

Case Study: Tailored private markets access

For Professional Investors only

Project overview

Leveraging years of expertise in private markets investing, Van Lanschot Kempen (VLK) has created a bespoke pool for Clara, the £1.5 billion (and growing) UK superfund, to access private market assets. The Luxembourg-based vehicle will initially focus on Private Debt and may, over time, consider other private assets. The fund will also contribute to UK productive finance with around a third of the assets focused on providing capital to UK-based businesses, a point of priority for Clara given its unique position in the UK institutional market.

In capitalising on the broad expertise and network of VLK in alternative investments, the fund, managed by VLK, effectively grants Clara the scale and tailored access of a far larger investor. In turn, this will help Clara to deliver its members' benefits in both current and future sections in a scalable and efficient manner.



Simon True
Chief Executive Officer,
Clara Pensions

“We believe that a significant, well managed private markets portfolio within our investment strategy delivers on our aims, and can also play a significant role in driving economic growth and productivity in the UK.”

Project highlights

Tailored private markets exposure

We have developed a bespoke private markets vehicle that provides Clara with carefully tailored access to illiquid assets. The vehicle will mainly rely on bespoke mandates with the underlying managers which can be customised to Clara's specific needs. The fund provides future flexibility to diversify the investments.

Diversification and economy of scale

We have prioritised diversification within the vehicle by selecting multiple high-quality managers with complementary capabilities, which helps to mitigate risk. The scale of Van Lanschot Kempen's established portfolios of alternatives enables Clara to benefit from more competitive fees and enhanced returns through the economies of scale.

Flexible structure

By establishing a flexible pooled structure, the vehicle allows new sections joining the superfund to, where in the interests of members, transfer their existing private markets holdings at an agreed valuation, potentially at a significant lower cost than a forced divestment.

Extensive support

Clara can benefit from the guidance from an experienced team of illiquid asset specialists, drawing on strong relationships with a broad set of alternative fund managers. In addition, dedicated legal, operations and trading teams are available to provide comprehensive guidance.

Project summary

The Van Lanschot Kempen team has created a Private Markets investment vehicle designed to provide flexible, tailored access to private markets. Aiming for strong risk-adjusted returns and long-term growth, the current allocation is focused primarily on direct lending but can access attractive opportunities elsewhere should a compelling investment case be presented.

It can accommodate legacy managers from schemes joining Clara, enabling pension schemes to transfer private market holdings at an agreed valuation as part of a Clara transfer. Clara sees the opportunity in private markets and will allocate up to 35% of its assets into these markets. The fund also leverages Van Lanschot Kempen's work to integrate ESG risk factors into the investment process for private markets.

Looking ahead, the vehicle will build scale and offer Clara a scalable solution to provide diversification of assets, geography and opportunity set for current and future sections. Thanks to our experience, extensive manager network, and the scale of our established alternative solutions, Van Lanschot Kempen is well positioned to broaden the vehicle's offering across a wide spectrum of alternative asset classes.

Key points

Tailored private markets access

Customised investment vehicle providing access to a range of high-quality alternative managers to mitigate risk and optimise performance.

Productive finance

Around a third of assets will focus on UK opportunities, aligning with the government's productive finance approach, while remaining consistent with Clara's risk and return ambitions. The remainder of the assets will be global in nature, focusing initially on Europe.

Broad issuer diversification

Risk is spread initially across more than 130 issuers, reducing concentration risk and adding stability.

ESG integration

All underlying managers integrate ESG risk considerations into their investment process, supporting responsible investing.

Open architecture

The pool accommodates both newly-selected preferred managers and legacy managers from other schemes joining Clara, with assets transferred at agreed valuations.

Main risk

Illiquid assets, investments in private markets, may be less readily tradable, meaning assets can take more time to sell at an expected value. Private markets therefore typically require a longer-term investment horizon.

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Kom verder

{sharing the path to success}

Supporting and guiding over the long term with a clear goal in mind, that's sharing the path to success, we call it Kom verder.