



WARRINGTON
Borough Council



The Public Sector Social Impact Fund



A Public Private Sector Partnership

APSE Conference, Manchester 21 November 2019

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Introducing the Public Sector Social Impact Fund



Why PSSIF is different

- **Specifically designed:** To answer the social impact investment needs of Local Authority Treasuries, Pensions Funds and related entities following an 18 month consultation across the UK
- **Pooled resources, capital and knowledge:** improves both cash flow and investment opportunities
- **Active Involvement:** Local Authority investors are encouraged to propose socially responsible investment projects that will benefit the lives of local constituents
- **Maximising returns from day one:** Invests in short-term yield money market instruments before rolling into longer dated, higher yielding asset secured social impact debt.
- **No upfront or exit fees.**

What is the Public Sector Social Impact Fund?

- The Public Sector Investment Fund, is a UK domiciled LLP, investing in a diversified range of UK secured assets with positive social impact, generating competitive market returns
- Joint Venture between Warrington Borough Council (WBC) and Altana Wealth (Altana)
- PSSIF has seven cornerstone investors from all over the UK
- Alignment of interests and shared values, with Altana co-investing alongside Local Authorities
- Offers an annual yield from day one.
- Diversified fund following a rigorous social impact investment philosophy

PSSIF investment aims

Social Enterprise UK defines social impact as:

“The effect of an activity on the social fabric of the community and well-being of the individuals and families”

The remit of PSSIF is similar. All investments must improve the lives of UK residents. However, investments must be backed by real assets in mature businesses that consistently deliver real yields

Social impact projects/investments across a variety of industry sectors include, but are not limited to:

- **Automotive** – electric car charging point
- **Education** – special needs schools
- **Energy** – solar/wind
- **Environmental** – forestry
- **Finance** – local lending vehicles
- **Industrial** – energy savings and efficiency equipment
- **Property** – social housing

The need for PSSIF



- Social impact investing has become a political directive for Treasuries and LGPS
- 86% of LGPS are still developing approaches on how to integrate ESG into their public investment policies
- £42bn of Local Authority Treasury money (62%) sits on deposit each day earning interest rates of close to zero
- Local Authorities only need a portion of this liquidity from time-to-time
- There is a lack of investment choice and transparency on fees
- The bulk of Local Authorities' investments are unsecured
- Inflation is eroding a large proportion of investments by 2% p/a.





Rise of Impact Investing

The rise of impact investing Scaling up impact through listed equities

13% annual growth in impact assets for those organizations that participated 5 years ago

| | 2013 | 2017 | CAGR |
|------------------------------|---------------|---------------|------------|
| Public equity | 326 | 1,962 | 57% |
| Private equity | 7,222 | 14,351 | 19% |
| Private debt | 12,338 | 23,379 | 17% |
| Deposits and cash equivalent | 983 | 1,429 | 10% |
| Real assets | 1,591 | 1,784 | 3% |
| Public debt | 4,012 | 4,453 | 3% |
| Equity-like debt | 2,673 | 2,202 | -5% |
| Other | 1,647 | 1,217 | -7% |
| Total | 30,792 | 50,777 | 13% |



\$228.1 billion impact investing assets

\$35 billion invested in 2017

1 in 3 respondents are conventional investors that have begun impact investing

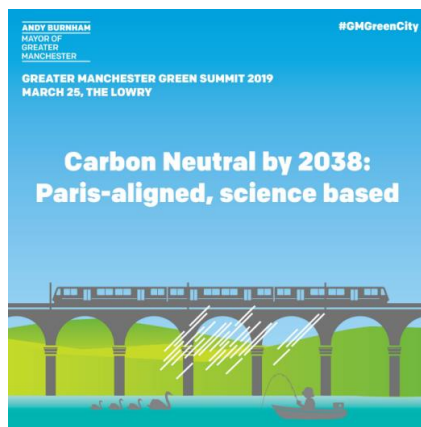
Reports:

- LGPS – Positive Experience
- Government Review - [Growing a Culture of Social Impact Investing in the UK](#)
- Morgan Stanley Report - [Morgan Stanley](#)
- JP Morgan & Global Impact Network Survey - [J.P. Morgan and the Global Impact Investing Network](#)
- Social Impact a national priority / Emergency Climate Declarations



2030 carbon neutral target

- In October 2018, Philip Hammond's budget did not mention climate change.
- In November 2018, Bristol and Manchester both declared a 'climate emergency' and set targets to be carbon neutral by 2030 and 2038 respectively
- Over 100 councils, representing more than half of the UK's population have now passed climate emergency motions.
- Many of these councils have now set a target of becoming carbon neutral by 2030, or before. This is much more ambitious than the UK government's target to reduce carbon emissions by 80% (compared to 1990 levels) by 2050
https://www.campaigncc.org/councils_climate_emergency
- In May 2019, the UK Parliament followed the councils' lead, unanimously approving a non-binding motion to declare a climate emergency and calling on the government to adopt more ambitious targets for reaching net zero emissions
- *Altana will be investigating if Local Authorities are able to achieve credits towards their carbon neutral targets, by undertaking an investment in PSSIF and the underlying investments impacts.*



Sources: Campaign Against Climate Change and The Guardian



PSSIF social impact goals

- The Fund will follow best practice of both the Global Steering Group for Impact Investment and the UN Sustainable Development Goals Framework:



GLOBAL SOCIAL IMPACT INVESTMENT STEERING GROUP

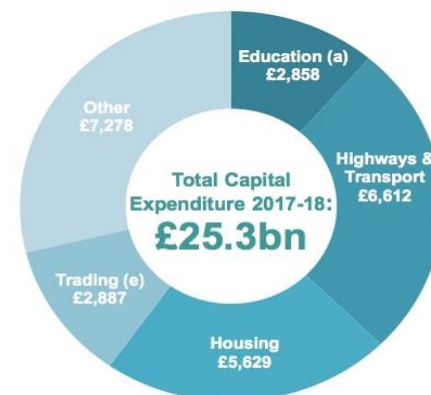
Successor to and incorporating the work of the G8 Social Impact Investment Taskforce

| | | | | | |
|--|--|--|--|--|--|
| 1 NO POVERTY | 2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION |
| 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 10 REDUCED INEQUALITIES | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS | SUSTAINABLE DEVELOPMENT GOALS |

Alignment with Local Authority Treasury investments

- From 2013-18, investment in Environmental and Regulatory Services increased 105%, (which is the second largest increase amongst all 12 services in England's Total Capital Expenditure.) However, in 2017-18 this only accounted for £1.2bn out of a total investment of £25.3bn
- Over the same period investment in housing was £5.6bn an increase of 42%. How much of this was social housing?
- PSSIF will be investing in both these sectors. In the former, through solar and wind power, electric car charging points and reforestation. The latter through investment in social housing.

| Service | % change 2013-14 to 2017-18 |
|---------------------------------|-----------------------------|
| Trading | +524 |
| Environ & Regulation | +105 |
| Police | +90 |
| Central Services | +53 |
| Housing | +42 |
| Planning & Development | +41 |
| Culture | +31 |
| Public Health | 0 |
| Highways & Transport | 0 |
| Fire & Rescue | -13 |
| Social Care | -17 |
| Education | -31 |



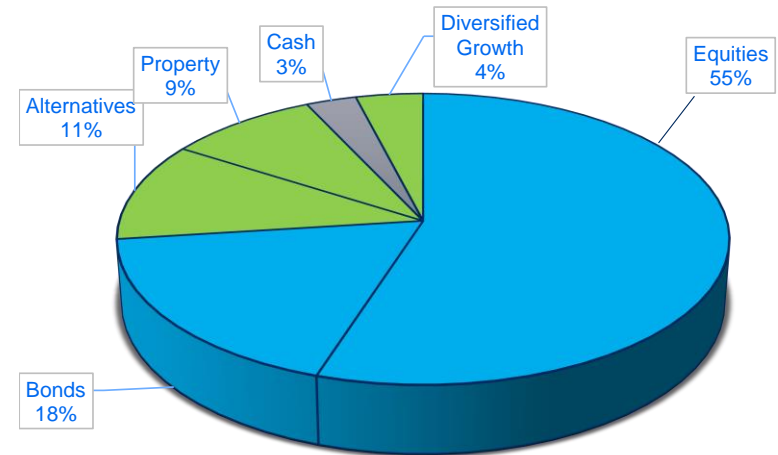
* Other category includes: Social care, Public Health, Culture & Related services, Environmental, Planning & Development, Police, Fire & Rescue and Central services.

Source: Local Authority Capital Expenditure & Receipts, England: 2017-18

Alignment with LGPS investments

- LGPS investment into the alternatives bucket has increased steadily over the past three years to 11%
- It is expected to continue to grow as LGPSs increasingly look to diversify their portfolios
- With 38% of the alternatives bucket in private equity and 32% in cash deposits, PSSIF would provide a diversification into private debt.

| Asset class | Asset type | £bn | % |
|--------------|--|-------------|------------|
| Alternatives | Cash deposits | 5.8 | 32 |
| | Private equity | 6.8 | 38 |
| | Other balances | 0.9 | 5 |
| | Other (including aggregated private equity/infrastructure/other) | 0.9 | 5 |
| | Infrastructure | 2.0 | 11 |
| | Derivatives | 1.5 | 9 |
| Total | | 17.9 | 100 |



Maximising returns by pooling liquid reserves

- A Local Authority Treasury has £10m of liquid reserves. Typically these are placed on short term deposit rates which are approximately:

| Months | Deposit Rate |
|--------|--------------|
| 1 | 0.5% |
| 3 | 0.75% |
| 12 | 1% |

- If the reserves are on less than a one month deposit, returns could be sub 0.5%. However, if 30% of the reserves are on one month, 60% on three months and 10% on 12 months of deposits, this gives a blended return of 0.7%
- As multiple Local Authorities are unlikely to all liquidate at the same time, then their assets could be grouped as 10% on one month, 30% on three months and 60% on 12 months, giving a blended return of 0.88%.
- Pooled assets could be further enhanced with 25% in short-dated bonds to add another 0.5-0.75%
- The Local Authority has potentially increased its annual cash flow by over £100,000 without reducing liquidity
- To further improve returns many Local Authorities will be able to invest in longer term, less liquid, opportunities that will yield much higher returns (~ 6-8%), adding significant cash flow to their budgets.

Altana Wealth - Background



- Altana was founded in 2009 by Lee Robinson to deliver real (inflation-adjusted) returns
- Altana's funds have won seven performance awards in the past four years, (including one for Philip Crate, Investment Director of the Altana Corporate Bond Fund)



Corporate Credit < US\$100mn Strategy Assets
Best Performing Fund in 2016



Best new alternative UCITS hedge fund
Altana Director Alignment Strategy UCITS (ADAS)
Altana Wealth



Best cryptocurrency blockchain hedge fund
Altana Digital Currency Fund
Altana Wealth

- Altana has an institutional quality operational infrastructure for back office, fund accounting and trusted service providers.
- Lee's continuing co-investment in new funds demonstrates a clear alignment of interest with any potential investor alongside the strength of his belief in the product
- Altana has its head office in London and is authorised and regulated by the Financial Conduct Authority. Altana is approved as a UCITS operator by the Central Bank of Ireland
- Altana has always been driven by performance and is proud to have made more from its performance than management fees.

Governance

Altana Wealth will be legally responsible and act as the regulated manager of the funds

Highest standards of governance with representation from Local Authorities.

Altana has signed up to the LGPS Code of Transparency

There are multiple checks and measures before an investment can be made

- The investment team will source and filter investments to be submitted to the Investment Committee
- The Investment Committee has eight members (see Appendix for bios):
 - Three from Local Authorities
 - Three from Altana
 - Two independent finance professionals/entrepreneurs
- The Conflicts of Interest Policy will be enforced by Altana
- Investment decision process:
 - Unanimous decisions are sent back to the investment team for execution
 - Majority decisions will have a further investigation period of two to four weeks
 - Then a super majority decision (>75%) is required before proceeding with the investment
- Transparency with quarterly reporting and dedicated client contact available.



Governance – Client reporting

To reduce the administrative burden and provide greater clarity to investors, reporting will be centralised through an online portal via the Altana website.

| On demand | Event | Quarterly | Annually |
|--|--|---|--|
| <ul style="list-style-type: none">• Data room via website (provides investors with information on existing investments and Due Diligence reports)• Access to Management | <ul style="list-style-type: none">• Press Release• Publishing on portal• Complement to offering circular | <ul style="list-style-type: none">• Quarterly Financial & Investment Update Report• Investor update meetings• Investor Announcements on new Investments | <ul style="list-style-type: none">• Annual Financial Report:<ul style="list-style-type: none">• Annual audited Accounts• Market Commentary & Outlook• Annual Social Impact Report• Investor AGM |



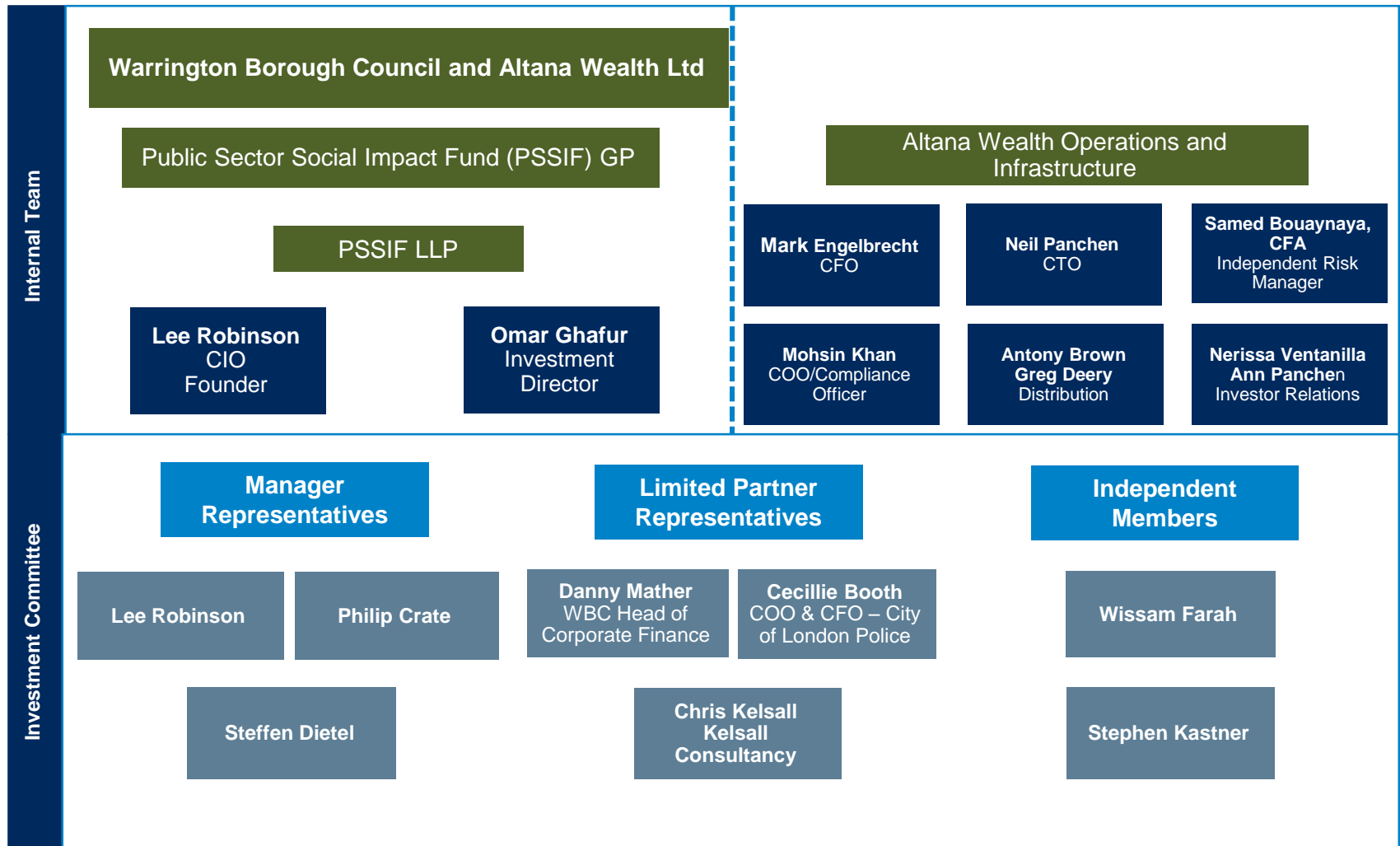
General:

- Maximum position size of 10%
- UK assets with maximum concentration of 10% in any one transaction and 20% in any one sector or region
- Counterparties to be investment grade quality
- Market based or higher returns, with a minimum hurdle of Libor +500
- Legal due diligence and contractual documentation via experienced, specialist law firms
- Independent third party trustees.

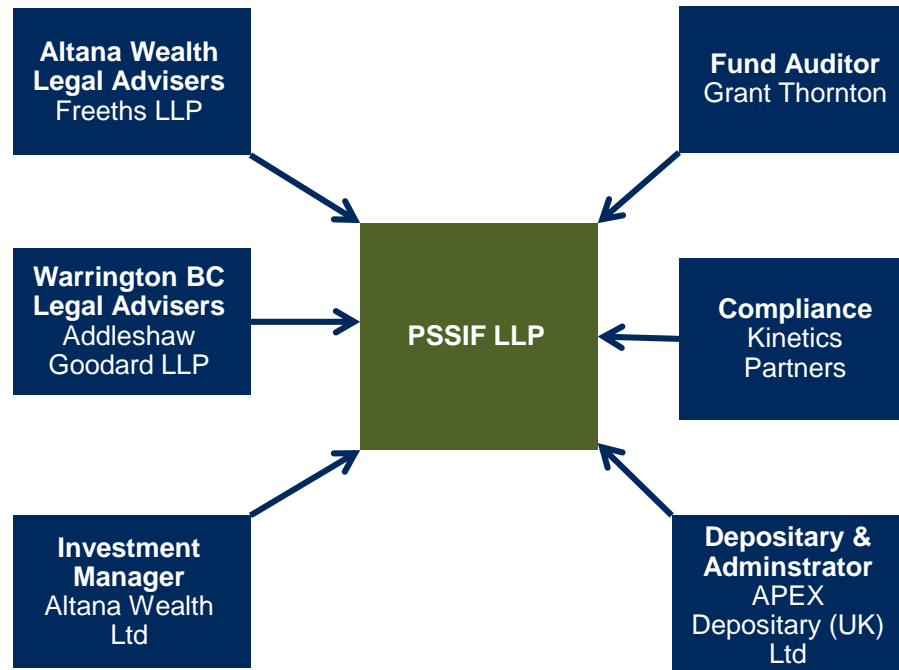
Infrastructure:

- Oversight from the CIO, who is personally invested in the fund
- Independent Risk Manager overseeing the portfolio to ensure it remains within its guidelines and constraints
- Operations team reconciling and monitoring daily activity to PMs and administrators
- Bloomberg AIM used for real time order management and portfolio monitoring by PMs, CIO and Risk Manager
- Weekly risk management meetings and scenario analysis
- Altana Wealth LLP is authorised and regulated by the FCA.

PSSIF Organisational Structure



PSSIF Fund Structure



PSSIF Fund terms

| | |
|------------------------|---|
| Structure | UK LLP |
| Asset Type | Private investments (predominantly senior secured/asset backed) Investment grade Counterparties |
| Holdings | 15-20 |
| Risk Management | Extensive DD |
| Holding Period | Longer term (7 -10 years) |
| Target Return | Annual yields in the initial years reflective of income minus fees, growing to 6-8% gross p.a. as Fund transitions to higher-yielding social impact investments |
| Closing dates | Q4 2019, Q1 2020 and Q3 2020 |

Investment Terms:

| | |
|-------------------------|-------------------|
| Management Fees | 1.5% ¹ |
| Performance Fees | 15% ² |

No upfront or exit fees

1 -1st close & volume discounts offered

2 - Subject to a hurdle of 3%

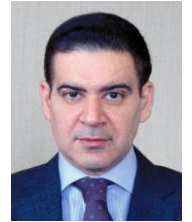


Omar Ghafur (Investment Team)



Omar Ghafur – Investment Director of the Public Sector Social Impact Fund

- Omar has over 15 years of experience in the public and private investments sector, encompassing direct private equity, private debt, real estate, as well as the creation, launch and management of private investment funds spanning a wide range of asset classes using different financial instruments
- Prior to joining Altana he was the Investment Director of Private Equity at LGPS Central Ltd, the specialist asset management firm responsible for investing and managing the pooled assets of nine Midlands-based local government pension schemes.
- In 2018/19, he built and launched the LGPS Central PE Fund platform in under six months, while ensuring that there was a robust ESG framework policy in place. The fund was tailored to fit the LGPS “pooling” mandate of significantly reducing costs and enhancing risk-adjusted returns whilst ensuring underlying investments met high ESG standards. Omar and his team successfully deployed circa 85% of the LGPS Central PE Funds capital within eight months of its launch in "AAA" quality Private Equity investments.
- He started his career at a Bank of America Structured Finance Affiliate Co. in London, and most recently was a Board Director and Senior Investment Manager with Special Situations Investment Partners, the private investments arm of a charitable trust
- Omar holds a bachelor’s degree in Finance and Computer Science from New Jersey City University and an MBA in Finance from Cass Business School, City University, London.



Cecilie Booth (Local Authority IC Member)



Cecilie Booth – Chief Operating and Chief Financial Officer, City of London Police



- A CIPFA qualified accountant with a wealth of experience in both the public and private sector at a senior level. Particular strength in providing leadership and support for teams and individuals. Responsible for budget setting, budget monitoring, capital programme management, legal and financial governance arrangements, closure of accounts, housing finance, mortgage finance, revenues and benefits, internal audit, commercial investment and loans to third parties
- Long track record of working with elected members, preparing and presenting comprehensive reports on complex financial matters and delivering member training relating to a range of different subjects
- 11 years' experience in financial consultancy, providing treasury management and capital finance advice to Local Authorities and other public sector organisations, including undertaking due diligence on commercial activity proposals
- Extensive and successful experience of public and private sector working as an interim, employee, consultant and associate. Enhanced skills in service transformation, motivating teams and individual team members through implementing new and improved processes, enabling teams and individuals to take ownership of service delivery. Experienced at managing successful relationships with both internal and external stakeholders, and in particular with commercial projects, including state aid compliant loans to third parties and analysing complex structures of private/public partnerships.

Lee Robinson (Altana IC Member)



Lee Robinson – Founder and CIO



- Lee Robinson is an industry veteran with two decades experience in financial markets
 - Managed over \$3b AUM
 - Generated returns of more than \$1b
 - Founded 3 firms
 - +4.8% return in 2008
- Started as an equity and fixed income derivatives trader at Paribas and Deutsche Bank, before joining Tudor and setting up Trafalgar Asset Managers and Altana Wealth
- As CIO and co-founder of Trafalgar, which launched with \$6m in November 2001, growing AUM to over \$3bn and employing over 40 staff at its peak. He has won multiple industry awards, with more than 20 nominations and seven wins
- He built and developed operations of the business that suffered no counterparty credit losses. Trafalgar sold a 19.99% stake to a Goldman Sachs private equity vehicle in April 2008
- In over 15 years in asset management Lee has generated over \$1bn in gross profits for his investors
- Lee graduated from Cambridge University (Magdalene College) with a degree in Mathematics
- He is currently a member of the executive committee of the YPO*- Financial Services Network, in the role of Communications Officer. He is also a board member RFPL, holding company of Redwood Bank

*YPO (Young Presidents' Organization) is a network of 20,000 business leaders in 120+ countries, established specifically as a network where leaders of businesses that fulfil specific size and revenue requirements, aged 45 and under, can participate in on-going education and idea-sharing. Its mission statement is "Better Leaders Through Education and Idea Exchange™".

Danny Mather (Local Authority IC Member)



Danny Mather – Head of Corporate Finance at Warrington Borough Council

- Danny is responsible for all aspects of the Council's Corporate Finance Function and is a CIPFA qualified accountant
- Danny is an expert in treasury management, capital accounting, project management and governance and risk. For Warrington he has led on a £200m+ property investment in Birchwood Park, a £450m loans programme with Housing Associations, a £150m Council bond issue that was the first in a generation, the 33% shareholding in Redwood Bank- the first Council-owned bank formed in the last 100 years, property investments, a Council owned Housing Company and structuring over £200m of collaborative Public Sector Solar Investment Bonds
- Danny is a member of the LGA Commercialisation Group and Deputy Chair of the CIPFA Treasury Management Advisory Panel. He speaks at professional conferences and writes articles for professional publications on finance and commercialisation issues
- He has recently co-authored the CIPFA publication 'The Practicalities of Prudence: Key Principles of Due Diligence for Local Authorities'.



Chris Kelsall (Local Authority IC Member)



Chris Kelsall – Kelsall Consultancy

- Chris qualified as a chartered accountant with KPMG, before moving into the local government sector, where he has operated for 20 years
- His background combines Big Four accounting experience, working in the audit, corporate finance and insolvency sectors, with Local Authority client-side financial management
- Experience includes:
 - KPMG: audit, corporate finance, insolvency and land assembly, including compulsory purchase orders;
 - Monitoring corporate capital programmes
 - Managing complex regeneration projects
 - Management of legal, financial and technical consultants
 - PFI procurement and contract monitoring
 - Local authority loans to development partners
 - HCA: housing PFI value for money reviews
 - LIFT: contract disputes and dispute resolution procedures for Development Agreements and PFI Project Agreements.



Philip Crate (Altana IC Member)



Philip Crate – Investment Director Altana Corporate Bond Fund

- PM investing in money market instruments prior to funds being called for social impact investments
- Philip is an experienced portfolio manager with a successful track record in direct investments and portfolio allocation, including reviewing ESG compliance with regard to external manager selection
- He has a successful audited performance track record stretching back to 2004. Philip has successfully managed a number of credit strategies, including a \$500m money market portfolio
- Philip has managed the Altana Corporate Bond Fund (UCITS) dating back to the beginning of 2016. Since his arrival, the Fund's performance has consistently been in the top 10 performance category according to Bloomberg Research
- The Altana Corporate Bond Fund was voted top performing fund in the very competitive 'Under \$100m Category' by The Hedge Fund Journal in 2017
- Philip started his career at the Bank of England in 1987 before becoming Global Head of Credit Research at BNP Paribas. During his time as a sell-side credit research analyst, Philip received external recognition of the quality of his research analysis in various Euromoney and Credit Magazine investor polls.



Steffen Dietel (Altana IC Member)



Steffen Dietel – Altana Investment Director

- Manages a special opportunities cross asset portfolio
- Steffen has 20 years wealth and asset management experience. He joined Altana in 2017, where he set up the Altana Distressed Opportunities Fund (ADOF), which is currently focused on the offshore oil and gas services sector. ADOF exploits opportunities across the capital structure and thus invests in fixed income, equities and hybrid instruments. He has 20 years wealth and asset management experience
- Prior to joining Altana, Steffen was the Investment Director at Laidlaw Capital Management (LCM), a single-family office based in Monaco, where he oversaw the investment team managing about \$1bn in assets. LCM also invested across asset classes.
- Steffen headed a team which developed and financed the 400MW offshore wind farm Veja Mate in the German North Sea, raising EUR 1.9bn of project finance debt and equity in 2015. The deal piqued his interest in the offshore sector as there is considerable overlap between the renewables and oil and gas side
- Before 2008, Steffen was portfolio manager at a large German single-family office after having started his career with Dresdner Bank AG in Frankfurt in 1999
- Steffen holds an economics degree from the University of Mainz, Germany, and is a CFA charter holder.

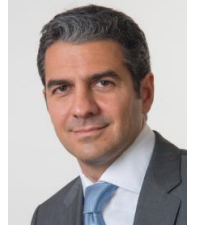


Wissam Farah (Independent IC Member)



Wissam Farah

- Non-Executive Director of Due Diligence as a Service
- His main activity is active angel investor and venturer in early stage high potential disruptive businesses.
- He is a Director and Managing Partner at KropTek, an agri-tech business specialising in LED grow lights, container farms and vertical farming solutions. He is also an advisor to several investment businesses and an occasional speaker at conferences and universities
- Between 1996 and 2018 he held senior positions in capital markets at major investment banks, during which he helped raise over \$50bn of debt and place over \$50bn of institutional investments.
- After graduating from EDHEC Business School in France, he worked in client coverage positions at Paribas investment banking, Deutsche Bank global markets for six years and Barclays Capital for two years.
- He joined Citigroup in 2006 as Managing Director and Head of Investor Sales for Central and Eastern Europe, the Middle East and Africa, and was Head of EMEA Global Market Sales at Nomura from 2016 to 2018.



Steffen Kastner (Independent IC Member)



Steffen Kastner

- Steffen spent 20 years at Goldman Sachs as MD and co-head of the European principal debt group. He worked in the firm's London, New York and Frankfurt offices.
- Prior to Goldman Sachs, he was a research fellow at the International Monetary Fund and worked in the Economics Research Department of Deutsche Bank in Frankfurt
- Since 2014, Steffen has pursued entrepreneurial ventures including an extensive project with a leading European mid-cap sponsor to evaluate and prepare the launch of a direct lending fund and build out of credit business
- Steffen is an advisor to Rekamniar Frontier Ventures, a start-up developer of renewable energy assets in emerging markets. He is an investor in a 37MW photovoltaic power plant in Jamaica, one of the largest of its kind in the Caribbean. The project achieved financial close in the spring of 2018 and is expected to become fully operational by June 2019.

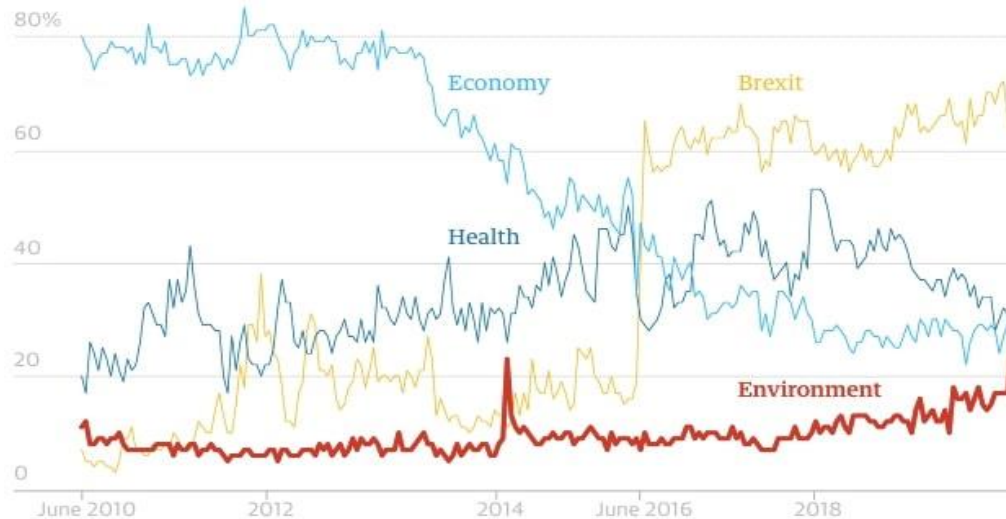




Local Authority investment trends

PSSIF alignment with constituents

- According to a recent poll by YouGov, the British public's third greatest concern is the environment, with over a quarter of Brits polled putting it in their top three, ranking above the economy for the first time since the poll began in 2010. It also ranks above crime and immigration
- Almost half of 18-24 year olds chose environmental issues as one of the nation's three most pressing issues, compared with 27% of the general population.
- Only Brexit and health rank higher, with health only marginally
- PSSIF will have a firm focus on investing in ESG initiatives.

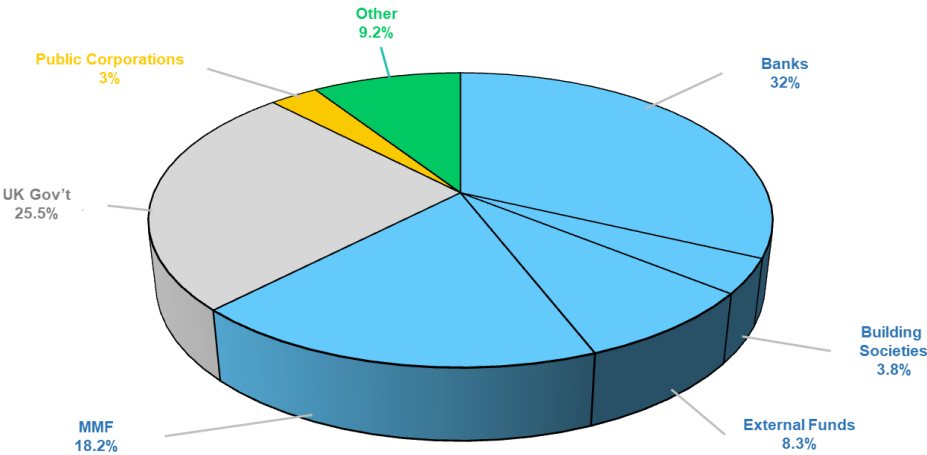


Source: YouGov, 2019

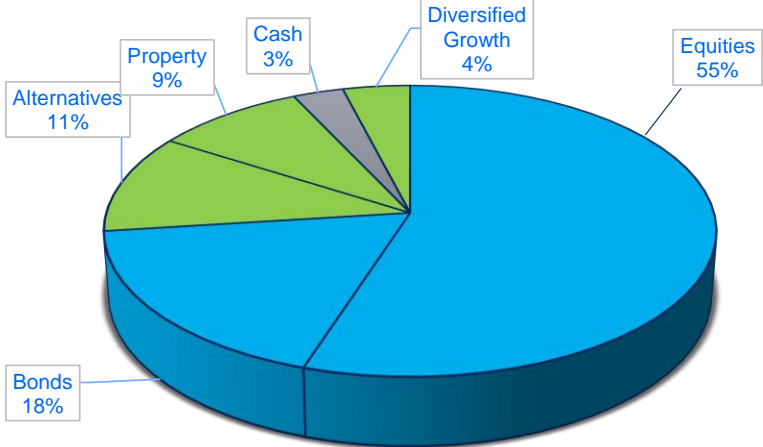
Current Local Authority Treasury and Pension Fund Investments



Local Authority Treasury Investments



Pension Funds Investments



Source: data.gov.uk, Borrowing & Investment Live Table Q1 2019

LGPS have been slow to incorporate ESG

- ShareAction/UNISON analysis of the Investment Strategy Statement of the LGPS’s, highlights that 86% are still developing approaches on how to integrate ESG into their public investment policies
- This is despite 32% referencing climate change as a material investment risk, 21% referencing low carbon investments as a positive investment strategy and 11% referencing reducing exposure to fossil fuel investments
- PSSIF will allow Local Authority Treasuries and Pension Funds with similar objectives/pressures and encourage them to propose social impact investments opportunities from their regions.

Table 1: Overall rankings of LGPS funds

| Ranking | Factors | Score | Number | % |
|---------|---|--------|--------|----|
| A | Progressing across all areas | >12-18 | 3 | 3 |
| B | Action being taken in at least one area | >8-12 | 8 | 9 |
| C | Starting to take action | >4-8 | 23 | 26 |
| D | Limited disclosure | >0-4 | 49 | 55 |
| E | No disclosure | 0 | 5 | 5 |

(South Yorkshire Transport Pension Fund were excluded from the rankings)

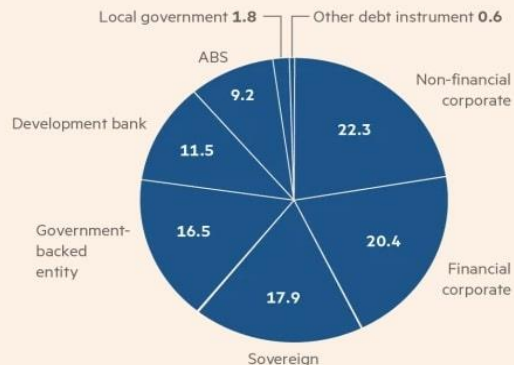
Source: ShareAction/UNISON Research & review of the pension fund’s investment strategy statements (England & Wales), April 2019

Uptick in Green Bond transactions globally

- 1.8% of Green Bond issues globally are by public authorities
- Both the number of transactions and average transaction size have been steadily increasing since 2015
 - Average number of transactions is 155, up from 60 at the start of 2015
 - Average transaction size is \$410m, up from \$45m at the start of 2015
- The average deal size for the quarter was the highest in two years, with the rebound reflecting huge demand from a diversified range of investors, who are embracing environmental, social and governance investing.
- PSSIF has been designed to meet the changing needs of local authority investors.

Corporate issuers led a diverse second quarter for green bond issuance

Share of Q2 2019 total green bond issuance (%)



Sources: Climate Bond Initiative; Moody's Investors Service
© FT

Number of green bond transactions and average transaction size are increasing over time



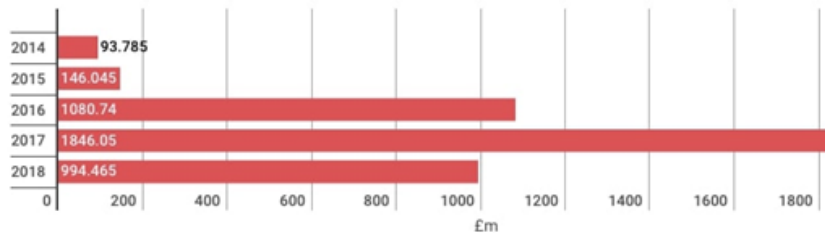
Excludes Fannie Mae green bond issuance
Sources: Climate Bonds Initiative; Moody's Investors Service
© FT

Source: FT, Q2 2019

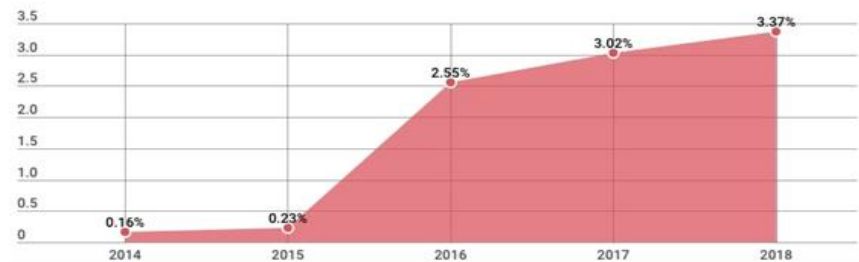
Diversification away from UK Commercial Property

- Local Authorities have spent £4.1bn on commercial property over the past four years
- They now own 3.4% of all UK commercial property (0.2% in 2014)
- In 2017 they bought nearly £1.8bn worth (1,868% up on the £94m spent in 2014)
- The investment push was sparked by the government's announcement in December 2015 that Local Authorities would need to finance their spending entirely from locally raised revenue by 2020
- PSSIF is designed to provide diversification.

Local authority purchases of UK commercial property (£m)



Councils' share of all commercial property investment (%)



Source: Property Week Residential 7 Data Analysis, 2018

Contact Details



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Issued by Altana Wealth Ltd 2019