

EXEMPT - GMPF - EXECUTIVE DECISION NOTICE

SUBJECT MATTER:	PRIVATE DEBT FUND INVESTMENT (Approval 1 – 13/09/2021)
DECISION:	To APPROVE an investment of £135 million in a Private Debt Fund, subject to satisfactory completion of outstanding legals.
DECISION TAKER:	Sandra Stewart
DESIGNATION OF DECISION TAKER:	Director of Pensions
DATE OF DECISION:	13 September 2021
REASON FOR DECISION:	<p>The Panel has allocated up to 5% of total assets to Private Debt. The report includes an analysis of the required pacing of commitments necessary to meet the target allocation within a reasonable and sensible timeframe, whilst also prescribing appropriate diversification targets on the portfolio. The Private Markets team is responsible for selecting managers and funds consistent with the approved strategy.</p> <p>The Director has delegated authority to sign off investments of this nature.</p>
ALTERNATIVE OPTIONS REJECTED (if any):	<p>This investment has been selected by the GMPF team as part of the annual Private Debt commitment programme.</p> <p>The team continually reviews the investible universe for the best investment opportunities. Recent competitor funds have been assessed but have not been progressed.</p>
CONSULTEES:	<p>The team has taken appropriate reference calls with relevant parties and consulted with GMPF's Investment Committee. There is a consensus on the manager being credible and this being an appropriate investment for GMPF's Private Debt Portfolio.</p>
FINANCIAL IMPLICATIONS:	<p>The commitment to this fund will increase the total commitments to Private Debt consistent with the implementation plans described in the Annual Review of Strategy & Implementation received by the Fund's Policy & Development Working Group and approved by the Management Panel.</p> <p>There are no issues arising from portfolio concentration or overall Private Debt exposure from this investment.</p>
LEGAL IMPLICATIONS:	<p>A Subscription Agreement and, as necessary, a side letter will be entered into to formalise the commitment to the Fund, subject to approval of the Compliance Officer. The Limited Partnership Agreement is the main controlling document and is subject to review by GMPF officers and review and approval by Pension Fund Legal.</p>
RISK MANAGEMENT:	<p>Whilst the manager is well-regarded and long-standing, there is always a risk that any individual fund will not deliver on its</p>

	<p>promised returns due to either specific issues with investments or due to broader asset market factors.</p> <p>The approach to mitigating these risks is portfolio construction involving diversification along manager, market segment, geographic and fund vintage dimensions.</p>
CONFLICT OF INTEREST:	None
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	N/A
ACCESS TO INFORMATION:	<p>Not for Publication: This report contains exempt information relating to paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended). On balance, under paragraph 10 of Part 2 of Schedule 12A, it would not be in the public interest to disclose this information to the public because disclosure would, or would likely to, prejudice the commercial interests of the Fund and/or its agents which, in turn, could impact upon the interests of the local taxpayer and/or the beneficiaries of the Fund.</p>
REFERENCE DOCUMENTS:	<p>Any further information can be obtained by contacting: Neil Cooper, Head of Pension Investments by phone on 0161 301 7142 or by email: neil.cooper@gmpf.org.uk</p>



Signed
Sandra Stewart, Director of Pensions

Dated: 13 September 2021