology Provider of the Year: Schantz


European Pensions Innovation Award: Hogan Lovells & Ross Trustee Services


European Pensions Communication Award: Kingfisher Pension Trustee


Passive Manager of the Year: Irish Life Investment Managers


European Pensions Personality of the Year: Andy Cox, Aon Hewitt

and its strong innovation.

The next prize of the evening was given to the Buyout Firm of the Year - an area which has gained a huge amount of traction across some parts of Europe in recent years. The winner is a player that has stood out in the market for some time, for its impressive client work, its professionalism and excellent client service. The winner is, of course, **Pension Insurance Corporation**.

One of the final awards of the night, for Pension Scheme Administrator of the Year, was designed to recognise the key role of the often forgotten administrator in the running of any pension scheme. The deserving winner, **Premier**, was described by the judges as being an efficient and professional outfit with great workflow systems in place.

In a similar vein to administration, effective and reliable pensions technology is essential for the successful running of any pension fund. The award for Pensions Technology Provider of the Year looks to recognise the true leaders in the field of pensions technology, and reward the best of the best. This year's winner, **Schantz**, was recognised for its strong client service, innovative pensions products and overall excellence.

The Innovation Award was up next, to recognise those firms that have brought innovation to the pensions market-place, be it through a particular product, service offering or overall business approach. Described by the judges as implementing a solution that is genuinely good for the industry, along with a dedication to negotiating a better outcome for scheme members, this truly innovative and outstanding project deserved two winners. For both their work on the Kodak project, the joint winners of the innovation award were **Ross Trustees Services** and **Hogan Lovells**.

Another highly relevant award of the night, the Communication Award, aims to find the firm that has proved itself in the field of communication at a time when getting the right messages across is key to enhancing member uptake and improving the overall member experience. For its dedication to getting people to engage with pensions and its mapped out approach as to how it will achieve that, this year's winner was the **Kingfisher Pension Trustee**.

Another new award for this year was for Passive Manager of the Year, which aims to celebrate the passive manager that demonstrates strong returns, provides excellent customer service and shows a true understanding of the needs of their clients. The winner, **Irish Life Investment Managers** (ILIM), was recognised for its focus on index development and a commitment to meeting the needs of its clients.

Finally, the European Pensions Personality of the Year (voted for by our readers) aims to recognise those individuals that have made their mark in the European pensions space. This year's winner was Andy Cox, CEO of EMEA - Retirement & Financial Management at **Aon Hewitt** for his hard work and tireless commitment to pensions consultancy.

A huge thank you goes out to everyone who helped make this year's awards the best ever. We look forward to seeing you all again next year.

Consultancy of the Year:
Mercer

Few could argue the importance of the consultant's role in navigating the ever-changing pensions scene, making the trophy for European Pensions Consultancy of the Year one of the most coveted to be handed out on the evening of the European Pensions Awards.

This year's deserving winner was Mercer, a global firm that assists clients across a range of pensions issues - from working with the organisation's decision-makers on retirement issues that will drive business and people strategy, to engaging employees on the value of their total rewards package and dealing with member enquiries.

In fact, with offices in 17 European countries and 1,700 consultants operating across Europe, it would be easy for this firm to rest on its laurels and rely on its size to bring in its business. This isn't the case, however, for Mercer which, said the judges, constantly strives to stay on top of what's going on in the European pensions space and works hard to find solutions to pension fund problems.

One of the key factors the independent judging panel looks for when deciding who the winners should be is the ability to innovate and, year on year, Mercer never fails to impress when it comes to innovation. Last year Mercer launched FSM Pro, an online monitoring tool to help trustees and corporates track the funding positions of their schemes – a tool that is already used by over 100 clients and tracks more than £160 billion of assets.

In recognition of the growing role buyout plays in the pensions landscape today, Mercer brought to market the ground-breaking Mercer Global Pension Buyout Index, the first multi-country third party insurer buyout pricing study, designed to help managers understand where to focus their efforts on pension plan risk management and risk transfer.

On the DC side, Mercer boasts a comprehensive range of solutions to help clients control costs and manage financial, operational and reputational pension risks. Its corporate platform uses the firm's global investment research to give trustees access to best-in-class pensions and savings building blocks, best idea investment portfolios and strategies. The judges were particularly impressed that last year Mercer became the only employee benefit consultancy in the UK to provide a MasterTrust solution – bolstering its already strong DC offering and showing this is a firm that constantly moves with the times.

These are just a handful of ways in which Mercer has demonstrated its dedication to the development of pension funds on a European level and proved itself to be a cut above the rest in the competitive pensions consultancy space - a truly worthy winner.

Congratulations to Mercer.

The Consultancy of the Year award went to Mercer. Receiving the award was Mark Condron, Senior Partner, Mercer (centre). Presenting the award was sponsor Greg Clerkson, Head of Global Consultant Relations, Edmond de Rothschild Asset Management (left) and host Simon Evans.

Goldman Sachs Asset Management

Investment Manager of the Year:
Goldman Sachs Asset Management (GSAM)

Goldman Sachs Asset Management (GSAM) needs no introduction – with over $990 million of assets under supervision, it is one of the world's leading investment managers, having provided discretionary investment advisory services to institutional investors since 1988. But our judges look for firms that not only prove themselves when it comes to performance, but also demonstrate a dedication to excellence, innovation and sophistication, setting them apart from their peers in today's challenging and competitive environment. GSAM does exactly that.

This year's European Pensions Investment Manager of the Year award was one of the most rigorously fought of all, with over 20 high quality entries in that category alone. Goldman Sachs Asset Management however, said the judges, proved itself a cut above the rest with its strong performance, its sharp European focus, its thought leadership and its unrivalled dedication to pensions.

GSAM is highly engaged in working with pension funds across European markets, offering a range of investment solutions across asset classes including fixed income, equity, hedge funds, private equity and real estate. A commitment to strong and consistent performance is coupled with a focus on risk management – a key consideration for any pension fund operating in today's unpredictable marketplace. GSAM is also committed to responsible and sustainable investing via the formal integration of ESG principles into investment strategies and client solutions across its investment platform.

Already market leaders in innovating and developing hedge fund replication strategies such as its alternative beta strategies, recently GSAM launched its second minority equity stake strategy, a private equity fund that acquires minority stakes in the management companies of established hedge fund managers.

In addition, its Alternative Investments & Manager Selection (AIMS) group provides manager diligence, portfolio construction, risk management, and liquidity solutions to pension fund investors, while its flagship direct hedge funds are designed to take advantage of market opportunities for the benefit of its pension fund clients.

GSAM also prides itself on its outstanding client service. It educates its pension fund clients about ongoing industry issues and new investment solutions via a plethora of high quality events. It also offers a customised solution provision tailored to each pension scheme client.

These are just a few of the many ways in which GSAM proved itself a worthy winner of the European Pensions Investment Manager of the Year award – well done GSAM.

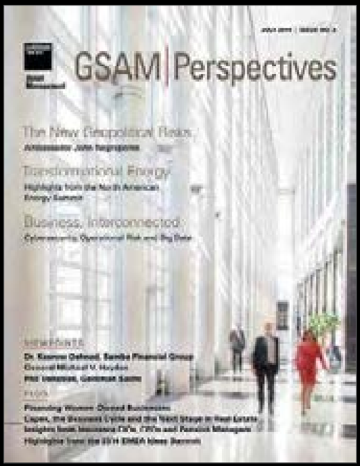
The Investment Manager of the Year award went to Goldman Sachs Asset Management. Receiving the award was David Curtis, Managing Director, Head of UK & Irish Institutional Business, Goldman Sachs Asset Management (centre). Presenting the award was judge Christy Jesudasan, Senior Client Director, MN Fiduciary Managers (left) and host Simon Evans (right).

Goldman Sachs Asset Management

Goldman Sachs Asset Management (GSAM) is one of the world's leading investment managers. With more than 2,000 professionals across 32 offices worldwide, GSAM provides institutional and individual investors with investment and advisory solutions, with strategies spanning asset classes, industries and geographies. Our investment solutions include fixed income, money markets, public equity, commodities, hedge funds, private equity and real estate. Our clients access these solutions through our proprietary strategies, strategic partnerships and our open architecture programs.

Our investment teams represent over 700 investment professionals, capitalizing on the market insights, risk management expertise and technology of Goldman Sachs. We help our clients navigate today's dynamic markets and identify the opportunities that shape their portfolios and long-term investment goals. We extend these global capabilities to the world's leading pension plans, sovereign wealth funds, central banks, insurance companies, financial institutions, endowments, foundations, individuals and family offices, for whom we invest or advise on more than $935 billion of assets.

The ***GSAM Perspectives***, a quarterly publication, discusses several of the important themes and opportunities facing our investors today. The *GSAM Perspectives* reflects insights and ideas on a variety of markets, asset classes and geographies, synthesizing views from across our investing teams at GSAM and other thought-leaders from around the world.



Please contact us at GoldmanSachsAssetManagement@gs.com

As of June 30, 2014.
GSAM leverages the resources of Goldman, Sachs & Co. subject to legal, internal and regulatory restrictions.

Equities Manager of the Year and Passive Manager of the Year:

Irish Life Investment Managers (ILIM)

Drawing value from today's unpredictable markets is a challenge for any investment manager, however large or experienced they may be, so to walk away with two of the investment accolades at the European Pensions Awards is quite an achievement. Irish Life Investment Managers (ILIM) however did just that when it took home both the trophy for Equities Manager of the Year and the Passive Manager of the Year award.

Irish Life Investment Managers (ILIM) manages money on behalf of a wide range of international, institutional and retail clients and is Ireland's largest fund manager with a 41 per cent market share and AUM in excess of €42 billion. Despite its size and existing success, however, it refuses to stand still and continues to focus on understanding the changing needs of its pension fund clients with a view to providing them with the innovative investment solutions they really need.

Given that equities continue to form a core part of most pension schemes' strategic growth asset allocation, the importance of understanding this asset class cannot be underestimated and the award for European Pensions Equities Manager of the Year is given to the firm which not only proves its excellence in managing equities, but demonstrates a true understanding of how equities can best be used by pension funds to meet their ever changing needs. ILIM, said the judges, ticked all of the above boxes and more with countless examples of how it helps both DB and DC clients make the most of equities from both a growth and a risk management perspective.

For example, on the basis that pension funds are continually striving to minimise volatility within their portfolios, ILIM developed the highly innovative Indexed Minimum Volatility Fund, tracking the MSCI World Minimum Volatility Index. The Index takes the MSCI World Index as the investible universe of stocks and, via an optimisation process, produces an index with the lowest volatility available. The Minimum Volatility Index substantially reduces performance volatility without impacting returns significantly relative to the MSCI World Index.

Another example of how ILIM has responded to its pension fund clients' needs is with the development of the Dynamic Share to Cash Model - an asset allocation mechanism for dynamically managing allocations between Developed World equities and cash, which helps to reduce a fund's exposure to equities

The Equities Manager of the Year award went to Irish Life Investment Managers. Receiving the award was Nicholas MacShane, Head of DB Portfolio Management, Irish Life Investment Managers (centre). Presenting the award was sponsor Paul Couchman, Managing Director, Premier (left) and host Simon Evans (right).

The Passive Manager of the Year award went to Irish Life Investment Managers. Receiving the award was Nicholas MacShane, Head of DB Portfolio Management, Irish Life Investment Managers (centre). Presenting the award was judge Richard Poole, Legal Director, Pensions, Royal Mail Group Legal (left) and host Simon Evans (right).

(increasing cash) before or during times of falling equity markets and reinvest in equities before or during equity market recoveries.

In recognition of the important role passive management plays in the European pension space, this year's European Pensions Awards saw the introduction of the European Pensions Passive Manager of the Year award, which aims to celebrate those passive managers that not only demonstrate strong returns, but also provide excellent customer service and show a true understanding of the needs of their clients. Again, ILIM proved itself a leader in the space – beginning over 17 years ago with the introduction of indexation in Ireland, it has continued to innovate in the passive space ever since.

For example, ILIM was the first manager to work with FTSE to develop the Euro Hedged FTSE World Index (managing currency volatility) and has extended this expertise now to other index providers in building new benchmark indices.

Additionally, ILIM launched both a € hedged and un-hedged Indexed MSCI Developed World Equity Fund, whereby clients have the option of fully hedged, unhedged or partial hedged solutions for their Global Equity allocation.

Other examples of ILIM's proven expertise in the passive space include the success of the ILIM's Fundamental Equity Indexed Fund, the Indexed Emerging Market Equity Fund and the Indexed Global Small Cap Equity Fund.

"By constantly evolving its suite of solutions to match the demands and trends in the European pensions market, this firm has successfully remained relevant to its clients"

It isn't solely on the equities side however that ILIM has made its mark in the passive space - ILIM has continued to innovate within its indexed bond suite of funds, having introduced Various Credit Profile Funds; Indexed Country Government Bond Funds; Indexed Ultra Long Duration Funds; Target Nominal and Real Duration Bond Buckets; Indexed Inflation Linked Funds; GDP Weighted Funds; Indexed Emerging Market Debt Funds; and Indexed Corporate Bond Funds.

By constantly evolving its suite of solutions to match the demands and trends in the European pensions market, this firm has successfully remained relevant to its clients. It is committed to continuing the innovative research necessary to develop new products and solutions and to incorporate these ideas into easily accessible structures.

With its focus on understanding the equity needs of its clients, and the innovation it continues to apply to the passive space, ILIM more than proved itself a worthy winner in both of these categories, and sets a strong example for other providers in the industry to follow. Well done ILIM.

Fixed Income Manager of the Year:
Royal London Asset Management

The importance of the role fixed income plays in European pension fund portfolios cannot be underestimated, and never before have the offerings in this market been as dynamic as they are today. A highly competitive market, the European Pensions Awards received more than 20 entries in this category, with this year's winner, Royal London Asset Management (RLAM) proving itself worthy of the trophy in more ways than one.

Firstly, RLAM works hard to bring to market products that the industry actually needs, seeking feedback from pension managers and consultants before launching any new funds. Use of client input, for example, was key to the development of its innovative Global High Yield Funds - the Royal London Global High Yield and the Royal London Short Duration Global High Yield funds – which were launched in February 2013 and have already experienced significant asset growth and strong performance.

Also, in recognition of the growing demand for short duration fixed income funds with lower interest rate risk, RLAM launched three new funds – the Royal London Short Duration Gilt Fund, the Royal London Short Duration Credit Fund and the Royal London Short Duration Global Index Linked Fund, all of which build on the firm's existing capabilities within this space.

Furthermore in an effort to demonstrate its ability to manage portfolios on an absolute return basis, and to offer this capability more widely to clients, RLAM has been working on the development of the Royal London Absolute Return Government Bond Fund. RLAM feels this is an important step as the direction of rates becomes more uncertain and such an approach may appeal to a wide variety of investors.

In addition to its dedication to meeting client needs and its propensity to innovate, RLAM impressed the European Pensions Awards judges with its solid performance. All of its core representative funds outperformed their benchmarks during 2013, as well as over longer time periods, whilst more specifically its aggregate bond and credit funds delivered positive returns, ahead of their benchmarks.

A focus on client service is also an integral part of the RLAM way of doing things, with face-to-face meetings, a Client Satisfaction Survey and Quarterly Reporting just a few of the ways in which this investment house seeks to keep its clients at the heart of what it does.

All in all, a true innovator in the fixed income space and a firm which sets the standards for the rest of the industry – well done Royal London Asset Management.

The Fixed Income Manager of the Year award went to Royal London Asset Management. Receiving the award was Jonathan Platt, Head of Fixed Income, Royal London Asset Management (centre). Presenting the award was judge Matti Leppälä, Secretary General and CEO, PensionsEurope (left) and host Simon Evans (right).

Who's afraid of big bad bond illiquidity?

RLAM's Ewan McAlpine explains how illiquidity can help boost long-term returns

It seems that everything I read about credit bond markets is centred on illiquidity and the problems that investors face when interest rates rise. The US Federal Reserve, the Bank of England, the FCA, investment banks, bond managers etc. are all warning about 'shadow banking', evaporating liquidity and the impact of regulation on the ability of banks to act as a buffer if investors head for the exit.

I agree with these concerns but believe that there are several silver linings. First, it is important that investors realise that credit funds are not liquidity funds. I think this is the key message that needs to be drilled home. Second, and more positively, it is about time that credit market participants woke up to the new world. We are not going to return to the commoditised credit markets of mid 2000s anytime soon. And that is a good thing. Articles from investment banks about the demise of liquidity are really a sad lament for a world that has ceased to exist (along with profits generated for banks by hyperactive credit bond managers). One benefit seems to be a growing recognition that big is not beautiful and that as the scale of asset managers has grown so have the risks associated with their investment strategies.

A common view expressed at the moment is that the premium for liquidity risk is close to pre-crisis lows across all fixed income markets. I don't think this is true. If we look at investment grade sterling credit markets investors are offered a 1.1 per cent yield premium above government bond yields. In theory you need less than 0.4 per cent to compensate for default. This residual primarily reflects an illiquidity premium and this level is certainly materially above the levels seen in the pre-crisis period. One of the problems is that commentators are not specific- often failing to differentiate between investment grade bonds and high yield. So to be clear: the illiquidity premium in sterling investment grade bonds is nowhere near pre-crisis levels.

"For long-term investors whose priority is stability of cashflows, rather than transitory price fluctuation, illiquidity is a good feature"

So, if the overall sterling credit market offers adequate compensation for illiquidity risk should investors be concerned about the less liquid areas of the market: in essence 'is illiquidity bad?' Well, it depends upon your appetite for risk and your time horizon. I would argue that for long-term investors whose priority is stability of cashflows, rather than transitory price fluctuation, illiquidity is a good feature – not in itself but because investors are over compensated for illiquidity risk. As well as offering higher yields less liquid bonds can offer greater economic/sector diversity and often have features that are particularly attractive (e.g. enhanced security and better covenants). This approach will not appeal to investors looking for quick moves in and out of credit but, in truth, a credit approach that was reliant on the ability to generate value through short-term trading, whilst always low conviction, is now becoming increasingly ineffective in the new credit landscape.

Ultimately, regulators are right to warn some investors about illiquidity risk. However, this provides bond managers and clients with long-term investment horizons with great opportunities. Illiquidity actually may be a great way of boosting long-term returns.

Ewan McAlpine, Senior Client Portfolio Manager, RLAM

Alternatives Investment Manager of the Year:

Aberdeen Asset Management

Investment into alternatives continues to rise, with recent figures showing allocations to alternative assets by pension funds now account for around 18 per cent of all pension fund assets globally.

As alternatives play an ever-greater role in the majority of European pension fund portfolios, the Alternatives Investment Manager of the Year award aims to reward the leaders in the provision and management of alternative assets. In particular, it highlights those that are the best of the best in this field and has shown a commitment to the European pensions market with its product offerings.

Shining through in this dynamic sector is Aberdeen Asset Management, a pure asset management business that only manages assets for third parties in order to focus solely on client needs.

Aberdeen describes its objective as to be a key provider of bespoke solutions to European pension schemes. Its local teams work with pension clients in each country to understand the circumstances of their individual schemes and the local regulatory framework.

It also caters to European pension schemes of all sizes, types and levels of sophistication, delivering a range of solutions, from an off-the-shelf product through to a more complex, tailor-made or outcome-oriented solution.

Over the last year Aberdeen has not only ventured into new regions and developed new alternative strategies, but has also re-engineered its business in order to deliver the needs a pension fund has of an alternative investment manager.

During 2013 Aberdeen merged its multi-asset and multi-manager teams, providing easier access to a wider range of sectors and asset classes, and formalised a global buy list across alternatives to align and simplify the investment process. This positioned the business well in integrating further alternatives and solutions resources and capabilities through Aberdeen's acquisition of SWIP this year.

Post-acquisition, Aberdeen Solutions comprises three distinct divisions: Alternatives; Investment Solutions; and Quantitative Equities. This Alternatives division encompasses diverse investment capability including hedge funds, private equity, property and infrastructure.

Aberdeen was also busy over the past 12 months with the launch of two UCITs-regulated alternative funds, which are potentially easier for some clients to access.

It is these efforts to continually improve the client relationship, along with its commitment to clients' needs and its long term focus that made Aberdeen stand out above its peers in the eyes of the judges.

Congratulations to a worthy winner.

The Alternatives Investment Manager of the Year award went to Aberdeen Asset Management. Receiving the award was Andrew McCaffery, Global Head of Alternatives, Aberdeen Asset Management (centre). Presenting the award was Laura Blows, Editor, European Pensions (left) and host Simon Evans (right).

Hedge Fund Provider of the Year:

Aurum

AURUM

As pension funds look to diversify their portfolios in order to spread their risk and reap the rewards, they are naturally turning to hedge funds as an alternative investment option. However, this is not always an easy task. Therefore the Hedge Fund Provider of the Year category aims to recognise those firms that have proved their excellence in the field of hedge funds/fund of funds at one of the most challenging times in investment history.

Standing ahead of its competitors in the eyes of the judges due to its focus on relationships, its innovation and commitment to pension fund needs, the winner of the Hedge Fund Provider of the Year award for 2014 is Aurum.

Aurum is a privately owned specialist fund of hedge funds manager that provides investors with a range of comingled and bespoke investment solutions. With a current AUM of $1.9 billion managed on behalf of clients across Europe, Aurum has now increased its focus on offering solutions to investors within Europe, specifically in AIFMD restricted locations such as Scandinavia.

Aurum describes its investment philosophy as focusing on capital preservation and compounding returns with low beta to traditional markets.

In particular, Aurum is proud of its relationship with pension funds, having provided solutions to the sector for over a decade. It is this experience that helps Aurum provide services that pension funds truly need, as well as working with clients at all stages of their investment cycle.

An important part of this relationship for Aurum is ensuring that pension funds understand the investments they hold. Therefore it offers clients education on the hedge fund industry, its strategies and Aurum's investment process through manager meetings and including clients in aspects of the due diligence process.

Aurum also responds to the needs of its clients during these changing times. For instance, AIFMD marketing restrictions have reduced choice, so of course investors can't invest in funds they don't know exist. To address this, Aurum was one of the first FoHFs to launch a dedicated AIFMD vehicle to solve this problem.

The result of Aurum's ethos speaks for itself. For over 15 years its flagship fund has produced consistent risk-adjusted returns, with low beta to traditional risk assets and low volatility.

With its results, Aurum is clearly a deserved recipient of the Hedge Fund Provider of the Year award.

Congratulations to a worthy winner.

The Hedge Fund Provider of the Year award went to Aurum Funds. Receiving the award was Kevin Gundle, CEO, Aurum Funds (centre). Presenting the award was judge Jerry Moriarty, CEO, Irish Association of Pension Funds (left) and host Simon Evans (right).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Private Equity Manager of the Year:

LGT Capital Partners

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European pension funds' allocations to private equity have increased substantially over recent years. This is why, for the first time, the European Pensions Awards wants to specifically acknowledge those private equity experts who have displayed a true understanding and are passionate about helping pension funds.

The first winner of the Private Equity Manager of the Year award is LGT Capital Partners, a private equity firm demonstrating an innovative approach to meeting its clients' needs.

LGT Capital Partners is a leading alternative investment manager with over \$50 billion in assets under management. For over 17 years, the firm has managed investment programmes that focus on a wide range of private markets, liquid alternatives, specialised long-only and multi-asset class solutions. LGT Capital Partners' global investor base includes more than 400 pension funds, insurance companies, sovereign wealth funds, banks, endowments and foundations.

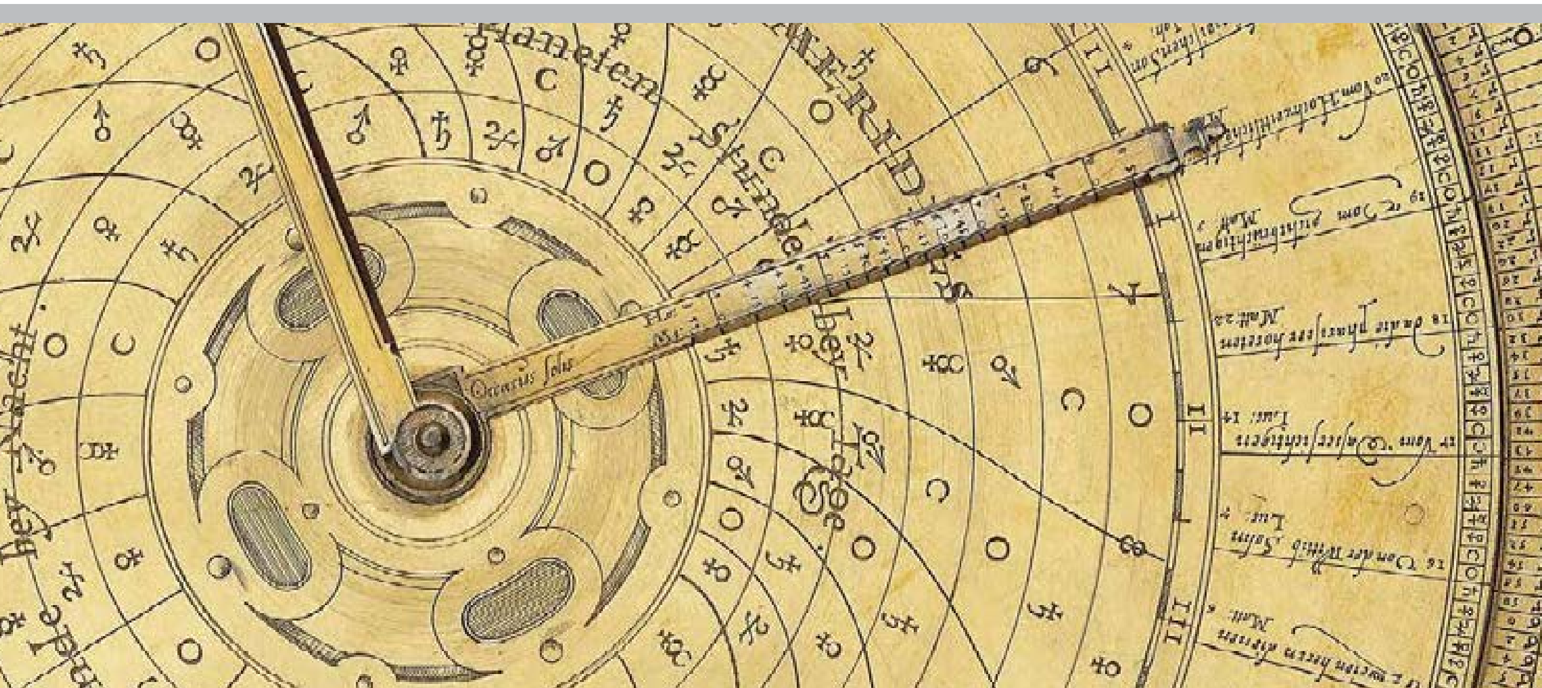
The firm is dedicated to providing pension funds with better and innovative ways of allocating capital to alternatives, which it has demonstrated by offering transparency on ESG practices in their portfolios and providing liquid exposure to a mature private equity portfolio through its Crown Multi-Alternatives (CMA) investment programme.

In 2013 LGT Capital Partners carried out an ESG survey of managers in its private equity portfolios to gain a snapshot of how its managers are progressing on ESG implementation. It served the dual purpose of informing pension fund investors on the level of ESG practice within their portfolios and establishing a starting point for LGT Capital Partners to engage with their managers on further ESG development. Investors have been able to integrate the survey's findings into their own risk management processes, giving them a better understanding of the long-term ESG risks in their portfolios. They have also used these results in their own ESG reporting to stakeholders, such as pension fund boards of directors, UN PRI and others.

LGT Capital Partners has also further expanded its CMA offering. The programme provides investors with liquid exposure to all the major alternative asset classes in a single portfolio. CMA's private equity allocation offers investors exposure to an existing, mature private equity portfolio – enabling them to benefit from the asset class's historically high returns – yet they can exit when required.

The judges named LGT Capital Partners the winner due to its innovative work with pension fund clients, such as providing transparency on its underlying managers' ESG practices and offering investors liquid exposure to an existing, mature private equity portfolio.

The Private Equity Manager of the Year award went to LGT Capital Partners. Receiving the award was Barry Lee, UK Business Development, LGT Capital Partners (centre). Presenting the award was James Pamplin, Associate Publisher, European Pensions (left) and host Simon Evans (right).



Emerging Markets Manager of the Year:

Union Bancaire Privée (UBP)

Seeking out potential in the less-developed markets has proved a challenging task, especially in recent times. Because of this, it is an exciting role at which only the best investors can succeed. Yet for those that do, the rewards for European pension funds investing in this area can be great.

The European Pensions Emerging Markets Manager of the Year looks to recognise those managers that have stepped up to this demanding work, those that have shown a dedication to the emerging markets space with a view to achieving performance in areas where information flow is often in short supply.

This year's winner is UBP, having been recognised by the judges as strong player in this difficult sector.

UBP prides itself on its ability to be flexible, innovative and above all agile in its operational processes. This attitude was demonstrated over the past year as UBP launched two new funds adapted to a rising rate environment, created mandates to answer regulatory changes such as Solvency II and developed partnerships to ensure compliance with corporate SRI criteria.

In particular, UBP is a strong advocate of emerging market investment. It manages $3 billion of assets, an increase of 44% since end 2012. It has an eight-person fixed income team with dedicated resources to credit research, risk management and trading.

The team offers two EM government bond strategies. Its sovereign strategy can invest up to 15% of the portfolio in EM corporate bonds to manage portfolio beta, while the local currency government bond strategy actively manages portfolio beta and duration, and thus managed to outperform benchmark and peers in bear market phases.

It also offers three EM corporate bond strategies. In addition to a traditional global EM corporate bond strategy, it has been among the first to launch an investment grade strategy and more recently it was first to launch a strategy combining short duration with EM high yield corporate bonds.

In early 2013, the team indeed created a product that would provide investors' access to EM High Yield with low volatility and drawdown, and limited exposure to US Treasury rate fluctuations. Additional key features are strict management of credit risk and the special liquidity buffer.

As a result of its hard work and innovation, UBP saw its institutional AUM increase by 17.6% in 2013. The judges were understandably impressed at this strong performance, along with UBP's proven commitment to its clients' needs. It is no wonder that the judges deemed UBP the winner of the 2014 European Pensions Emerging Markets Manager of the Year.

Well done to UBP, a worthy winner.

The Emerging Markets Manager of the Year award went to Union Bancaire Privée. Receiving the award was Jean-Luc Eyssautier, Head of Institutional Sales in the UK, Union Bancaire Privée (centre). Presenting the award was sponsor Paul Kelly, Director, International Consulting, Towers Watson (left) and host Simon Evans (right).


COMMITTED TO YOU

Emerging opportunities

Denis Girault explains why the time is right for investors to look to emerging markets corporate bonds

In the low interest rate environment prevailing since the 2008 financial crisis, many investors have turned towards more risky assets to secure enhanced returns. With the drop in government rates – the German 10 year bund is currently trading at around 1.00%, compared to about 3.00% at the start of 2009 – spreads across traditional fixed income products compressed significantly, leaving investors in dire straits. Betting on the continuing recovery in developed countries, they primarily favoured assets in those economies. This strategy has paid off. It is, however, perhaps time for investors to revisit their allocation and consider the relative attractiveness of emerging market corporate bonds.

Over the last 18 months, three assets were in fashion with euro-based investors: hybrid securities, peripheral bonds, and euro high yield markets. As European banks have been working on strengthening their balance sheets, investors became more and more prepared to buy deeply subordinate debt instruments that provide higher yields. So far this year, new issuance of hybrid securities has already reached $56.6 billion. On the same note, after the open support from the ECB in mid-2012, investors raised their holdings of peripheral sovereign bonds like Spain or Italy, and as a result, spreads have substantially shrank since then. The Spanish 10 year rate dropped from its all-time high, 7.62% in July 2012, to 2.40% mid-August 2014. Although not all investors can invest into high yield markets, money has been pouring into this asset class. The extended rally in the European high yield market combined with the re-pricing of emerging debt in 2013 has led to a situation where the yield curve of the European BB rated corporate bonds has been trading at levels which we feel remain unreasonably tight to emerging market BBB-rated corporate bonds (even considering the EUR – USD curve differential).

"It is perhaps time for investors to revisit their allocation and consider the relative attractiveness of emerging market corporate bonds"

This situation is due to several technical factors. In 2014, emerging corporate bonds went through a phase of spread adjustment following the announcement by the Fed Reserve of a tapering program at the time of lower economic growth in most of the emerging market countries. Concurrently, spread on high yield European names started to tighten significantly. As a result, one curve flattened while the other one steepened. Even adjusted for the fact that one curve is in Euro and the other one in US dollar, the yield curve of the European BB rated corporate bonds expressed in US dollar does not compensate enough investors for the risk that they are taking. The yield curve of the European BB rated corporate bonds expressed in USD is only marginally above the emerging market BBB-rated corporate bonds (see corporate example below). And at a time when more and more market players are starting to talk about a potential market bubble in the European high yield market, European BB-rated corporate bonds appear at risk of a market correction. On the other hand, the economic situation is stabilising in emerging markets and inflows into the asset class are gaining momentum. Since the beginning of the year, $13.3 billion were invested in emerging markets (hard currency debt).

If, however, investors would today switch from their BB-rated Euro High Yield bonds into the BBB-rated emerging markets bonds, they would not just reduce their credit risk but also optimise their risk budget. Emerging markets issuer ratings are just as stable as their peers in the US and Europe: the likelihood that an

emerging market BBB corporate issuer will be upgraded within a year is, with 5.3%, even higher than for their US or European counterpart (5.1% and 4.9% respectively). They are more likely to be more stable in their rating over their counterparts and less likely to be downgraded within a year. These figures, based on a one year average corporate transition rate by Standard & Poor´s over a time horizon of more than 30 years (1981 – 2013), provide a reassuring consistency for investors.

As a practical example to illustrate this arbitrage opportunity, we compare below two Telecom companies. Bharti Airtel is one of the leading Indian telecommunications companies and the world´s fourth largest mobile operator with business activities in 20 countries and almost 290 million customers. It is rated Baa3 by Moody's and BBB- by S&P. Its dollar-denominated 10-year bond, due May 2024, is currently trading at a yield of 4.65%. Its European counterpart is Telecom Italia, the leading telecommunication company in Italy with 125 million customers in two countries. The company is rated Ba1/BB+. Its 10-year bond, due May 2024 and denominated in US Dollar, trades at a yield of 5.07%, which is only 42bp above Bharti Airtel 2024.

In the US dollar market, the spread differential between a BB+ and BBB- tends to vary in a range of 70 to 100bps. With only a 42-bp spread differential, the investment opportunity appears clearly to lie with the emerging market issuer.

In addition to the currently attractive market levels, we also see increasing support for emerging market debt from the recent ECB announcement that they were considering the possibility of implementing some quantitative easing. Indeed, additional liquidity would then likely flow to higher yielding asset classes and in the current context of depressed European economic growth and already tight Euro High Yield spreads, we think that EM markets are bound to benefit. In parallel, while US rates could grind higher, the risk of a sharp increase before year end is fading away in our view, which again should provide support to emerging bonds.

In summary, we believe that it is time for investors to review their bond portfolio allocation taking into consideration the current arbitrage opportunity offered by the attractiveness of emerging corporate bonds over their developed market peers.

Denis Girault, Head of Emerging Markets Bonds, Union Bancaire Privée (UBP)

UBP
UNION BANCAIRE PRIVÉE

Index Provider of the Year:
MSCI

While the 'active versus passive' debate rages on, one aspect is never questioned: the importance of passive management within a pension fund portfolio. This sector of the industry has enjoyed a dynamic period recently, as index providers look to tailor their offerings to meet the needs of their pension fund clients.

As indices are undoubtedly an essential tool for pension funds in the European space, the European Pensions Index Provider of the Year aims to recognise those index providers offering the highest quality of relevant products and excellent service to European pension funds today.

Excelling in this sector and proving itself as a worthy winner of this accolade is MSCI, the Index Provider of the Year for 2014.

With over 160,000 indices calculated daily and over 9,000 in real-time, MSCI is a leading provider of global equity indices to institutional investors, with approximately \$9[1] trillion estimated to be benchmarked to those indices and 600+ ETFs[2] based on the MSCI Indices.

Its flagship indices, such as the MSCI World Index, MSCI Emerging Markets Index and MSCI ACWI Index are used globally by thousands of professional as benchmarks or as the basis of financial products. Located in 22 countries and with over 2,700 employees globally, MSCI is dedicated to supporting the increasingly complex needs of the investment community with ground-breaking new products, high quality data, superior distribution and dedicated client support.

As a result of globalisation and integration of markets, MSCI has explored alternative approaches to categorising the global equity universe and product development, driven by the evolving needs of the investment community.

Key developments in the past year alone include the MSCI Momentum Indices, which aim to reflect the performance of an equity momentum strategy by emphasising stocks with high price momentum, and the Enhanced MSCI High Dividend Yield Index Methodology, which includes additional screens that exclude securities failing to meet certain 'quality' factors.

Also created in 2013 were the MSCI Market Neutral Barra Factor Indices that are designed to reflect a theoretically 'pure' single factor return for a given region or country while remaining investable and replicable and with controlled turnover, and the MSCI Quality Mix Indices, an equal weighted combination of the MSCI Value Weighted, MSCI Minimum Volatility and MSCI Quality Indices in a single composite index.

It is both its holistic service and continual innovation that made MSCI a clear winner in the judges' eyes.

Congratulations to a pioneering firm.

The Index Provider of the Year award went to MSCI. Receiving the award was Adam Djanogly, Managing Director, Head of Client Coverage for EMEA, MSCI (centre). Presenting the award was judge Holly Sheridan, Head of Commercial Development, The Pensions Management Institute (left) and host Simon Evans (right).

[1] *As of March 31, 2014, as reported in June 2014, by eVestment, Lipper and Bloomberg*
[2] *Data as of June 30, 2014, calculated by aggregating the number of share classes of all exchange traded funds tracking an MSCI index, as identified by separate Bloomberg tickers. Only primary listings, and not cross-listings, are counted*

Fiduciary Management Firm of the Year:
Cardano

Having originated in the Netherlands, the concept of fiduciary management has taken that market by storm. It has now spread to the UK where it is a fast-growing sector, and it is penetrating other parts of Europe.

This is why the Fiduciary Management Firm of the Year award looks to recognise those companies that have led the way in this dynamic and continuously-growing sector, while remaining focused on the needs of pension funds.

The firm clearly demonstrating these requirements, and therefore the winner of the Fiduciary Management firm of the Year award for 2014, is Cardano.

Founded in 2000, Cardano works on behalf of over 1.4 million beneficiaries with total assets of over £100 billion in Europe across pension funds, insurance companies and other financial organisations.

Cardano's aim is to improve its clients' funding ratio by managing both assets and liabilities to deliver planned and controlled growth over time. This in turn gives clients greater certainty about their ability to meet their funding goals.

This was achieved in 2013 through another year of consistent delivery and progress. For its fiduciary management clients, it exceeded its targets whilst still only taking about half the level of risk taken by the average UK pension scheme.

Cardano also enjoyed many areas of innovation during the past year, such as setting up new funds with managers; developing ways to access liability hedging at better rates; and developing their service for smaller clients to allow them to have a bespoke, directly invested portfolio.

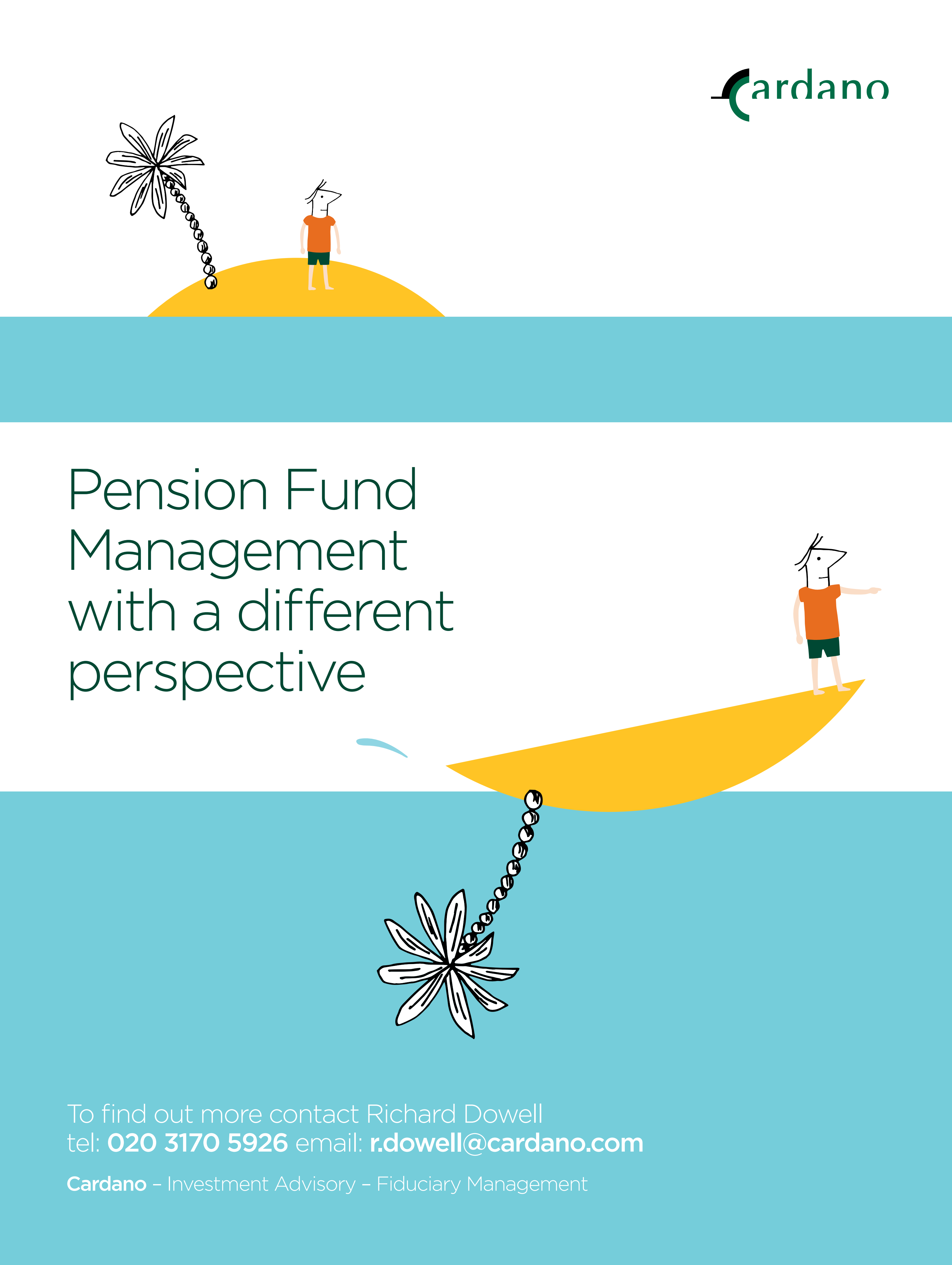
Another important aspect for Cardano is managing the social impact of its skills. To that end, Cardano's wider activity includes providing support to government across both UK and Dutch markets, mainly in the area of better pension fund design.

"It was Cardano's pan-European focus and impressive track record that made Cardano so impressive to the judges, along with its dedication to interacting with the wider pensions community"

It was Cardano's pan-European focus and impressive track record that made Cardano so impressive to the judges, along with its dedication to interacting with the wider pensions community and its approach of giving an opinion to clients instead of a list of options.

Congratulations to a worthy winner in this dynamic sector.

The Fiduciary Management Firm of the Year award went to Cardano. Receiving the award was Emma Adair, Head of Client Management, Cardano (centre). Presenting the award was Lauren Weymouth, Reporter, European Pensions (left) and host Simon Evans (right).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Cardano – Investment Advisory – Fiduciary Management

Custodian of the Year:
BNP Paribas

As pension industries across Europe continue to evolve, so does the role of the pension fund custodian, with products and services adapting to match changing pension fund needs.

Therefore the European Pensions Custodian of the Year award recognises those custodians that have proved themselves as leaders in this market through their excellence, innovation and dedication to meeting European pension funds' demands in today's market.

For the second year in a row, the judges have awarded this accolade to BNP Paribas.

A wholly-owned subsidiary of BNP Paribas Group, BNP Paribas Securities Services is a global custodian, offering asset servicing solutions to all participants across the entire investment cycle.

The bank has a local presence in 34 countries, providing global coverage in more than 100 markets.

What made BNP Paribas stand out from the crowd in 2013? Well despite the lacklustre economic environment of 2013, BNP Paribas Securities Services recorded over 10% growth to reach a total of $8,055 billion assets under custody. In particular, the pension fund segment was a priority for the company, as it recorded a 22% growth in pension assets over the year.

BNP Paribas also enjoyed a busy year, as it bolstered its European depotbank capability with the acquisition of the German depotbank business of Commerzbank. It now provides depositary bank services in 16 European locations and is well positioned to help pension funds meet the regulatory requirements of AIFMD.

In addition to this, BNP Paribas Securities Services has developed and enhanced 46 products, including the doubling of investments in interactive risk and performance analytics and simulations for institutional investors.

BNP Paribas has also listened to the themes their clients say are important: greater transparency, access to collateral and regulation. In response to this, it has developed comprehensive solutions focusing on optimization of processes such as new reporting and outsourcing solutions for pension funds.

BNP Paribas has worked with over 30 regulatory committees and working groups across Europe to provide them with information and insight with regard to impacts and consequences.

It is BNP Paribas' innovation and dedication to looking after clients' needs that made them a worthy winner once again in the eyes of the judging panel.

Well done BNP Paribas.

The Custodian of the Year award went to BNP Paribas Securities Services. Receiving the award was Sid Newby, Head of Pension Fund Sales, BNP Paribas Securities Services (centre). Presenting the award was judge Dorothee Gnaedinger, International Benefit Consultant, Mercer (left) and host Simon Evans (right).


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Buyout Firm of the Year:

Pension Insurance Corporation

PENSION INSURANCE CORPORATION

Defined benefit schemes are increasingly becoming legacy issues for employers. As a result, buyouts continue to grow in popularity as trustees work to close their scheme.

Therefore the buyout market has enjoyed an amazing 12 months, as the industry has moved beyond simple transactions to more innovative solutions that meet the needs of schemes of all shapes and sizes.

Because of this, the European Pensions Buyout Firm of the Year award recognises the buyout providers that are driving forward these insurance deals and shaping the nature of this dynamic market.

This year there was one firm standing head and shoulders above its peers. It is of no surprise that the winner - for the second time in a row - is Pension Insurance Corporation.

A market leader, Pension Insurance Corporation (PIC) provides tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension funds. PIC has more than £11 billion in assets and has insured circa 100,000 pension fund members.

PIC enjoyed another record-breaking year, achieving the highest value of buy-in and buyout transactions any insurer had written in a 12 month period. PIC also completed the largest-ever buyout with the £1.5 billion EMI pension scheme. It also innovates in terms of its investment strategy, implementing ground-breaking investments in Housing Association and renewable energy to further diversify its portfolio and increase the security of policyholders' benefits.

However, PIC looks further than the initial deal, and its exemplary service means clients keep coming back. Its attention to detail and willingness to innovate solutions has been noticed by clients who increasingly return to PIC to secure further liabilities either for the same scheme, or other schemes with the same sponsor.

For instance, with its further reinsurance of clients' longevity risk, PIC is a very experienced counterparty in terms of the numbers of longevity swaps completed. It has even been asked by a number of trustee buy-in clients to oversee the administration of benefits for members who aren't even insured by the company, a service it was happy to facilitate.

Clearly, exemplary customer care is a core part of PIC's ethos. For example it is the only defined benefit pension insurer to run Policyholder Forums and Christmas lunches for pension scheme members now receiving their benefits from PIC.

It is this excellent after-sales service and PIC's dedication to plain English communications that the judges wanted to reward as much as PIC's record-breaking transactions.

Well done to an oustanding winner.

The Buyout Firm of the Year award went to Pension Insurance Corporation. Receiving the award was Jay Shah, Head of Business Origination, Pension Insurance Corporation (centre). Presenting the award was judge Chetan Ghosh, Chief Investment Officer, Centrica (left) and host Simon Evans (right).

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Pension Scheme Administrator of the Year:

Premier

premier see change

European pension schemes have faced a challenging few years, as legislative, structural and investment changes all take hold. Responding to these changes, on top of the day-to-day pressure of ensuring that the scheme runs smoothly, is the pension scheme administrator.

Therefore the Pension Scheme Administrator of the Year award recognises the firms that have gone beyond the minimum standards required to offer a truly added-value service.

The recipient of this accolade for 2014 was described by the judges as standing out from its peers. The winner – for the third year in a row – is Premier.

Working predominantly within the UK pensions industry but also with a European reach, Premier provides actuarial, administration, benefits consultancy and wealth management services. It assists trustees, employers and members with all aspects of their pensions responsibilities, aiming to improve the quality and efficiency of the benefits package on offer.

On top of this, Premier had set a goal in 2012 to 'transform the industry'. So instead of resting on its laurels for 2013, Premier aimed to build upon its previous good work.

In 2013 Premier used its business process management system, Bizflow, to develop an intelligent work processing solution that adapts to individual scheme, member or user experience. Through using a mixture of past experience and management input, its processes now automatically decide which work cases require escalation or management review.

As a result, in September 2013, average processing times fell to 1.2 days compared with 1.8 days in the same period last year, and was achieved even with a 16% increase in volumes.

Also, Premier has put member needs first by designing guides to provide a simple, straight talking explanation of what happens at each stage in the membership journey.

It has also launched the Gateway2Retirement, a web-based education system that helps members understand all their pension options and guides them to the most suitable option.

Premier's hard work has resulted in never having had a complaint from a trustee or sponsor; completing 95% of enquiries within 48 hours; low fixed fees; never having lost an administration client; and scoring 9.2/10 on member satisfaction surveys.

With its dedication to improving the industry and the ability to achieve this goal, it is no wonder that Premier is the regular recipient of this accolade. As the judges explained: "Premier is small, efficient outfit that has great workflow systems in place, which demonstrates its high quality work."

Congratulations on Premier's continued success.

The Pension Scheme Administrator of the Year award went to Premier. Receiving the award was Daniel Taylor, Head of Admin, Premier (centre). Presenting the award was judge Anne Healy, Head of Business Development, BESTrustees (left) and host Simon Evans (right).

Improving member services

Dan Taylor explains the award-winning administration services Premier provides, and the impact this has for clients

There are specific challenges that arise when an organisation is trying to manage a number of pension schemes, particularly when they are significantly different in size and type. We worked with the trustees of our client's scheme, a leading global utilities technology provider, which had three UK trust based pension plan arrangements in place but with two different administrators. Our aim was to work alongside the trustees to improve the services for members and lower the operational costs. Premier provided administration, pensioner payroll, treasury, accounting and member web services to all three pension arrangements.

We set out a four month installation plan covering all the schemes. The challenges were complex, as the schemes were previously administered from multiple locations using a variety of different systems – including multiple databases, document management systems, personnel, etc. The first task was therefore to consolidate services into our uniformed platforms. Owing to increased efficiency, we were also able to clear a substantial backlog of cases that the previous administrator had not processed, as part of the installation process. We also ran a communication exercise, with materials certified by the Plain English Campaign, to welcome the members to Premier's service. We invested in data improvement initiatives like mortality screening and updated personal information, as well as inviting members to complete expression of wish forms.

We established introductory meetings with the 10 payroll and HR contacts across the business to ensure key personnel were fully informed about the new service. We introduced member and employer web services to enhance engagement overall. As a result of these combined solutions, we were able to improve member delivery by greatly reducing average turnaround times – from an average of 20 days to less than two. We also place great emphasis on improving service visibility and governance and so implemented comprehensive service performance reporting for the trustees.

By working with us, our client was able to meet its objective of lowering operational costs while achieving stand out delivery for its members – through innovative member engagement, high quality communications and Premier's commitment to first class service delivery.

premier see change

Pensions Technology Provider of the Year:
Schantz

The pensions industry had traditionally been considered both slow to change and slow to embrace new technologies. However this is no longer the case. As the process of managing a pension fund grows ever-more complex, all aspects of the journey now require sophisticated tools to ensure it runs as smoothly as possible.

With this in mind, the European Pensions Awards Technology Provider of the Year accolade recognises that effective and reliable pensions technology is essential for the successful running of any pension fund, and therefore rewards those firms that are leaders in the field of pensions technology.

This year, the award for this increasingly important category goes to Schantz.

Based in Copenhagen and with customers in multiple European countries, Schantz aims to transform the industry by developing the market's most innovative pension solutions. These are designed to streamline business processes, offer transparency and improve customer experience.

The judges were particularly impressed with the range of products available by Schantz to meet their clients' needs. These include Schantz Life, a market-leading policy administration system for efficient case processing. Along with automated workflows, it also enables users to access the solution whenever and wherever they need it through its standard portals and tablet and smartphone applications.

Schantz has also generated Schantz Advice, which provides a complete overview of a customer's insurance, pensions and other assets, and allows customers to simulate future scenarios through its easy-to-use graphical interface.

Schantz standard solutions are adapted to individual client needs. For instance its work with DIP, the Danish pension fund for engineers, generated a unique customer platform that provides clear communication and a variety of self-service options.

As a result, DIP is able to answer 80% of all enquiries the same day, has increased customers by 20% over two years without increasing costs, increased customer satisfaction by 20% over two years, and communicated the change from DB to DC to customers through the portal and approved via self-service.

The overall savings that these products create and the ease of use that self-service and automated processes generate were two factors highlighted as impressive by the judges.

Therefore for its dedication to improving the European pensions space through the use of technology, Schantz has proven itself to be a worthy winner.

The Pensions Technology Provider of the Year award went to Schantz. Receiving the award was Jesper Essendrop, CEO and Lars Sonderby, Vice President, International Business Development, Schantz (centre). Presenting the award was judge Alistair Wilson, Head of Institutional Business, TwentyFour Asset Management (left) and host Simon Evans (right).

Digitisation accelerates all parts of the business

In the wake of the increasing demands on the insurance and pension industry, there is a growing need for IT solutions that streamline business processes, increase ease of use, and improve competitiveness

IT solutions that can streamline and develop the business are becoming more and more important as tools for improving competitiveness in the insurance and pension industry, observes Jesper Essendrop, CEO of Schantz, a supplier of IT solutions to the pension sector.

"We sense an increasing number of enquiries for our solutions. This is partly due to the fact that following the financial crisis, IT solutions became even more important for companies seeking to streamline their business processes. At the same time, customers are asking for general advice and user-friendly self-service solutions, and these have now become an important competitive factor. Finally, it takes a sophisticated IT system to meet the ever-evolving regulatory demands, such as calculation of provisions," says Essendrop, who draws on his experience with the many exciting tasks solved by Schantz in 2013. Read on for some good examples below.

IT solution that provides efficient business processes

Torben Visholm, CEO at JØP

Since 2011, in the customer-owned JØP where 50,000 Djøf union members keep their retirement savings, the processing of payments has been 50% more efficient. This is the result of cooperation with Schantz, which helped the pension fund to improve their business processes. Creation and support for a complete system has additionally reduced the number of manual processes while ensuring higher quality.

"The ability to make online calculations based on specific and updated pension figures is an especially useful tool for both our customers and consultants," Torben Visholm, Director of JØP points out. Simultaneously, a re-launched website improved the customers' experience by allowing them to see current pension payments, deposit listings, archives and more. With an annual customer growth rate of five percent, powerful IT solutions become crucial for ensuring that the pension fund can provide a high service level at a low price.

"As a customer-owned pension fund, we earn money FOR our customers, and not FROM our customers. At the same time, our Djøf union members are generally interested in pension and, therefore, require high quality service and advice," says Torben Visholm.

Customer experience is now a thousand times better

Finn Rasmussen, Director of Development at Nordea Liv & Pension

Nordea Liv & Pension's customers can now obtain a clear and easily understandable overview of their own pension and insurance coverage right from their homes. For example, a new initiative in Netpension (online pension portal) enables customers to calculate how much money will be available at the time of their retirement as well as the direct effects of increasing payments, and lets them choose additional insurance coverage. The main goal is to do away with a bad tendency in the industry, explains Director of Development at Nordea Liv & Pension, Finn Rasmussen.

"One of the industry's biggest challenges has been to communicate in a simple and straightforward manner while getting customers involved in their own pensions. Previously, policies were just sent out to customers, and, if they were confronted with one or more incomprehensible words on the first page, they did not care to read on, understand the content, or take action. With Netpension, we involve clients in a way that is easy to understand – and this gives them a feeling of ownership," says Finn Rasmussen.

The system which was developed in collaboration with Schantz is unique in that the customer, in addition to being able to access information about pension coverage at Nordea Liv & Pension, can also see payments from public services and from other pension providers.

"The system makes it easy for customers, at any given time, to relate to what they can expect to have saved up. We expect that this will make far more people interested in their retirement," says Finn Rasmussen.

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