

The European Leveraged Finance Association forms new CLO Investor Committee

The CLO Investor Committee will provide a forum for investors to pursue a range of initiatives, including defining the concept of an “ESG CLO”

London, 14 July 2021 – The European Leveraged Finance Association (ELFA), a trade association comprised of European leveraged finance investors from over 45 institutional fixed income managers, including investment advisors, insurance companies, and pension funds, today announces the creation of a new committee to establish industry best practice and serve investors in the collateralised loan obligation (CLO) market.

The CLO Investor Committee will provide a forum for members to identify CLO investors’ requirements, facilitate discussion on general market progress and key issues, and contribute to the regulatory dialogue on the asset class. One prevalent issue for the committee to prioritise is the development of ESG credentials for managers and deals. The CLO Investor Committee will work on defining the concept of an “ESG CLO” in order to avoid greenwashing.

By engaging directly with market participants, the CLO Investor Committee hopes to better support and identify further issues and improvements in that marketplace. It will also work closely with other committees within the ELFA, in particular the Loan Investor Committee and ESG Committee. The CLO Investor Committee will be chaired by Emeric Chenebaux, Structured Credit Analyst at Federated Hermes. A second committee chair will be chosen from nominations taken at the first committee meeting, scheduled to take place on 7th September 2021.

Alex Kay, Independent Chair of the Board, European Leveraged Finance Association, said: “We continually seek to identify how we can continue to broaden our reach within the industry to further promote best practices. As CLOs have evolved and gained widespread acceptance it seems well-timed to form this new committee, which will be focused on creating a more transparent and efficient CLO market as it continues its growth.”

Emeric Chenebaux, Chair of the CLO Investor Committee, said: “The European collateralised loan obligation market is attracting increased attention and the ELFA provides a brilliant platform for market participants to engage in its continued development. We look forward to supporting promoting industry best practices in this market as it continues to grow.”

Sabrina Fox, Chief Executive Officer, European Leveraged Finance Association added: “We are delighted to announce the creation of the CLO Investor Committee and support leveraged finance investors in this asset class. We identified a need from CLO investors to move the dialogue on from an exclusions-based focus on ESG, in line with other parts of the leveraged finance market. The increased regulation for European CLOs and reporting since Covid-19 require careful navigation and we believe we are well placed to contribute to the dialogue.”

Investors interested in joining the first CLO Investor Committee meeting in September, should contact Jacqui Chao Healy at the ELFA: jchaohealy@elfainvestors.com.

Ends

14 July 2021

Media contact

Gilly Lock / Chloe Retief, Powerscourt

Tel: +44(0)7711 380 007 / +44 (0) 7507 785 103

Email: elfa@powerscourt-group.com

About the ELFA

The ELFA is a trade association comprised of European leveraged finance investors from over 45 institutional fixed income managers, including investment advisors, insurance companies, and pension funds. The ELFA seeks to support the growth and resilience of the leveraged finance market while acting as the voice of its investor community by promoting transparency and facilitating engagement among European leveraged finance market participants. For more information, please visit the ELFA website: www.elfainvestors.com.