

A large, stylized globe composed of a grid of blue dots of varying sizes, creating a 3D effect. The globe is centered in the background and partially obscured by the title text.

# The International Forum of Sovereign Wealth Funds

Introduction  
March 2019

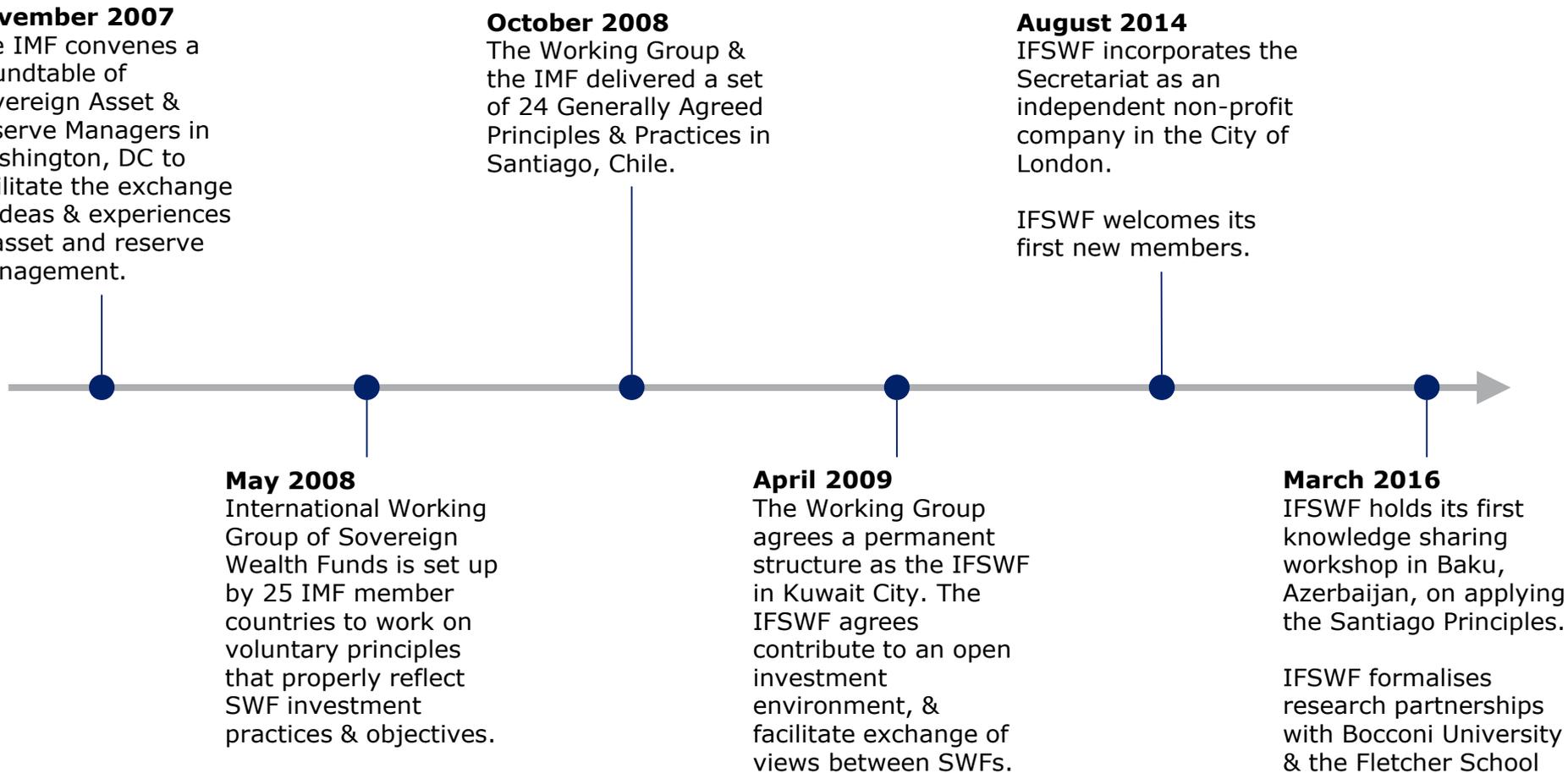
# Contents

- **What is the IFSWF?**

- What do we do?
- What value do we bring?
- How to join

# What is the IFSWF? Our History

*The first organisation created by and for sovereign wealth funds to represent the community, network share experiences.*



# Today, the IFSWF has a truly global membership

*All our 32 members conform to the definition of a SWF written by sovereign funds themselves.*



Abu Dhabi,  
UAE



Rwanda



Alaska, USA



Mexico



Italy



China



Panama



Senegal



Angola



Australia



Singapore



Trinidad &  
Tobago



Nauru



Ireland



Morocco



Malaysia



Korea



Kuwait



Libya



Iran



Kazakhstan



New Zealand



Nigeria



Palestine



Timor-Leste



Botswana



Qatar



Russia



Kazakhstan



Oman



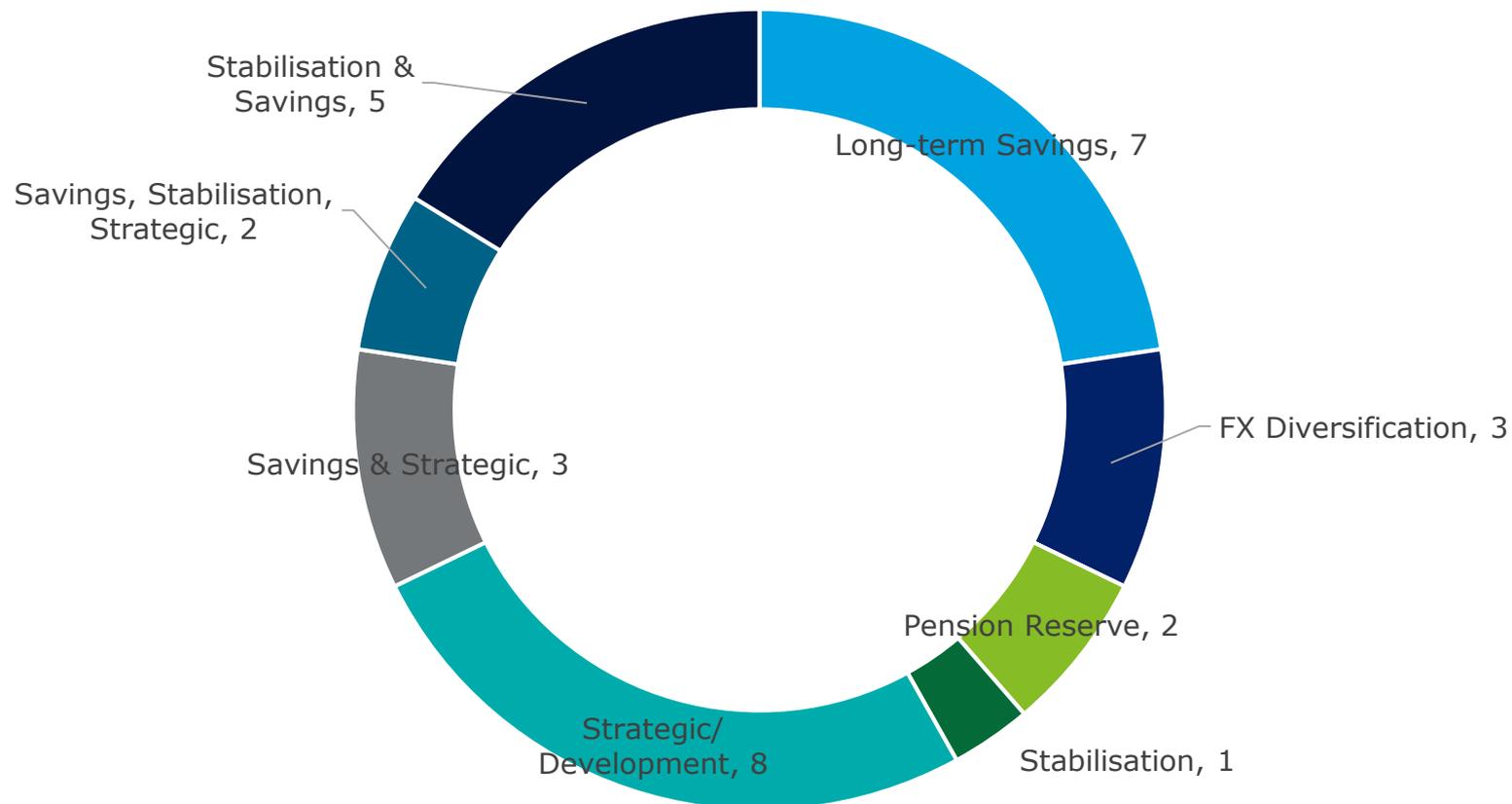
Azerbaijan



Turkey

# Our members have a diverse range of mandates

*Almost half of our members have some form of domestic strategic or development mandate.*



# We are a member-led organisation

*Over a third of our members have positions on our Board and Advisory Committee*

## Our Board



**Majed Al Romaihi**  
**IFSWF Chair**  
Chairman,  
Management  
Committee,  
Executive Director,  
Strategy & Planning  
Department  
Abu Dhabi  
Investment Authority



**Angela Rodell**  
**IFSWF Deputy  
Chair**  
CEO  
Alaska Permanent  
Fund Corporation



**Deanna Ong**  
Managing Director  
& Chief People  
Officer  
GIC Private  
Limited

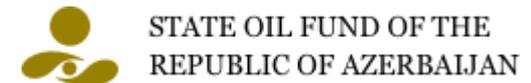


**Shahmar Movsumov**  
CEO  
State Oil Fund of  
the Republic of  
Azerbaijan



**Tu Guangshao**  
President & Vice-  
Chairman  
China Investment  
Corporation

## Our Advisory Committee



# The IFSWF Team



Duncan Bonfield  
**Chief Executive**



Victoria Barbary  
**Director of  
Strategy &  
Communications**



Enrico Soddu  
**Head of Data &  
Analytics**



Carissa Henry  
**Events & Office  
Manager**

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# Standard Setting

# The Santiago Principles

*All members voluntarily apply the Santiago Principles: the accepted standard for sovereign fund governance, investment practice & risk management.*

- The Santiago Principles are a code of conduct that outlines good practices for SWFs:
  - Objectives and coordination with economic policy
  - Institutional framework and governance structure
  - Investment and risk management
- IFSWF members use the Santiago Principles to:
  - Benchmark and their practices and structure
  - Serve as a framework for peer learning
  - Continuously improve investment & financial outcomes
- Our members are increasingly transparent about how they apply the Principles:
  - In 2016, 12 members published case studies on the value of implementing the Santiago Principles
  - In February 2017, 29 members published their self-assessments



# Encouraging Application & Appropriate Transparency

*We encourage good governance and ongoing commitment to the Santiago Principles.*



- IFSWF takes a principles-based approach to applying the Santiago Principles. We understand that the circumstances of no two sovereign funds are the same.



- All IFSWF members must complete a self-assessment of their application of the Santiago Principles.
- We provide guidelines on how to complete the self-assessment.



- We expect members to revisit their self-assessments on a triennial basis.



- Self-assessments are voluntarily published on the IFSWF website.

# Knowledge Sharing

# Meetings, Workshops & Webinars

*Throughout the year, we hold workshops, webinars and our annual meeting to enable members to network, learn from each other and expert practitioners.*

- **The annual meeting is an opportunity for networking and peer learning**
  - Member-led panel debates
  - Practical, hands-on workshops for members
  - Presentations and keynotes by global leaders in investment and policy
- **Workshops provide an opportunity for knowledge sharing with trusted peers**
  - Intimate, confidential sessions promote open and in-depth discussion
  - Across function networking opportunities
  - Member-driven agenda and content
- **Online seminars give members access to global experts on investment practice**
  - In 2018, we held seminars with:
    - State Street
    - CEM Benchmarking
    - Gatehouse Advisory



Research Partners



# Relevant Member-Led Content

*Our events address a wide range of investment topics of specific relevance to our members with input from our Advisory Committee of members.*

## 2017

### • Risk Management Workshop

- *Reframing risk in a changing world*, hosted by the Fletcher School Tufts University in Boston
- Attended by senior risk managers from 12 members
- Facilitated discussion on non-financial risks, including cyber security, climate change, operations, and regulation
- Plenary session held with K&L Gates, CFA Society & Focusing Capital on the Long Term

### • Climate Change Webinars

- Four online seminars addressing key issues pertaining to the investment impact of climate change.
- Speakers from members, UN PRI, Mercer, Willis Towers Watson & the Blended Capital Group.

### • Investment Practice Webinars

- *Risk in the Real World* with Mark Kritzman, Senior Lecturer in Finance at, MIT
- *Moneyball meets private equity: home run or strikeout?* With Josh Lerner, Professor of Investment Banking at Harvard Business School.

## 2018

### • Communications & Reporting Workshop

- Hosted by State General Reserve Fund of Oman
- Why sovereign wealth funds need a comms strategy
- Working with the media
- Internal and external communications
- Official reporting
- Crisis management

### • Development Fund Workshop

- Hosted by the World Bank in Washington, DC
- The Role of SWFs in National Development
- Managing Portfolio Companies for Success
- The Case for Investing in the UN Strategic Development Goals

### • Investment Practice Webinars

- How Asset Class and Implementation Decisions Drive Fund performance and Organisational Design
- Quantifying the Political Risk Premium
- Enhanced Asset Utilisation: Securities Lending & Collateral Transformation

# 2019 Agenda

*In 2019 we are addressing a wide range of topics relevant to our members.*

## • **Looking Forward: SWFs to 2030**

- Two-year research project to identify the forces that will shape how SWFs operate over the next decade undertaken by the Fletcher School at Tufts University and Tiger Hill Capital.
- Member-led research methodology, based on interviews with SWFs and public and private-sector partners.
- Member workshop to develop hypotheses to be held in London in April 2019.

## • **General Counsel Summit**

- To be hosted by CDP in Rome, in June 2019
- Closed forum for senior legal practitioners at SWFs to discuss important issues including:
  - International Sanctions
  - International Arbitration
  - Investing Abroad
  - Tax Arrangements

## • **Fin-tech in investing, and investing in fin-tech**

- A research project run by State Street will provide an overview of the landscape of emerging technology and evaluate some of the most compelling technological evolutions such as:
  - artificial intelligence & machine learning
  - blockchain & distributed ledgers
  - big data & predictive analytics
  - real-time tracking
  - biometric authentication

## • **Investment Practice Webinars**

- ESG Benchmarking Real Assets with GRESB
- What makes a top-performing fund with CEM Benchmarking

# Annual Meeting

*Our three-day annual meeting provides members with the opportunity to spend time together in a closed, non-commercial forum.*

- **The annual meeting is an opportunity for networking and peer learning**
  - Member-led panel debates
  - Practical, hands-on workshops for members
  - Presentations and keynotes by global leaders in investment and policy
- **In 2018 topics discussed included:**
  - What does it mean to be a long-term investor?
  - The Century of Cities & SWFs
  - How to use SWFs to spur domestic growth
  - The Challenges of Globalisation
  - Building a Sustainable Financial System
- **In 2019 we will be discussing:**
  - Technological disruption
  - Partnering in private markets
  - Creating productive partnerships for public markets
  - Developing the Arctic



# Peer Assistance

*We can provide members with custom peer benchmarking exercises on request, drawing on our network of experts for little or no cost.*



## Project details:

- **Costs** – Vary based on project scope and the external consultant hired
- **Available IFSWF Resources** – IFSWF draws up on the expertise of its 31 members, academic partnerships, private sector relationships, and network of independent consultants
- **Project Outputs** – Each project produces a bespoke report for the sponsoring member. Additionally, IFSWF creates a case study of best practices for each project

## Purpose:

- Build knowledge base for IFSWF members
- Highlight some of the key findings from this project
- Showcase IFSWF

# Representation

# The Outward Face of Sovereign Wealth Funds

*Since 2016, IFSWF has started to represent the Santiago Principles and our members to the financial media and wider financial services community*

- We work with PR firm FTI Consulting to ensure that our members are accurately represented in the press.
- IFSWF publishes an **annual review** of SWF investment behaviour using its own proprietary database.

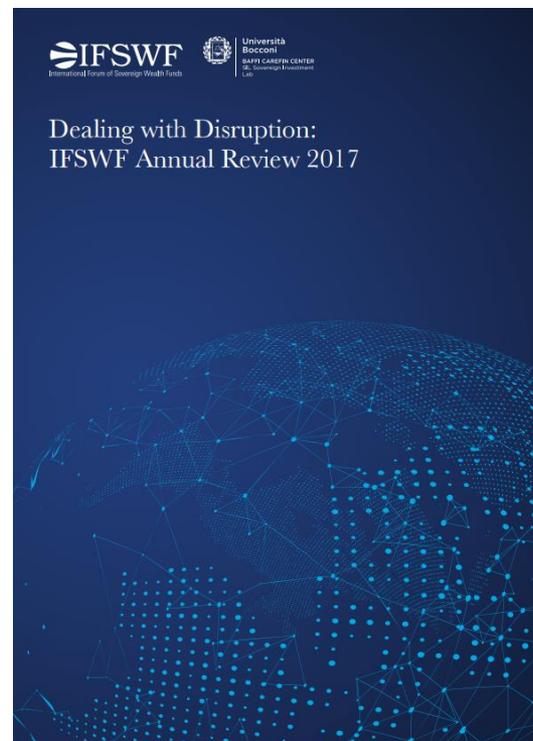


REUTERS



**AsianInvestor**

Pensions&Investments



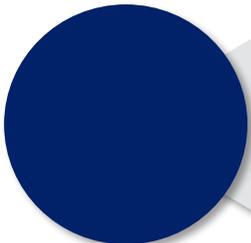
[http://www.ifswf.org/sites/default/files/IFSWSF\\_ANNUAL\\_REVIEW\\_2018.pdf](http://www.ifswf.org/sites/default/files/IFSWSF_ANNUAL_REVIEW_2018.pdf)

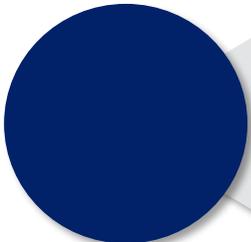
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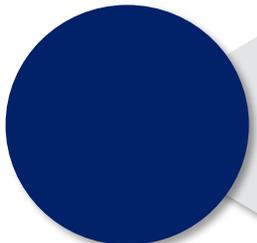
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# Bringing Value to Our Members

*While IFSWF's roots are in governance standards, we are now a fully fledged membership organisation.*

- 
- **Networking:** IFSWF provides platform for building relationships between individuals across business functions in member institutions.

- 
- **Peer Learning:** IFSWF provides a range of in-person and online opportunities to discover and compare best practices from their peers across a wide range of investment and operational issues.

- 
- **International Recognition:** As a member of the IFSWF, voluntary application provides partners with assurance about governance structures and investment practices.

*“The IFSWF works on **comparison, co-operation** and perhaps, in-time, **co-investment**. All activities that benefit each member, and the global financial community, if we get it right.”*

*Adrian Orr, IFSWF Chair, September 2015*

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# Joining IFSWF is a four-step process

1.

## Endorsement of the Santiago Principles

- Santiago Principles self-assessment
- Commitment to continuously improving implementation

2.

## Adherence to IFSWF's Members' Agreement

- Submission of the application form
- Commitment to upholding the duties of membership

3.

## Due diligence by the Secretariat

- Research and visit by the Secretariat
- Review of SWF status

4.

## Acceptance by the Board

- Formal review by the board
- Payment of the membership fee



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