



POSITIVE INCOME, POSITIVE PURPOSE - LISTED FIXED INCOME OPPORTUNITIES WITH POSITIVE SOCIAL IMPACT

Tim Jones, Senior Advisor To The Trustees, Allia

Webinar

Wednesday, 10 March 2021, 12:00 GMT

A Word From Today's Chairman



Professor Michael Mainelli

Executive Chairman

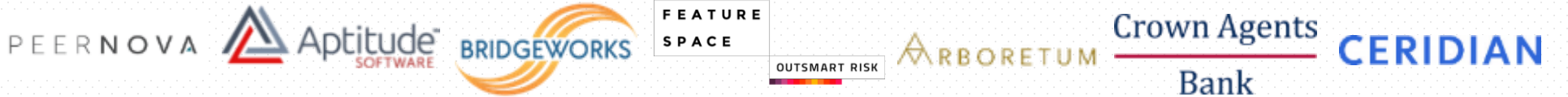
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Today's Agenda



- 12:00 – 12:05 Chairman's Introduction
- 12:05 – 12:25 Keynote Address
- 12:25 – 12:45 Questions & Answers

Today's Speakers



Tim Jones

Senior Advisor to the Trustees

Allia

Positive Income Positive Purpose

Listed Fixed Income Opportunities With Positive Social Impact

March 2021

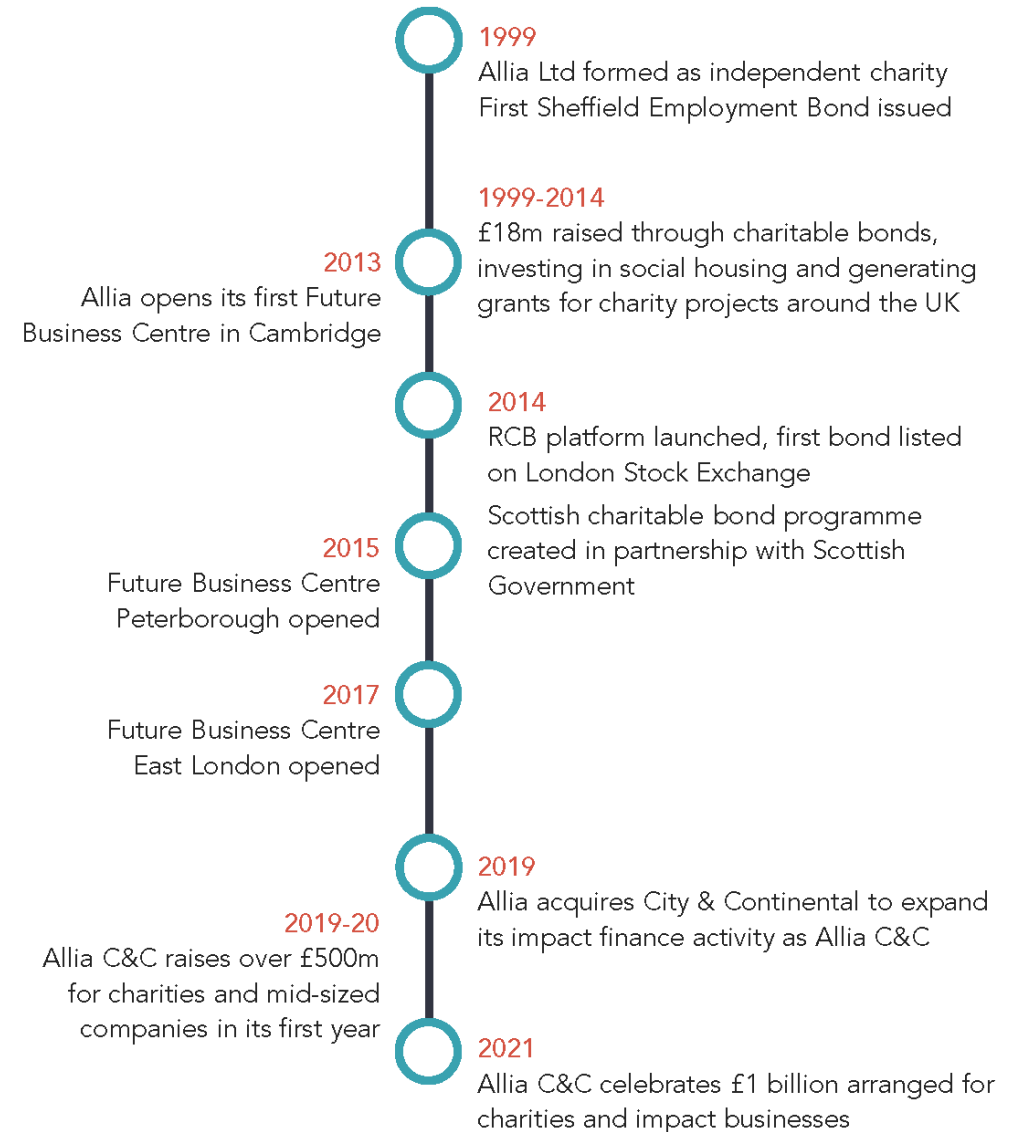
Introduction

We are Allia.

For 20 years, we've supported those that aim to make positive change and address the most pressing global and local challenges.

We help to create greater impact by enabling these ventures and entrepreneurs to do more, more effectively and on a greater scale.

We call this amplifying impact.



- Allia C&C is a unique financial services company
 - Regulated by the Financial Conduct Authority
 - Focused on charities and impact businesses
 - As part of the Allia organisation its profits help to fund projects addressing key social issues
- Three core businesses activities:

Debt capital markets

Advisory and arranging services for established, mid-sized borrowers.

Trading and brokerage

Servicing professional and institutional investors.

Bond services

Administration services for special purpose bond issuers.

Charitable borrowers

Who are they?

What do they finance?

Why use listed bonds?



ESG in a post truth world

What do ethical investors want?



The Allia approach

Is it making an impact?

Who and what?



Why Listed?

Broadens
investor base

Mainstream

Regulated

- Maximises addressable market
 - Many wholesale/institutional investors need a listing
 - Daily liquidity
 - Terms or constitution of fund
 - Index eligibility
- Easy access for offshore investors
- Retail investors want to track and trade investments

Why Listed?

Broadens
investor base

Mainstream

Regulated

- Can be benchmarked and compared to others
 - i.e. mainstream investment
- Difficult for charities to be mainstream
 - Often requiring small sums
 - Unusual constitutions with no access to equity
 - Charity SORP
- Debt Securities – Listed Bonds are mainstream

Why Listed?

Broadens
investor base

Mainstream

Regulated

➤ Confidence

- Scrutiny
- Compliance with rules
- Penalties for misrepresentation

➤ Restrictions on mini-bonds

➤ Any listing?

- Listing in itself is not enough
 - Respected, Recognised and regulated eg LSE
 - Capacity to trade – listing does not guarantee liquidity
 - On-going investor relations

Wholesale

- Large, rated, index-eligible
- Issued by a charity or corporate, and/or
- ESG aligned

Retail

- Small; usually unrated
- Issued by a charity
- Publish a Social Impact Report

- ESG - environmental, social and governance-based screening of the wider stock market.
 - In vogue – brands everywhere are trying to look good
 - Investors sceptical of greenwashing and of corporate reporting claims of “listening to the investor”
 - More and more investors demand direct, tangible, proven impacts to which they can relate
 - Fund managers need social impact they can publish and promote in their marketing

Retail &
Wholesale
investors

Insurance
companies &
Pension funds

Investment
trusts

UCITs/ETFs

Wholesale

- Dominated by Housing Associations
- Some issuance from:
 - Universities
 - Other charities
 - Social Impact organisations (e.g. Motability or the Wellcome Trust)

Retail

- Efficient, low-cost access to the public bond market for charities
- Issuance through Allia's vehicle: RCB plc
 - Borrowing in bond market and on-lending to charities.
 - Investors depend on the individual charity to service their bonds
- Governed by an experienced, independent board

➤ RCB Bonds offer:

- Direct, positive social impact
- Identifiable Credit
- Clear covenants
- Liquidity
- Appropriate and competitive returns
- Annual Social Impact Reports



- For a 7 to 10 year RCB bond, unsecured, interest only, non-amortising, what is the likely coupon?
 - < 3%
 - 3% to 5%
 - 5% to 7%
 - > 7%

Charities Aid Foundation

£30m 5.0%
10yrs

Retail Bond Issue
Lead Manager



RCB Bonds



Belong

£50m 4.50%
8yrs

Retail Bond Issue
Lead Manager





Golden Lane Housing

working in partnership with 

£18m 3.90%
10yrs

Retail Bond Issue
Lead Manager





£31.5m 4%
10yrs

Retail Bond Issue
Lead Manager





£18m 5%
10yrs

Retail Bond Issue
Lead Manager





Helping Raise
Tier 2
Capital

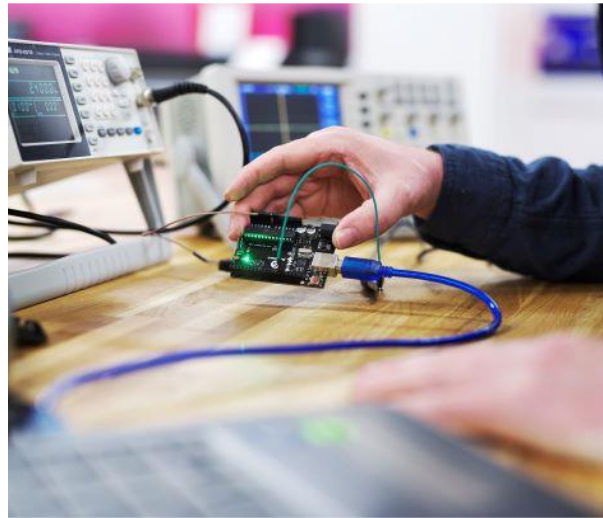


Profits help fund projects addressing key social issues



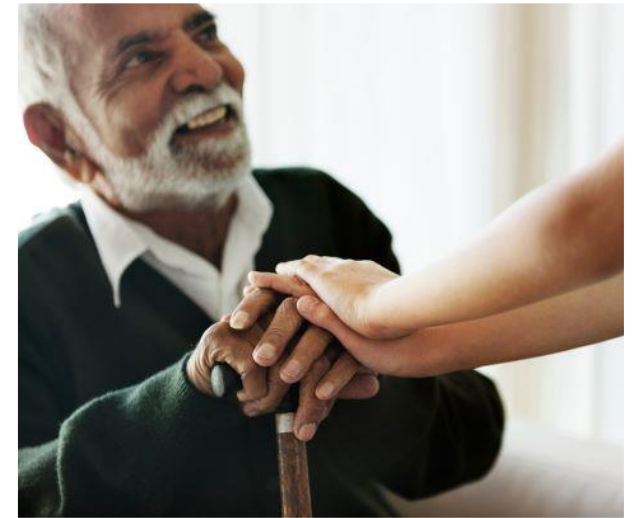
Future Homes

Tackling homelessness with modular housing on affordable land



Innovation Lab

Design, development and testing of environmental products and systems



Agotech Accelerator

Developing products and services enabling older people to remain at home for longer.



- Dedicated to founders growing Tech for Good
- £70m raised since 2017
- A wealth of expertise across:
 - Edtech
 - Fintech
 - Sustainability building solutions

The Allia Approach

Allia C&C



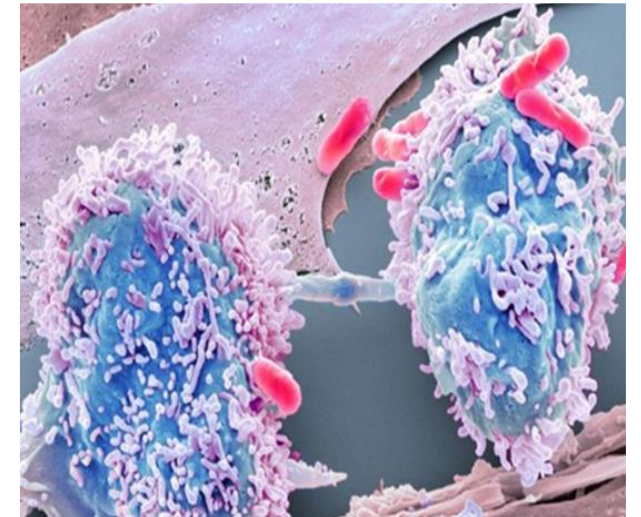
Tinkerbelle Labs

The world's first self-learning braille device for the visually impaired



Bios

Interface devices that allow amputees to control a connected body part



Cambridge Cancer Genomics

CCG ensures that each patient has the right treatment, at the right time, to beat their cancer



- Focused on local micro/small business communities
 - 99.3% of total UK businesses have 0 to 49 employees

- Supporting these job creators with:
 - Training
 - Mentoring
 - Guiding their entrepreneurial journey

The Allia Approach

Allia C&C



Flo

Sustainable organic Femcare



Kids Know Best

Full-service agency powered by youth



I am Nut OK

Vegan Cheese

Is C&C's purpose to make a profit?

Allia C&C

IT IS

So Allia can support more

Inclusion, **T**alent, **I**nnovation, **S**ustainability

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Questions And Answers

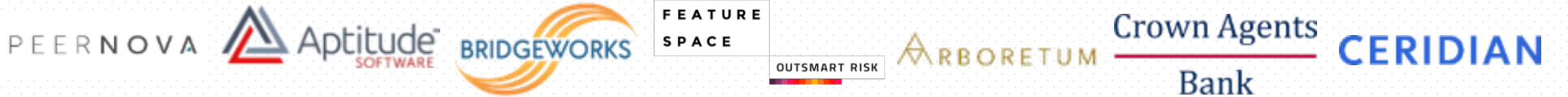


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Forthcoming Events

- Wed, 17 Mar (08:00-09:15) Launch Of Global Financial Centres Index 29, Hong Kong
- Wed, 17 Mar (12:00-12:45) Making A Modern Central Bank
- Mon, 22 Mar (16:00-16:45) What Keeps Financial Crime Professionals Awake At Night?
- Wed, 22 Mar – Fri, 25 Mar ESOP Centre British Isles Symposium 2021

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