

## MY LIFE IN TREASURY

# A Tidal Force

**A**s Group Treasurer for Tideway, the utility behind London's new 25km 'super sewer', Inês Faden da Silva is helping to make a positive impact on current and future generations. And thanks to a career that has seen her consistently arrive in the right place at the right time, her capacity to make a difference is formidable.

By **Tom Alford**, Deputy Editor

Whenever a hole in the ground appears, it's human nature to want to look into it. Perhaps it's something about our innate desire to see what has never been seen before, but in the case of Tideway it might just be that the hole in question is also absolutely vast.

Of course, it's more than just a hole, but as engineering projects go, Tideway, the regulated utility charged with building London's super sewer, takes some beating. This magnificent upgrade of the capital's infrastructure, due for completion in 2025, augments the existing, and still fully

functional, network of Victorian sewers.

The aim is to create a sustainable structure that will meet the demands placed on it by the city's rapidly expanding population well into the 22nd century, keeping tidal River Thames clean. Anyone whose curiosity has prompted them to witness the ongoing work will recognise the massive surge of civil engineering excellence and energy required to make it happen.

For most though, the background work required to keep the project on track goes largely unnoticed. Current project costs





of around £4.1bn have placed the finance team central to the success of Tideway. To date, £2.7bn in long-term financing has been raised.

With a large proportion of it being inflation-linked debt, it has drawn the attention of the institutional investor community, raising the stakes for Tideway's investor relations team. Of course, the monumental task of keeping the project financially solvent extends to tackling risk management and managing and investing its significant cash balances too. Like the project itself, it is a major undertaking. And yet today it falls to one small team led by Faden da Silva.

As with every motivated treasury professional, the smooth running of the function goes without saying. But Faden da Silva, not content with overseeing the financing of one of Europe's biggest civil engineering projects, has added another agenda that reaches across the business, and in fact the whole treasury community.

She is driven by a long-held personal belief that has seen her become something of a figurehead for sustainable finance. She speaks publicly with more conviction than most on the topic about how she has leveraged the long-term social value baked into Tideway's mission, introducing the theme into the very heart of the organisation's financial structure.

With her additional recent appointment as a non-executive board member of England's Environment Agency, at a time when it is facing great challenges and opportunities, she feels that making a difference has become her guiding motivation.

### Delving into treasury

Faden da Silva's tenure with Tideway started at the project's outset, around six years ago, in corporate finance. By splitting her time between corporate finance and treasury, and having gained the support of the incumbent treasurer and CFO, she quickly moved into the Deputy Treasurer seat before eventually assuming leadership as Group Treasurer.

She brought with her a vast pool of experience in project and structured finance, having spent a decade with Citi's UK office. Here, she advised on infrastructure and energy projects globally before leading the securitised markets

group's portfolio management and transaction teams.

A banking background is not unheard of for treasurers. The experiences of those crossing the divide cover a broad sweep of functions, but Faden da Silva believes it is a perfect training ground for understanding what banks need in a relationship, her experience informing how she deals with partners today.

"It's not all about pricing," she states. "Some banks have more expertise and invest a lot more in their people, allowing them to spend more time advising us or giving us information," she comments. "When it comes to bank relationships, it would be a very narrow view if, as treasurers, we just tried to squeeze better pricing from them. We want long-term relationships and their expertise, and that costs money."

Banking is also a training ground for what she calls "working at pace", where the pressure is always on to deliver. It doesn't suit some, but for those who can withstand the heat, the transition into treasury can be more measured.

It helps that in banking there is a strong drive to collaborate across large teams. "You have to get to know a lot of people and you quickly learn how to navigate complex structures," says Faden da Silva. "It also helps to be able to understand and work with complexity," she adds. In Tideway, there is plenty of that.

Alongside a business securitisation structure that has strong covenants to support, it is also a regulated utility with the regulators paying close attention to its financing activities. Further, it receives a government support package that comes with restrictions on the use of certain



INÊS FADEN DA SILVA

Group Treasurer, Tideway

derivatives. All of this must be tackled with diplomacy and a deep knowledge of the subject.

The world of banking is a great place to encourage intellectual curiosity too, she adds. "There's always so much happening that it becomes second nature to scan the horizon to see what else is there."

Faden da Silva's banking years likewise served as a source of great expertise in terms of capital markets products and credit experience. Indeed, her experience was invaluable as Tideway's small but tightly knit team began assembling its "ambitious debt programme".

Having progressed up through the ranks, treasury still offers Faden da Silva a great depth of experience, not least as Tideway continues to make its mark in the field of

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sustainable finance. “My big interest was always to make all our finance sustainable,” she comments. By taking on the Group Treasurer role she has been able to get her sustainable finance strategy approved and implemented by a like-minded executive.

### Taking a career break

Prior to joining Tideway, Faden da Silva spent the best part of a year working for the World Bank as part of a team advising the Brazilian Government on project finance for a major irrigation project. This came about during a career break for childcare.

The ‘always on’ nature of investment banking does not sit well with a growing family. “There were long hours, and lots of travel,” she explains. “It was hard when they were pre-school, but when they went to school it became even more difficult.” With her career break having been extended more than she’d initially planned, the consultancy work with the World Bank came along at the right time.

It not only enabled her to flex her intellectual powers but also meant she could undertake volunteer work with City of London charity Suited & Booted. The charity helps vulnerable men back into employment, working with them to increase their self-esteem and self-confidence and by providing interview clothing and training to help them on their way. She remains in touch. “One of the first things I did when I joined Tideway was organise a clothes drive for Suited & Booted.”

### Returners

Re-establishing a career, after having been out of the loop for some time, can be challenging. Whether taking an extended break for family reasons, or perhaps through long-term unemployment or illness, while the skills and knowledge may all still be present and correct, often the confidence takes a while to return. A number of banks in the UK set up ‘returnship’ schemes to help professional people find work placements as a way of re-booting their careers following a break.

Tideway was the first company outside of the finance sector to engage with the returnship concept, and Faden da Silva was a beneficiary. She grasped its three-month paid returner programme with

both hands. It is, she says, a great way to overcome the prejudice some businesses harbour about returners.

“Many think they will no longer have the technical understanding or the network to carry on where they left off. If they are looking at two candidates and one has current experience, it’s a greater risk to go with the returner, so often they don’t.”

With a retention rate of around 70%, and some of the biggest companies now engaging with returnship, the programme demonstrates the value of a workforce that has all the traditional skills, and quite a few new ones too. It has worked out exceptionally well for Tideway and Faden da Silva.

### First aider

In every working environment there are pressures that can upset the balance of people’s lives. In the construction industry, the pressures on individuals can be immense but often there is no outlet or support. From the outset, Tideway stated its aim of being different from a health, safety and wellbeing perspective.

It runs a full-day immersive training programme for every person that joins the company. This has proven so effective that it is now offering spaces at its training centre to employees of other companies, including contractors.

As part of the training, it tackles mental health. To deliver this, Tideway has joined up with the Mates in Mind charity, developing and delivering a programme specifically for the construction sector. In the same way Tideway trains physical first aiders, it now trains mental health first aiders.

With around 150 trained individuals

across Tideway, including Faden da Silva, the programme is able to reach out to many more people. It does so in an informal way, providing a safe space in which people can begin to talk about their worries. This has been particularly important during the pandemic.

“The emphasis is on starting the conversation and listening,” she explains. The two-day training is not about equipping first aiders to resolve the mental health issues individuals may be experiencing. Instead, it is about raising awareness and being able to spot signs of distress. “You learn how to ask the right questions and how to start the conversation so you can point people in the right direction where they can get help.”

### Sustainability

It’s extremely important for Faden da Silva to address personal concerns but her “labour of love” is tackling the environmental issues affecting us all. She works tirelessly to leverage sustainable finance as a key part of Tideway’s operation, even attaining a postgraduate certificate in sustainable business from the University of Cambridge to formalise her understanding of this complex issue.

“Finance is at the centre of addressing sustainability. If we don’t change the way we fund businesses we will never be able to solve the issues we all face, such as climate change and loss of bio-diversity,” she explains. From a treasury perspective, sustainability has always been a priority for Tideway.

It has brought about successful cross-company collaborations and opportunities, creating a better understanding of the business and

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providing further risk mitigation. It also serves to expand the skill set of the treasury team, and helps align the wider finance function with the company's mission.

Sustainability permeates all aspects of treasury today, Faden da Silva notes, it being frequently assessed and challenged on its environmental, social and governance (ESG) credentials and performance. In addition to financing, Tideway's investment portfolios are scrutinised for compliance with ESG policy: "It makes no sense to raise debt through green financing and then have no idea where our investments end up."

The firm's approach to sustainability is beginning to influence its choice of counterparties, including treasury-specific providers. Soon this will be common practice, Faden da Silva believing that "we're getting to the point where organisations will have to justify why they are not conducting their business in a sustainable manner".

Banks are catching up with this idea. When Tideway started talking about green

bonds and sustainable finance around four years ago, there were mixed reactions. "Some were very supportive and already embarking on this journey; others were still rather indifferent, thinking only in terms of pricing. Today, most banks and investors are educated and committed."

Progress in this space is creating "an incredible thirst for data and information on sustainability performance by corporates", Faden da Silva notes. With debt investors and shareholders now demanding evidence to support their own commitments to sustainability, committed companies such as Tideway have learnt to organise themselves to best address these requests. "We've been doing this for some time; it's become second nature."

### Shaping the future

Of course, this is precisely what needs to be done to start making a difference; and making a difference is what drives Faden da Silva. By joining forces with other corporates and by speaking at events, she is helping to give treasury a

voice among all stakeholders, not least the regulators. By doing so, she is steering the development of the entire sustainable finance movement in a positive direction – "it is, after all, the corporates that will need to make most of the changes".

Having been a treasurer for a relatively short time, the role still has great appeal. Immersing herself in the world of sustainability in this context reveals that there is much more to explore and change. "To go from recognising the economic benefits of sustainable finance, to being able to finance with it, is still a massive challenge," she admits.

With concerns around natural capital and biodiversity finally coming to the fore, Faden da Silva has discovered her forte. Being able to make a difference as part of a project that will meet the needs of future generations is an opportunity that not everyone gets. And being able to make a difference now, by helping colleagues and changing attitudes is something to which we all can aspire; it's a challenge Faden da Silva has risen to with total commitment. ■

