Daren is a familiar figure to many in the pension investment community, known for his approachability and for fostering new connections between industry colleagues. But few know about his journey to becoming the President and Chief Investment Officer at University of Toronto Asset Management (UTAM), which manages the pension, endowment and short-term working capital assets – over $10 billion in total – of Canada’s largest university.

Daren is passionate about learning, and in his younger days, he was on track for a life in academia. Influenced by an uncle who was an actuary, Daren completed an undergrad degree in actuarial science at the University of Western Ontario. He went on to earn a Master’s degree in statistics at the University of British Columbia, followed by a Master’s in economics at McMaster University. His father was a professor, and Daren considered following in his footsteps. However, when offered a scholarship to pursue an economics PhD at the University of California, Berkeley, he did some soul searching and chose to start a corporate career instead.

After Daren decided to enter the workforce (some in his family were starting to wonder if he ever would), he joined Sun Life Financial in Toronto as an actuarial analyst. It was at Sun Life that Daren realized he wanted to pursue a career in investments. His best chance of making the transition was to become a CFA charter holder, he decided, so he wrote his CFA exams – at the same time he was finishing his actuarial exams.

Daren then found an opportunity in asset liability management (ALM) at Maritime Life in Halifax. ALM was about as close to investments as an actuary could get within an insurance company. Daren was content at Maritime Life, but in 2004 its parent company was bought by another insurer. If he wanted to keep his job, he’d have to move to Toronto or Boston.

That’s when someone told him about an opportunity at a local pension plan, the Nova Scotia Association of Health Organizations (NSAHO), now the Nova Scotia Health Employees’ Pension Plan. Daren figured he had nothing to lose. He applied and got the job, and it turned out to be an incredible learning experience – one that put Daren on the path to his current position at UTAM.

Shortly after Daren joined, NSAHO’s investment team spun out and created an outsourced CIO company with a four-year contract to manage the pension plan’s assets. Unfortunately, raising assets from other institutions proved difficult, and when NSAHO didn’t renew, the company closed. It happened in October of 2008 – not a good time to be looking for a job!

Through the power of networking, Daren heard about a possible job at UTAM. He reached out to Bill Moriarty, then UTAM’s President, and after a few interviews was offered the role of Director, Portfolio Research and Analysis. Daren and his wife, Kyla, moved their young family (they had one-year-old triplet boys!) to Toronto, and he started his new job in November 2008.

Daren’s first task was to restructure UTAM’s hedge fund portfolio, which at that time was mainly invested in funds of hedge funds. As part of the process, UTAM decided to rethink how it viewed hedge funds.

continued on page 6
CONTINUED FROM PAGE 5

The result was that hedge funds would no longer be viewed as a separate asset class; instead, they would be integrated throughout the portfolio.

In 2010, Bill restructured the investment team. Daren was promoted to overseeing all of UTAM’s manager selection and monitoring activities, including traditional public equity and fixed income investments, as well as hedge fund and private market investments.

Bill was also working hard to improve UTAM’s risk management capabilities and strengthen the investment team. Somewhat unusual for a pension or endowment manager of UTAM’s size, Bill decided to create a separate risk and research team and hire a Chief Risk Officer. UTAM also built out a comprehensive position-based risk management system to analyze risks in the pension and endowment portfolios.

In 2016, Bill retired, and Daren was selected to replace him as President and CIO. Today, Daren and his talented team of 22 professionals manage over $10 billion in assets on U of T’s behalf.

The starting point for UTAM’s investments is the Reference Portfolio, which is a passive portfolio designed to meet the target returns of the Pension and Endowment portfolios over the long term with an acceptable level of risk. The Reference Portfolio also serves as an objective measure to assess UTAM’s active management approach.

UTAM works with the university’s expert Investment Committee (co-chaired by David Denison and Geoff Matus) to develop the Reference Portfolio. Daren feels that having an expert investment committee has been an invaluable part of UTAM’s success.

When asked what’s been key to his success, Daren says it’s partly being prepared for opportunities when they arise, partly having the courage to seize them, and partly good luck. For example, pursuing his CFA designation allowed him to make the transition from insurance to investments. And it was just plain luck that Daren heard about the job opening at UTAM – and that it turned out to be a great organization where he could grow and take on a leadership role.

Daren still loves learning – over the years, he has earned more designations, including the FCIA, FSA, CAIA and FRM – and he feels fortunate that his job involves meeting with some of the best minds in the investment business.

Daren enjoys golfing and playing bridge, but he seldom has time, given his role at UTAM and his busy family life. Most of his time away from work is spent travelling with his wife and kids (the triplets are now 11 years old). The family has already had adventures in New Zealand, Iceland, Costa Rica and Hawaii, and they’re eager to see more of the world. 🏌️‍♂️