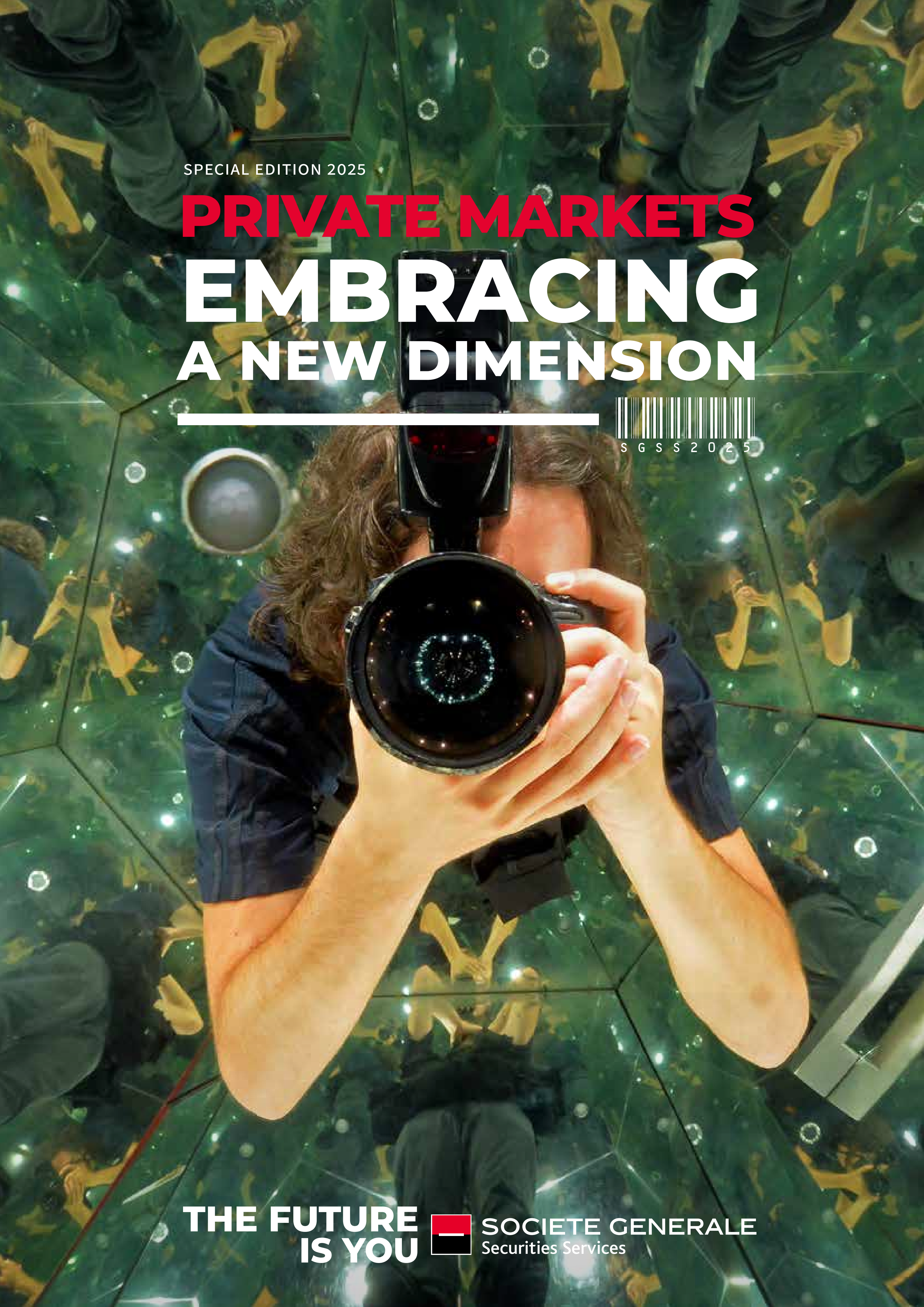
SPECIAL EDITION 2025

PRIVATE MARKETS

EMBRACING A NEW DIMENSION

SGSS2025



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PRIVATE MARKET, JUST ANOTHER ASSET?

WHY ALL THIS ENTHUSIASM FOR THE UNLISTED MARKET?

Whereas a few years ago it was considered a niche activity, the unlisted market now plays a major role in the economy as it enables investors to meet two major objectives: diversification and return. According to Preqin, global assets under management in 2024 will be in the region of $15 trillion, and are expected to reach $30 trillion by 2030[1], proof of the sector's dynamic growth.

A DYNAMIC MARKET, BUT WHAT STRATEGIES WILL BE THE MOST POPULAR IN 2025?

Against a backdrop of falling interest rates, investors seeking to diversify continue to favour private debt, attracted by its recurring and predictable return and the level of average interest rates, which stand at around 10%[2] worldwide. This return is much higher than that of government or listed corporate bonds, to the extent that private debt assets under management, which stand at around $1.5 trillion globally, are expected to reach an all-time high of $2.640 trillion by 2029[3].

Private Equity and Real Estate, which had previously been penalised by the significant rise in interest rates, have regained their appeal following the reduction in key interest rates by the central banks, which could continue in 2025.

As the number of global IPOs decreases[4], Private Equity plays a crucial role in financing companies, whether for organic growth projects, value creation or the launch of new businesses. The emergence of continuation funds reflects the resilience of the sector. Faced with the difficulty of liquidating certain assets as funds reach maturity, asset managers do not want to accept any decline in the performance of their investments and are prepared to transfer their best assets to continuation funds, thus allowing their clients to benefit from the expected value creation over the long term.

Given the urgent need to finance the energy transition and the desire of investors to make meaningful investments, the fall in interest rates could provide a breath of fresh air for the Real Estate sector, which has been severely penalised by the rise in interest rates. As a result, Real Estate transformation projects could once again attract the attention of asset management companies who had postponed their fund launches.

THE DEMOCRATISATION OF UNLISTED SHARES, THE INDUSTRY'S NEW ELDORADO...

Since the Green Industry Act now ensures that a portion of personal life insurance savings is directed to the unlisted segment, retail investors have naturally turned to these new investment opportunities to take advantage of attractive returns. The potential is immense for management companies seeking to benefit from this new growth driver and thus attract the related client base by taking advantage of the entry into force of ELTIF 2.0. The challenge is significant for market players to adapt products to this new client base, which by nature needs more liquidity but also seeks to enjoy attractive returns while controlling its risks.

Against this backdrop, fund-of-funds investment strategies offer a good level of diversification and enable individuals to achieve a solid risk/return ratio.

WILL UNLISTED ASSETS BECOME AN ASSET CLASS LIKE ANY OTHER?

The multiple strategies of the unlisted market have kept all their promises. They are now attracting all types of investors thanks to their expected returns, which are significantly uncorrelated from other asset classes and have become an essential part of diversified portfolios. Despite the reversal of the situation on interest rates, these markets were able to find new development opportunities, with a dynamism that has never disappointed. As a continuous creator of new players, will this market be dominated by a constellation of specialists or by large management companies, better able to manage significant volumes? The movement is already underway. Following the example of management in listed markets, unlisted has begun the shift towards consolidation, which some see as the beginning of normalisation. So: is unlisted an asset class like any other?

(1) Preqin. **(2)** Preqin: global private debt performance (IRR 2020-2023). **(3)** Preqin. **(4)** S&P Global "Private equity take-private deals hit 16-year high" Nov. 1, 2023.

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A VAST UNIVERSE OF INVESTMENT OPPORTUNITIES

CURRENT NEEDS FOR INFRASTRUCTURE INVESTMENT ON A GLOBAL SCALE

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The world faces a significant infrastructure investment gap. According to the G20's Global Infrastructure Outlook projection there is a US 15 trillion difference between the current investment trend and the investments needed by 2040. Government funds are increasingly squeezed to pay for things like healthcare and education and can simply not bear the overwhelming demand and need for infrastructure. Much of the existing infrastructure, particularly in developed economies, is aging and in need of repair or replacement. The global population is increasingly urbanising, placing strain on existing infrastructure and creating demand for new facilities. Developing economies require substantial infrastructure investment to support their growth and development. Addressing climate change necessitates investments in sustainable infrastructure, such as renewable energy, energy-efficient buildings, and transportation systems.

PRIVATE CAPITAL PLAYS AN IMPORTANT ROLE

In meeting the growing infrastructure needs of economies around the world. Infrastructure projects often require significant capital investment and complex implementation, which private capital can effectively address. By pooling resources from different investors, infrastructure funds can enable projects that would otherwise need public funds.

Infrastructure managers also bring a wealth of expertise to the table. Their teams of experts have in-depth knowledge of the sector, ensuring that investments are made in high-quality projects with strong potential returns.

Furthermore, infrastructure funds play an important role in aligning investors' interests with the long-term goals of infrastructure development. By fostering collaborative partnerships with infrastructure developers and operators, funds can contribute to the successful delivery of projects that benefit economies and communities.

In conclusion, private capital channeled through infrastructure funds is essential to meeting the growing infrastructure needs of economies around the world. It provides the necessary capital, expertise, risk management and liquidity to support the development of key infrastructure projects.

ADVANTAGES OF INVESTING IN INFRASTRUCTURE

Investing in infrastructure can offer a range of advantages, which can contribute to a client's financial security and wealth accumulation. The possible benefits include attractive risk-adjusted returns, high cashflow visibility, diversification and the potential for long-term growth. Furthermore, Infrastructure assets are real assets. Much like Real Estate, infrastructure primarily involves physical structures that provide an essential service to customers. These are capital-intensive and can take years to build, limiting the competition. Many of the services Infrastructure companies provide, such as hospitals and airports, are regulated by government entities. These factors make it harder for new players to enter into competition with already existing assets. An important feature of infrastructure is the long-term nature of contracts these businesses have with their customers. This is particularly true in the transport and energy sectors. Apart from providing long-term stable cash flows, such contracts are often indexed to inflation and can serve as an inflation hedge.

EUROPEAN LONG-TERM INVESTMENT FUNDS (ELTIFs) SPECIFICALLY DESIGNED FOR PRIVATE INVESTORS

In 2015, the ELTIF funds (mainly in FPS format) were created to finance the real economy with private capital (infrastructure, Real Estate, SMEs/ETIs) with a rather mixed record since less than 60[1] funds had been launched. The new version of the ELTIF 2.0 regulation of 10 January 2024 has relaxed both the marketing rules by removing threshold constraints (especially for individuals) and allows exposure to more eligible assets on the management side.

This new European ELTIF 2.0 regulation is thus a regulated way for retail investors to access investments in unlisted assets with a low minimum subscription and a liquidity mechanism, often quarterly, within the funds.

SWISS LIFE (LUX) PRIVADO INFRASTRUCTURE SA FUND, A STRATEGY TO BENEFIT FROM THOSE OPPORTUNITIES

The Swiss Life (LUX) Privado Infrastructure SA fund, launched in early 2024, is designed to capitalise on infrastructure investment opportunities. Our platform, with its extensive market experience, industry knowledge, strong partner network, and efficient risk management, is well-equipped to navigate the challenges of infrastructure investments. The fund has demonstrated robust risk mitigation strategies amidst global pandemics, fluctuating electricity prices, and high inflation by leveraging experienced management and a diversified investment approach.

We closely monitor regulatory and political developments to remain flexible and seize opportunities. Diversification across industries and regions helps mitigate the effects of interest rate fluctuations and market downturns. By focusing on megatrends such as digitalisation, urbanisation, new mobility, new logistics chains, circular economies, and sustainability, we identify and exploit emerging investment opportunities.

One of the first ELTIF 2.0 funds to offer retail clients access to infrastructure, the Privado fund features a highly diversified seed portfolio, providing access to fully invested portfolios of two institutional funds managed by Swiss Life. A key competitive advantage is the alignment of interests with Swiss Life AG, which invests on the same terms as Privado, demonstrating significant commitment with EUR 6.2[1] billion.

The fund is a semi-liquid investment, accessible to retail clients in Europe with a low minimum investment of EUR 1,000[2]. It can be subscribed to monthly and redeemed quarterly and is available on platforms such as Clearstream and Euroclear.

(1) https://fr.privado-infrastructure.com/fr/home.htm **(2)** https://www.esma.europa.eu/document/register-authorised-european-long-term-investment-funds-eltifs

CAPITALISING ON CHANGE: AXA IM ALTS' STRATEGIC VISION FOR REAL ESTATE PRIVATE DEBT

ANTONIO DE LAURENTIIS

Global Head of Private Debt, Member of Real Estate Management Board

AXA IM Alts

AXA IM Alts is a global leader in alternative investments with €186 billion of assets under management[1] comprising over €93 billion[2] of Private Debt and alternative credit.

With the rise of Real Estate Private Debt in a rapidly evolving financial landscape, AXA IM Alts is positioning itself as a leader in European Real Estate Private Debt. The current economic climate presents a unique set of opportunities for institutional investors, prompting a strategic shift from equity to debt investments. This article explores the compelling reasons for investing in this asset class and highlights AXA IM Alts' achievements in this space.

INTEREST RATES ON THE DECLINE: A SILVER LINING FOR REAL ESTATE

Despite ongoing market volatility and persistent inflation, there is growing consensus that interest rates are trending downwards, which bodes well for the real estate sector. As predictions for the Commercial Real Estate (CRE) lending market in 2025 unfold, a significant shift towards alternative lenders and a more nuanced tiering of the market is anticipated. This evolving landscape is expected to create attractive entry points for investors looking to capitalise on emerging opportunities.

THE RISE OF ALTERNATIVE LENDERS

As traditional banks retreat from certain lending activities, non-bank lenders are set to expand their market share. Their growth will largely depend on their ability to fundraise in a risk-averse environment. Recent data from Real Estate Capital shows that of the €9.2 billion[3] in European Real Estate lending deals recorded from September to mid-November last year, most was directed towards the student accommodation, logistics and residential sectors.

As we enter a "lender's market", characterised by reduced liquidity and rebased valuations, alternative lenders are well-positioned to capitalise on attractive entry points. The cost of debt has risen across European jurisdictions, equalling or surpassing historical yields on Real Estate assets. Moreover, the impending "maturity wall", which refers to extended loan maturities due to declining transaction volumes, offers opportunities for lenders with capital to deploy, particularly in targeting riskier return profiles than those pursued by traditional banks.

MARKET DYNAMICS: NAVIGATING CHALLENGES AND OPPORTUNITIES

While lower interest rates may improve refinancing prospects for secondary stock owners, challenges remain. Further valuation declines and higher rates have impacted capital structures, leading to a reduced appetite among lenders for "extend and pretend" strategies. However, these conditions could positively impact the market by boosting transaction volumes and supporting price discovery.

The CRE debt market continues to present attractive returns, with yields ranging from 5% to 8% on an unlevered basis. As nearly $1.9 trillion in CRE debt is set to mature by the end of 2026[4], the anticipated decline in interest rates should alleviate pressure on institutions, allowing them to deploy capital more effectively. This dynamic environment positions the global CRE market for growth, making it an opportune time for both debt and equity investors to engage.

ESG AS A DRIVING FORCE IN LENDING DECISIONS

ESG considerations are increasingly becoming a critical aspect of the underwriting process. Stricter regulations are accelerating the need for property owners to address potential obsolescence in their portfolios. Lenders must ensure they have the necessary expertise to underwrite green and sustainability-linked financing, highlighting the importance of specialised knowledge in today's market.

AN OPPORTUNITY FOR INVESTORS

Current market conditions have made European real estate private debt highly attractive for investors around the globe. For institutional investors, this environment presents a unique opportunity to rebalance existing local real estate exposure from equity to debt, earning yields equal to or exceeding those of equity investments while benefiting from more stable debt instruments. This shift allows for diversified exposure across various European countries and real estate sectors, including emerging asset classes such as life sciences, data centres, self-storage and senior living. These sectors exhibit low supply and high demand, resulting in low vacancy rates and promising rental growth, making real estate debt a sensible starting point for those seeking to broaden their investment horizons beyond traditional asset classes.

SEIZING OPPORTUNITIES: AXA IM ALTS AND THE EVOLUTION OF THE CRE DEBT MARKET

In an era marked by economic fluctuations and changing investor preferences, AXA IM Alts has established itself as a leader in the CRE debt sector with a record €4 billion[5] raised for its global Commercial Real Estate debt platform in the past year alone. Over the same period, AXA IM Alts deployed approximately €3 billion[6] into a diverse range of investment opportunities, including senior whole loans and transitional lending facilities. The firm has successfully attracted new clients globally, with over a third of the raised funds coming from new investors. Its investments have primarily focused on high-quality assets in the logistics, residential and data centre sectors, which are supported by megatrends such as digitalisation and decarbonisation. With global AUM of approximately €24 billion[7] in private real estate debt, AXA IM Alts expects to continue leveraging its robust track record and deep sector expertise to identify opportunities in the evolving market and provide clients with secure income levels while aligning with macroeconomic and demographic trends.

Our conviction is that fundamentals supporting the CRE debt sector will persist in 2025. As transaction volumes increase and the gap between buyer and seller price expectations narrows, the opportunities for CRE lenders are set to expand. The anticipated improvements in refinancing prospects, particularly for high-quality assets, are likely to further bolster the market, making it an attractive environment for both debt and equity investors.

(1) AXA IM Alts data (unaudited) as at 31 December 2024. **(2)** AXA IM Alts data (unaudited) as at 31 December 2024. **(3)** LOOK AHEAD 2025: AXA IM Alts' de Laurentiis on tiering, fundraising and loan-on-loan. **(4)** LOOK AHEAD 2025: AXA IM Alts' de Laurentiis on tiering, fundraising and loan-on-loan. **(5)** AXA IM Alts data (unaudited) as at 31 December 2024. **(6)** AXA IM Alts data (unaudited) as at 31 December 2024. **(7)** AXA IM Alts data (unaudited) as at 31 December 2024.

EXPANDED ACCESS TO PRIVATE MARKETS FOR ALL INVESTORS

THE RISE OF THE PRIVATE INVESTOR IN PRIVATE MARKETS

DAVID ZERBIB
Head of Private Wealth France
Partners Group

QUESTION: HOW HAVE YOU SEEN CAPITAL RAISING EVOLVE OVER THE LAST FEW MONTHS?

David Zerbib: Sentiment in the last few months has certainly changed for the better. Inflation fears have slowly made way for cautious optimism spurred by major central banks starting their rate-cut cycles. Additionally, and certainly a more long-term driver, there's no doubt that private investors are increasingly finding their way to private markets, an asset class historically dominated by large institutional investors. While we have been managing evergreen funds for over two decades, the "frenzy" of evergreen funds launched in recent years has only accelerated the adoption by private investors and therefore encouraged distribution partners such as banks to build a suitable offering for their clients, across both traditional closed-ended products and, increasingly so, evergreens. I honestly don't think there's any bank I'm talking to across the region that isn't interested in building out their private markets offering.

QUESTION: TO WHAT EXTENT ARE INDIVIDUAL INVESTORS IMPORTANT IN YOUR DISTRIBUTION STRATEGY?

David Zerbib: The short answer? Very important.

As a pioneer in evergreen solutions, we've historically always had a good amount of private investors. Looking forward, I think we can all agree that allocations from private investors are increasing from where they currently are. Whether their portfolio allocation moves to 3, 5 or 10%, that represents an enormous, trillion-euro opportunity, which clearly we want to support. As indicated prior, we have seen a surge in new private market products being launched by our peers. In 2020-2023, by our count, 34[1] new evergreens were launched. To put this into perspective, this compares to 26[2] in the 20 (!) years prior. Investors will need to remain critical and look for a few key elements in the evergreen funds they invest in; best-in-class investment content, a pro rata allocation policy, sound and transparent valuation processes, a proven ability manage liquidity within the portfolio and an ability to diversify investment vintages!

QUESTION: WHAT ARE THE KEY DISTRIBUTION CHALLENGES YOU ARE CURRENTLY FACING?

David Zerbib: I think as an industry, we carry a huge responsibility towards our investors. While I personally believe it's fantastic that we provide private individuals with the same access to the asset class and potential returns as institutional investors; this doesn't come without its own set of challenges. Investor education to me personally is crucial for individuals looking to invest in evergreen private market funds.

These funds offer long-term investment opportunities but are sometimes less understood than their public market counterparts. As mutual funds in public markets celebrate their 100th anniversary this year, it is important for investors to realise that private market funds operate differently and require a deeper understanding of their unique dynamics. Topics such as liquidity features, risk-return expectations and how these funds fit into a broader portfolio will be key in optimising the opportunities presented by evergreen private market funds. You'll notice that Partners Group has a large, dedicated team catering to the private wealth segment. This allows us to sufficiently support our distribution partners and investors with educational topics where needed. We frequently host private market academies, webinars, and publish white papers to increase investors' expertise!

We strongly believe that, with the correct structure and support, evergreens will provide private investors with an excellent and convenient way of investing in private assets!

QUESTION: CAN WE TALK ABOUT DEMOCRATISATION WITHOUT THINKING ABOUT DISTRIBUTION CHANNELS?

David Zerbib: Another major challenge lies in reaching out to non-professional investors. In this respect, the ELTIF 2.0 format is a real game changer. Already a pioneer in the creation of ELTIF Closed-End funds a few years ago, Partners Group launched its first Evergreen Private Equity fund in ELTIF format in 2024. This structure gives immediate access to non-professional clients, avoiding the need for intermediary structures.

But it's clear that when we aim to be a major player in the French savings landscape, it's essential to offer our historic Evergreen expertise within French life insurance.

With these two distribution channels, we can truly use the term democratisation for private markets.

(1) Partners Group Internal data. **(2)** Partners Group Internal data.

NAVIGATING ELTIF 2.0: EXPANDING ACCESS TO PRIVATE MARKETS

HELGE BAUR
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Allianz Capital Partners GmbH

Traditionally, private market investments were the domain of institutional investors, such as insurance companies and pension funds, due to the complexity and scale of these investments. Additionally, regulatory boundaries prohibited non-institutional investors from directly investing in private market assets, leaving them with the option to invest indirectly e.g. through insurance contracts. However, the increasing demand from a broader range of investors has led to the development of regulatory frameworks like the European Long-Term Investment Fund (ELTIF) Regulation, which opens up access to these opportunities. Investor appetite for ELTIFs has been growing, driven by the desire for stable, long-term returns, the need for diversification and the opportunity to invest in private markets. The recent amendments to the ELTIF regulations, known as ELTIF 2.0, have further enhanced the attractiveness of these funds by simplifying the regulatory framework and expanding the range of eligible investments.

THE INTEREST IN LAUNCHING ELTIFs

ELTIFs have been designed to channel capital into long-term investments in the real economy, such as infrastructure, Real Estate, and small and medium-sized enterprises (SMEs). The interest in ELTIFs stems from their potential to provide an attractive risk-return profile, significantly less correlated to stock and bond markets, while supporting economic growth, employment and development.

EXPERIENCE AND GO-TO-MARKET STRATEGY

Launching an ELTIF involves navigating a complex, albeit significantly improved regulatory landscape and ensuring compliance with both local and European Union regulations. After more than one year of the ELTIF 2.0 Regulation's taking effect, now seems to be a good point in time to recap the main experiences and challenges encountered during the launch and operations of ELTIFs within the asset management industry. Experience has highlighted several key steps in the go-to-market strategy:

- **regulatory Approval:** Securing approval from regulatory bodies is the first and most critical step. This involves preparing detailed documentation that outlines the fund's investment strategy, risk management framework, and compliance with ELTIF regulations. Overall, regulators have been highly supportive and collaborative in launching ELTIFs,
- **market Research:** Understanding market demand and investor appetite is crucial. This involves conducting thorough market research to identify potential investors and their investment preferences,
- **product Design:** Designing an ELTIF that meets the needs of investors while adhering to regulatory requirements is a delicate balancing act. This includes determining the fund's investment focus, liquidity provisions, fee structures, and the operational feasibility of subscribing and redeeming ELTIF shares,
- **marketing and Distribution:** Effective marketing and distribution strategies are essential to attract investors. This involves leveraging both traditional and digital marketing channels to reach a broad audience.

KEY CHALLENGES

Launching an ELTIF comes with several challenges, including:

- **legal and Regulatory Compliance:** Ensuring compliance with the regulatory framework governing ELTIFs can be daunting. It requires a deep understanding of both local and EU regulations and the ability to navigate the approval process efficiently while adhering to the most relevant features for clients. Especially the liquidity management features and respective client interests is a key area to be modelled in detail both internally (i.e. with Risk Management and Portfolio Management) and externally (i.e. with the Regulator),
- **operational Complexity:** Managing an ELTIF involves significant operational complexity, including in relation to fund administration, reporting, and investor relations. This requires robust systems and processes to ensure smooth operations. It has also become apparent that the necessary intermediaries involved in onboarding and offboarding ELTIF investors have not yet found final solutions to all challenges. The biggest operational challenge is still the identification and processing of lock-up periods (both hard and soft) and the respective management of client-specific events (such as transfers). A key factor is the data flow between all parties involved in the subscription and redemption process chain, i.e., from distributor to transfer agent,
- **education:** Educating investors and distributors about the benefits and risks of investing in ELTIFs is crucial. This involves providing clear and transparent information to help investors make informed decisions.

KEY SUCCESS FACTORS

Several factors contribute to the successful launch and operation of an ELTIF:

- **robust Risk Management:** Implementing a robust risk management framework is essential to protect investors and ensure the long-term success of the fund,
- **strong Regulatory Relationships and Regular Exchange:** Building strong relationships with regulatory bodies can facilitate the approval process and ensure ongoing compliance,
- **effective Communication:** Clear and transparent communication with investors and all stakeholders involved is key to building trust and confidence in the fund,
- **market Expertise:** Leveraging market expertise and insights can help identify attractive investment opportunities and navigate market challenges.

UNLOCKING THE POTENTIAL OF ELTIFS

In conclusion, the launch of ELTIFs represents a significant opportunity to expand access to private markets for a broader range of investors. By navigating the regulatory landscape, addressing operational challenges, and leveraging market expertise, the industry can unlock the potential of ELTIFs to deliver long-term value for investors and support economic growth.

EVERGREEN FUNDS AND ELTIF 2: UNLOCKING PRIVATE MARKETS FOR INDIVIDUAL INVESTORS

AGATHE BUBBE
Director in the Wealth Solutions team
Eurazeo

The private equity market, historically reserved for institutional clients through closed funds with high entrance fees (>€1m), is seeking to democratise access in order to target more private investors. In 2015, a new range of funds called Evergreen with a 99-year lifespan appeared. The advantage of these Evergreen funds is that they offer their clients immediate exposure to private companies, eliminate the J-curve phenomenon found in a closed fund and are accessible to entrance tickets of a few hundred euros according to insurers, provided investors understand the subtleties.

YOUR EXPERIENCE IN LAUNCHING EVERGREEN FUNDS (WHY? IS IT A SUCCESS?)

Drawing on our experience in private markets for more than 50 years, and for 25 years for private clients, Eurazeo launched its first Evergreen fund in 2018 to respond to a new market trend aimed at democratising Private Equity funds among private clients.

The success of Evergreen funds depends on their ability to meet the expectations of all investor market segments, from the mass affluent to institutional clients. Private clients are seeking to both give meaning to their savings, diversify and be in control of their schedule. Thanks to their "open" structure allowing entry when desired and exit at given intervals, these funds offer great flexibility as well as increased liquidity for investors, compared to the classic closed-ended fund model with a given subscription period, a long lock-up period and distributions as managers materialise portfolio exits.

This market trend towards the evergreen model has been confirmed, particularly at Eurazeo, where the Private Value Europe 3 fund will soon reach €3 billion[1] in net assets, raised only from individuals in France and, more recently, Luxembourg and Belgium. It should be noted, however, that not all investment strategies are adapted to the evergreen fund: very diversified, regular strategies in terms of deployment and performance must be implemented in order to ensure a certain liquidity and performance. Cash management is also very important in this type of fund. This is why the bulk of the evergreen funds that are launched generally combine several investment strategies and are implemented by international fund managers able to invest significant amounts each year.

WHAT ARE THE PROSPECTS FOR THESE NEW VEHICLES WITH ELTIF 2?

The outlook for new investment vehicles with ELTIF 2 is promising. The ELTIF 2 regulation, which came into force on 10 January 2024, aims to offer asset management companies the opportunity to benefit from a marketing passport for institutional and private investors throughout the European Union.

ELTIFs, created in 2015, have only recently actually started to be used and are mainly marketed in Italy, France, Germany and Spain. Their growth is staggering: from €5 billion in 2017, they should represent in excess of €35 billion by 2028[2].

These regulatory changes encourage asset management companies to adapt their offerings to meet the needs of retail investors by simplifying investment processes and offering better European accessibility. For Eurazeo, this is a real opportunity to expand its range on a European scale and to open up to a private client market in Europe. To do this, we are structuring a new ELTIF 2 fund, which will soon be available for subscription, called Eurazeo Prime Income Credit ("EPIC"), and which will focus on a 100% private debt strategy.

DO YOU SEE A REAL APPETITE FROM PRIVATE INVESTORS?

Yes, there is a real growing appetite from private investors for the unlisted market. For a long time, this asset class was reserved for institutional investors, due to demanding investment conditions such as high entrance fees, long-term commitments and liquidity that was limited and, above all, in the hands of asset managers.

Investor interest in unlisted markets has intensified, supported by recent regulations such as the "Industrie Verte" Act in France and ELTIF 2.0 at EU level, which encourage asset management companies to diversify their sources of funding. However, although interest is growing, Private Equity remains underrepresented in the portfolios of French private investors, with less than 1% of allocation compared to 20% in the United States. This discrepancy is largely due to a lack of training and education for retail investors. With better financial education and greater accessibility, Private Equity should gradually find its place in French and European investors' portfolios. Today, as proof of our commitment to private investors since the early 2000s, 14% of the Eurazeo group's AUM, or EUR 5 billion, comes from private clients.

DO YOU THINK RETAIL INVESTORS WILL GIVE NEW IMPETUS TO PRIVATE MARKETS?

Despite the reduction in institutional investor allocations since 2022, the share of private client fundraising in the unlisted market continues to grow. Retail investors have the potential to reinvigorate these markets by providing a new source of capital and diversifying investor bases. Their interest, supported by favourable regulations and innovative products, is a positive sign for the future of private markets. Easier access to investments through crowdfunding platforms and increased transparency through technology are further reinforcing this trend. These developments could offset the decline in institutional investment and support private market growth.

(1) Source: Internal Eurazeo source. **(2)** Source: Scope Fund Analysis; European ELTIF study 2022-2024.

RETAILISATION OF PRIVATE ASSETS: WHY LIFE INSURANCE IS AN IDEAL VEHICLE

RÉMI CUINAT
Head of Unit-Linked Assets
Generali France

Life insurance is currently French people's favourite type of investment, with more than €2,000[1] billion in savings. This investment vehicle finances the economy to a significant extent by allocating these funds to various assets: shares and bonds of listed and unlisted companies, corporate debt, government bonds.

A LONG INVESTMENT HORIZON COMPATIBLE WITH PRIVATE ASSETS

One of the major advantages of life insurance is its long investment horizon. This type of investment supports policyholders throughout their lives: preparing for retirement, transferring wealth, financing children's education or acquiring Real Estate – it is not a vehicle that accumulates cash for immediate use.

This time perspective is particularly aligned with private assets, whether Private Equity, Private Debt or infrastructure. Indeed, it is over time that the benefits of these investments are realised and that they can fully express their return potential. This is why life insurance is an ideal vehicle to support the real economy. It represents a significant volume of savings with a converging long-term maturity.

DIVERSIFICATION AND RISK MANAGEMENT

A saver seeks above all a controlled return-risk relationship. For this, diversification is a fundamental principle. The famous adage "don't put all your eggs in one basket" takes on its full meaning here.

Life insurance contracts offer this extraordinary capacity, particularly in France through so-called multi-asset contracts in which you can find:

- euro-denominated funds, managed by the insurer and guaranteeing capital security,
- collective investment funds (UCITS), offering diversified exposure in terms of management styles, geographical areas, business sectors and strategies,
- real assets, which constitute a third diversification lever.

Private assets also represent a diversification tool in which the client will be able to invest part of their savings. Indeed, real assets are relatively uncorrelated to the listed market and therefore a diversified Private Equity fund will not lose 10% overnight in the event of a drop in the stock markets. On the contrary, this Private Equity fund having a long time to develop, will have a fairly clear decorrelation to the market side. By decorrelation, we should understand that as there is less volatility, there will be fewer sharp upturns and downturns in the client's wealth. It is a kind of shock absorber for financial market volatility.

GIVING MEANING TO CUSTOMERS' SAVINGS

The final advantage of real assets is their ability to give meaning to the savings of clients who invest in this type of asset. Today, more and more savers want their money to contribute to concrete projects that are useful to society. Private assets finance the real and local economy (SME and ISE development, energy infrastructure, etc.)

As an example, at Generali, we have developed funds exclusively dedicated to our clients' unit-linked insurance policies. These are funds that finance, for example:

- sustainable infrastructure that invests in the renovation of water reprocessing plants,
- the implementation of an urban heating system,
- financing an electric locomotive fleet to boost freight transport by rail in Europe and thus reduce the weight of trucks transporting freight in Europe,
- wind farms, fibre to supply digital technology to parts of France where it is lacking.

This type of investment allows not only an attractive return, but also increased transparency on the impact of investments. Unlike investments in listed markets, where savers receive mostly abstract macroeconomic analyses, real assets tell a story: investors can regularly monitor the concrete progress of the projects they support.

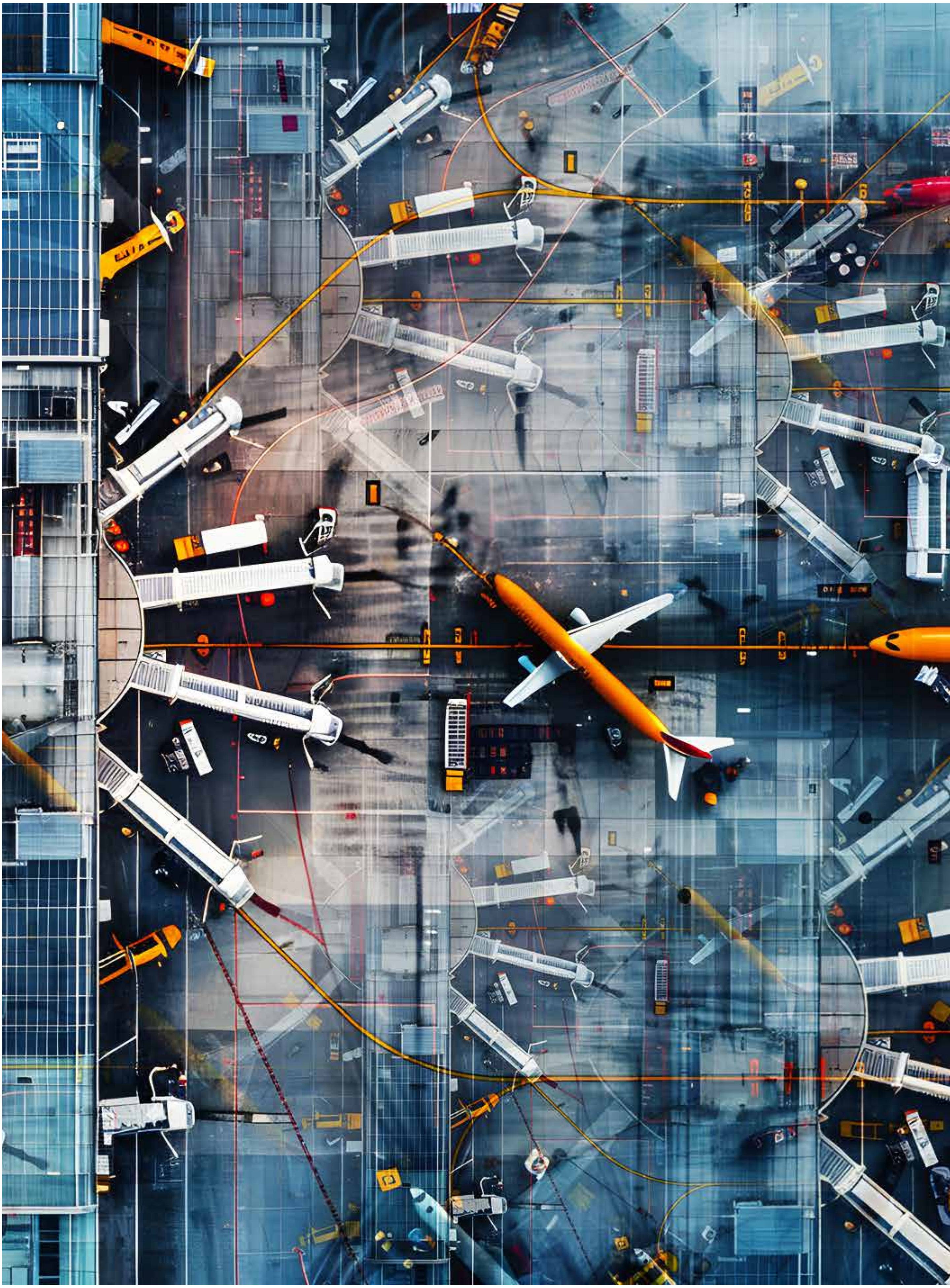
This is a topic that was not very much on people's minds 10 years ago, but in the face of climate change, and notably COP21, the social responsibility of investors has become a central topic. This has made consumers, and therefore savers, aware of the need to support the model and accelerate the transition. Today, many savers want to square financial performance and positive impact on the ecological and social transition.

In summary, life insurance is proving to be a vehicle perfectly suited to integrating private assets for several reasons:

1. a long investment period, in line with the time needed for private assets to generate value,
2. controlled diversification, to reduce volatility and better control risk,
3. an investment with meaning, aligned with savers' expectations regarding economic and environmental impact.

Today, with the possibility of including these assets in life insurance schemes, investors can combine performance, resilience and societal commitment. This development marks a new stage in the democratisation of responsible finance and in the optimisation of long-term investments.

(1) France insurers.



SMARTER RISK MANAGEMENT WITH LIQUIDITY & HYBRID STRATEGIES

PRIVATE MARKETS: WHERE ILLIQUIDITY MEETS LIQUIDITY?

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THE LIQUIDITY CHALLENGE IN PRIVATE MARKETS

Private markets have long been associated with illiquidity. Traditionally, investors accepted the trade-off: superior returns in exchange for capital lock-up over several years. However, the landscape is shifting. The rise of semi-liquid funds and liquidity mechanisms is redefining the risk equation, offering more flexible access to private assets while keeping their long-term investment appeal.

This evolution is not just a technical adjustment: it is a fundamental reshaping of how investors approach private markets. **Nowadays, the demand for liquidity**

is no longer confined to public markets. Private assets, historically reserved for institutional investors or family offices, are now adapting to a world where investors expect flexibility, transparency and accessibility. This shift has deep implications, especially as the industry moves towards a greater participation of retail investors.

THE RETAILISATION OF PRIVATE MARKETS: A STRATEGIC IMPERATIVE

The push towards retail access is not a passing trend: it is an irreversible structural shift. Regulatory changes, technological advancements and investor appetite are converging to make private assets accessible to a wider range of investors. The introduction of European Long-Term Investment Funds (ELTIF 2.0), the expansion of interval funds and the growing role of fintech platforms are clear indicators of this transformation.

Yet, **the real question is not whether private markets will become more retail-friendly, it is whether the industry is ready to embrace this shift strategically**. In our view:

- **investor education is key:** retail investors need to understand the liquidity constraints and risk-return profile of private markets. Asset managers, along with distribution partners, must take responsibility for this educational effort to avoid unrealistic expectations,
- **technology is a true enabler:** digital platforms, AI-driven investor profiling and blockchain-based settlements will play a crucial role in making private markets more accessible without compromising risk management,
- **regulatory frameworks are a game changer:** regulators are opening pathways for retail participation, enabling a better access to private markets. Nevertheless overly stringent regulations could slow innovation, while excessive flexibility could lead to misselling.

Investors, especially retail ones, must remain cautious in their search for high returns within private markets: even if technology and regulation enable better access to private assets funds, underlying assets remain illiquid and cannot totally dismiss the inherent liquidity risk.

SEMI-LIQUID FUNDS AND LIQUIDITY MECHANISMS: AN IMPERFECT SOLUTION?

Semi-liquid funds are emerging as a key innovation in bridging the gap between private markets' structural illiquidity and investors' need for periodic access to capital. These funds, structured as open-ended vehicles with periodic redemption windows, provide a middle ground between traditional closed-ended private equity funds and fully liquid mutual funds.

Mechanically, they generally incorporate features such as:

- **limited redemption windows** (e.g., quarterly or semi-annual) to balance investor withdrawals with asset liquidity,
- **gating mechanisms** to prevent forced asset sales in distressed conditions along other liquidity management tools (swing pricing, anti-dilution levies or event redemptions in kind…),
- **hybrid structures** that blend liquid securities (such as listed equities or credit) with illiquid private assets to create a more flexible investment model.

While ELTIF 2.0 encompasses a matching mechanism to provide more liquidity to investors, the development of secondary markets should also further enhance liquidity. As the infrastructure and transparency of secondary transaction platforms are still developing and evolving, they might become an essential complement to semi-liquid structures.

MORE LIQUID, BUT STILL ILLIQUID

The introduction of ELTIF 2.0 marks a significant milestone in the evolution of private markets, particularly in enhancing liquidity and accessibility for retail investors. Over the past two years, ELTIF 2.0 has seen "good traction", with a number of registered funds surpassing the total number of funds launched during the seven-year lifespan of its predecessor. This rapid growth underscores the potential of ELTIF 2.0 to democratise private market investments.

However, this success also raises important concerns, particularly for retail investors. While ELTIF 2.0 offers more flexible investment options and improved liquidity mechanisms, it may create an illusion of liquidity that could mislead retail investors. Private markets inherently involve illiquid assets, and the promise of easy access to liquidity can be deceptive. Retail investors, who typically have shorter investment horizons and higher liquidity needs, may find themselves exposed to unexpected risks if they underestimate the true nature of these investments.

As the private markets continue to open up to retail investors, it is crucial that they are adequately informed about the potential risks and limitations of liquidity in these markets. Regulatory bodies, asset managers and financial advisors must ensure that retail investors understand the complexities of private market investments and the mechanisms used to manage liquidity, especially the heaviest ones (such as reimbursement in kind). By striking a healthy balance between accessibility and risk awareness, private markets can continue to grow while protecting the interests of all investors involved.

To conclude, private assets funds, made more easily accessible and liquid, will certainly be a very strong lever for growth in the fundraising of alternative asset managers. Although institutional investors are well aware of the liquidity tools characteristics and their implications, the whole industry must nevertheless ensure that retail investors do not get the impression that private markets are liquid.

NAVIGATING UNCERTAINTY: SMARTER RISK MANAGEMENT THROUGH LIQUIDITY AND HYBRID STRATEGIES

SALVATORE SBERNA
Head of Alternative Investments & Conducting Officer
Azimut Investments S.A

How Azimut is reshaping access to private markets through product innovation and distribution intelligence.

THE INVESTMENT LANDSCAPE HAS UNDERGONE A PROFOUND SHIFT

A persistently high inflation environment, elevated interest rates and geopolitical instability have all contributed to a growing investor appetite for diversification, yield and more control over risk. As a result, private markets have emerged as a strategic asset class – but one whose traditional illiquidity is increasingly seen as a structural flaw rather than a feature. Liquidity and accessibility are no longer optional; they are defining features of next-generation private market strategies.

At Azimut, we have long believed that the true innovation in private markets lies not just in what we invest in, but how we structure those investments. The form matters as much as the substance: flexible, scalable vehicles combined with a distribution approach that brings alternatives to a broader investor base without compromising on quality.

"In private markets, the real innovation lies not in what you invest in, but in how you structure access."

THE RISE OF HYBRID STRATEGIES: BALANCING RETURN WITH FLEXIBILITY

Today's investors are asking for two things: the return potential of private markets and the optionality of more liquid products. Hybrid strategies are our answer. These vehicles combine private equity, private credit, infrastructure and real assets with a liquid sleeve or engineered liquidity mechanisms that offer greater agility in managing portfolios.

At Azimut, our hybrid structures are built to:

- maintain the risk-return profile of private assets,
- provide scheduled liquidity windows or NAV-based partial redemptions,
- accommodate evergreen models or comply with ELTIF 2.0 regulations to reach HNWI (High Net Worth Individual) and retail audiences.

The goal is clear: build long-term exposure to alternatives while giving investors more control over capital deployment, duration and rebalancing.

SMART RISK IS STRUCTURAL RISK

Risk management in private markets has traditionally been backward-looking: it came in the form of monitoring, post-investment oversight or periodic reporting. But in today's world, risk must be designed in from the beginning.

This means:

- embedding trigger mechanisms to reduce exposure to individual assets,
- implementing real-time NAV monitoring and valuation thresholds,
- stress-testing redemption windows in advance under multiple scenarios.

In our experience, these mechanisms aren't constraints; they are confidence-builders for investors seeking to commit capital over longer horizons without giving up flexibility.

"Risk management today isn't about reacting to volatility. It's about designing resilience from day one."

TECHNOLOGY AS ENABLER, NOT ADD-ON

Designing more dynamic, liquid and hybrid structures is only possible with the right technological backbone. That's why Azimut has invested heavily in building a proprietary digital infrastructure that supports onboarding, subscription, monitoring and client engagement across more than 20 countries.

From Italy to Brazil, Luxembourg to the UAE (United Arab Emirates) and across Latin America, Asia and the Middle East, Azimut's cross-border technology allows us to:

- streamline investor access with a paperless experience,
- deliver transparent reporting on underlying holdings,
- integrate educational tools to help investors better understand private market exposures.

In short, technology is how we deliver risk-managed alternatives at scale.

DISTRIBUTION MATTERS: DEMOCRATISATION WITHOUT DILUTION

Opening private markets to a broader audience is about more than regulation; it requires commitment, clarity and a consistent distribution philosophy.

Azimut's global reach gives us an edge in scaling private market products, but we've learned that distribution without education is a missed opportunity. That's why we've focused on three key pillars:

1. empowering financial advisors with tools and training,
2. designing products that are simple to understand yet institutionally sound,
3. partnering globally to access proprietary deal flow across asset classes.

The result is a model where investor sophistication is supported, not assumed, and where access doesn't come at the expense of quality.

LOOKING AHEAD: PRIVATE MARKETS MUST EVOLVE

Hybrid and liquid solutions aren't a passing trend. They're the next logical evolution in how we bring private markets to life for modern investors.

As the boundaries between public and private markets blur, and as clients demand more personalised, agile portfolios, the managers who succeed will be those who combine product innovation, smart risk management and intelligent distribution.

At Azimut, we're building for that future, today.

ELTIFs AS A EUROPEAN ENABLER OF HYBRID INNOVATION

Europe's regulatory landscape has been evolving to support a broader access to private markets, and the revised ELTIF framework (ELTIF 2.0) represents a pivotal step in that direction. Azimut has embraced this opportunity decisively, becoming one of the most active players in the space with the launch of 21 ELTIFs to date. These vehicles have been structured to offer diversified exposure across private equity, private credit, infrastructure and real estate while maintaining investor protection, transparency and – crucially – engineered liquidity.

The ELTIF model allows us to balance long-term capital commitments with optionality for investors and to align regulatory compliance with product flexibility. For retail and HNW investors, this opens a door that was previously limited to institutions. For the industry, it signals a structural evolution: alternative investments are no longer confined to closed-end, illiquid formats – they are becoming modular, accessible and responsive to real-world investor needs.

PRIVATE MARKETS – AN ASSET CLASS FOR ALL?

KELLY HEBERT
Country Head, France, Belux, Global Head of Sustainability & Impact Development
M&G Investments

Private markets have been a prime focus of institutional investors for several years. However, there is now a growing desire, particularly within Europe, to widen its access to a broader array of investors. Now a $13 trillion asset class, with estimates suggesting it is likely to grow to $20 trillion within the next 5-years[1], private markets are now an option no investor can afford to ignore. Consequently, there has recently been a clear push both by the EU (European Union) and European regulators to promote investment vehicles more suitable for non-institutional investors.

"private markets are now an option no investor can afford to ignore"

WHY DO INVESTORS NEED PRIVATE MARKETS?

Whether institutional or retail, in terms of addressing investment needs, the case for considering private market investment is compelling. The investment solutions the asset class can provide are likely to prove attractive to all investors. Potentially higher returns, diversification, reduced portfolio volatility – these investment objectives are sought by a broad range of investors. Many investors typically have longer term investment horizons – ideally suited to many private market strategies. Real assets, a core option within the private markets' universe, largely comprise directly held real estate and infrastructure businesses. These are proven providers of long-term, reliable and frequently inflation-linked, income streams.

"the case for considering private market investment is compelling"

Current trends suggest the opportunity set within private markets is only likely to grow fuelling the incentive for the asset class to extend its investor appeal. Companies are choosing to remain private for longer and public banks continue to retrench from key lending segments, supporting demand for private credit. Indeed, the 'democratisation' of private markets would appear to be in the interests of a broad range of investors, asset managers and portfolio companies themselves.

WHAT ROLE CAN PRIVATE MARKETS PLAY WITHIN A PORTFOLIO?

Perhaps the most important attribute of private markets is its ability to introduce genuine diversification within a traditional balanced portfolio. Normally a typical balanced portfolio e.g. pension fund, would have an allocation to both public equities and public bonds. The rationale is that both asset classes historically have behaved in an uncorrelated manner, helping manage return volatility within a portfolio. In other words, they had a negative correlation providing a natural risk/return hedge for portfolios. The problem is that this historic relationship has recently broken down.

"public equities and public bonds are more likely to move in tandem rather than independently"

The principal cause for this breakdown in the traditional equity/bond correlation has been due to a sustained period of volatile and high inflation. Consequently, both public equities and public bonds are more likely to move in tandem rather than independently. Fortunately, private markets have either a low or negative correlation with either public equities or public fixed income and can play a role as a powerful portfolio diversifier. Many private markets are also strong beneficiaries of major global growth themes. Energy transition, decarbonisation, affordable housing, infrastructure renewal.

"private markets are strong beneficiaries of major global growth themes"

GREATER INVESTOR ACCESSIBILITY

Confidence that access to private market investment opportunities will widen to a broader set of investors can be taken from recent market developments. Prime among these would be the EU response, recognising the need to boost investment in the real economy and further promote sustainable and inclusive growth, with the introduction in 2015 of the ELTIF Regulation (European Long-Term Investment Fund), and more recently in France with the Green Industry Law, and in the UK with emergence of LTAFs (Long-Term Asset Funds). These open-ended vehicles, specifically created to widen investor access, overcome some previous impediments.

Indeed, greater participation in private markets was still limited by persistent investor concerns about lack of liquidity/tradability. For this reason the EU updated ELTIF Regulation in January 2024 with ELTIF 2.0. The big difference is the expanded scope of eligible investments which can be held in such funds and the minimum size of investment. Specifically, ELTIF 2.0 completely abolished the previous €10K minimum investment required, but more importantly raised the market capitalisation threshold for portfolio holdings from €500m to €1.5bn. Having larger companies held in these funds increases available liquidity for investors.

Whilst these developments are unquestionably steps in the right direction, a remaining obstacle in opening up private markets to a wider audience is a clear knowledge gap. For many investors (and advisers) private markets as an investment area remains relatively unfamiliar. The non-publicly listed nature of the investments held understandably causes some investor concern. Misconceptions exist and it will primarily be the role of asset managers to provide the required tools and education in order to provide reassurance.

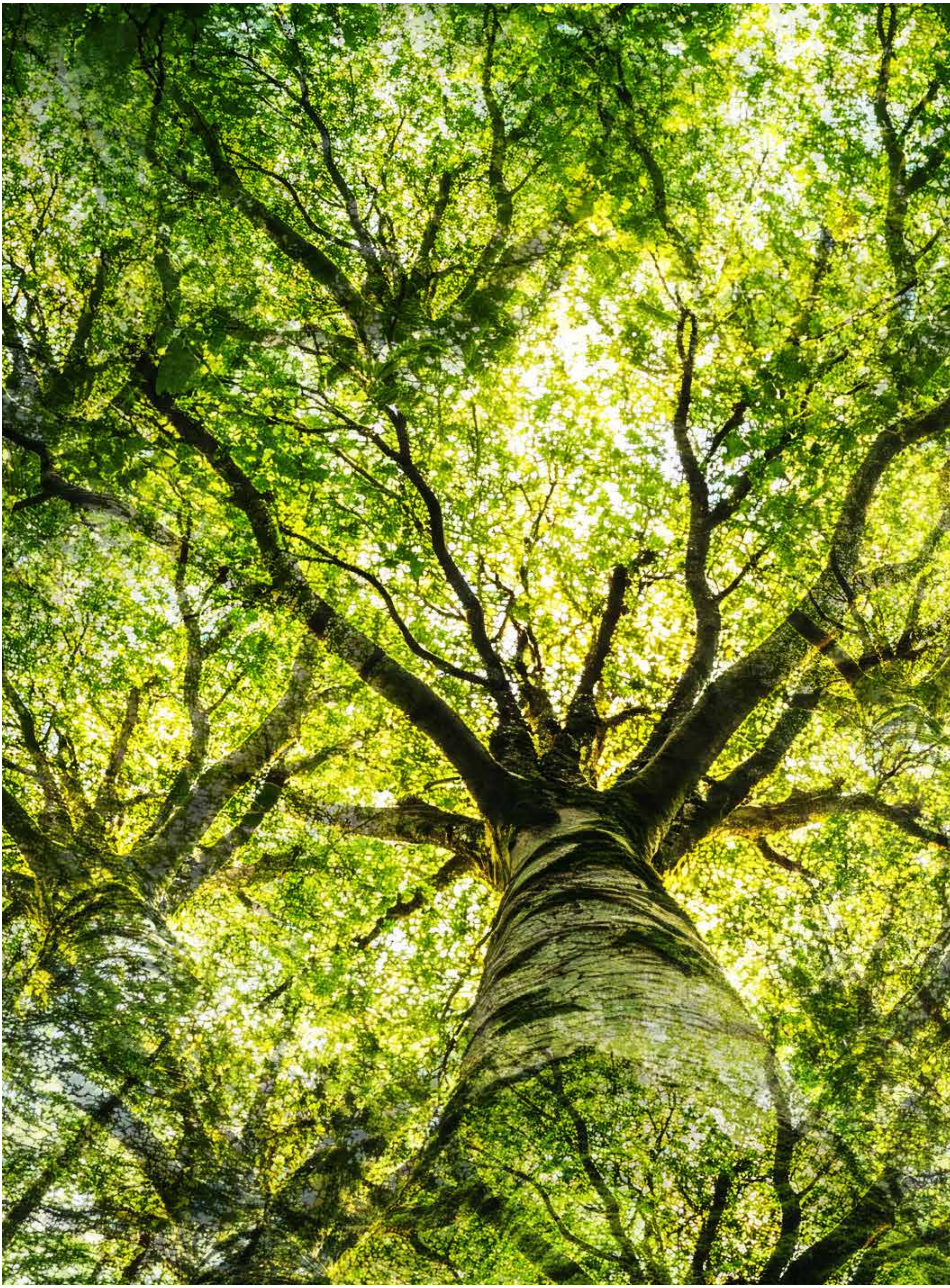
The political and market will clearly exists to promote wider access to this important and valuable area of investment. ELTIFs now allow a range of private investor-friendly fund offerings. The important next step is for asset managers to take responsibility in walking investors further along the private markets path.

MANAGER SELECTION

We believe those best suited to address these challenges and capture private market opportunities will be asset managers with the strongest pedigree and demonstrable expertise. With 25-year experience within private markets and over 500 professionals managing. €90 billion of private assets[2], M&G Investments is well placed to lead this transformation. We have already launched our first private credit ELTIF with close to €900m under management[2], and plans are in place for the launch of a fund under the French law. Our asset owner/asset manager model will further ensure we can continue to seed and scale innovative solutions.

Investment involves risks. The views expressed in this document should not be taken as a recommendation, advice or forecast.

(1) Source: 2025 Private Markets Outlook, a new era of growth, BlackRock. **(2)** M&G Internal data as of end of December 2024.



PRIVATE MARKETS: IN LINE WITH THE ESG REVOLUTION

SUSTAINABILITY INVESTING IN EUROPEAN MID-MARKET PRIVATE EQUITY: A LASTING OPPORTUNITY

FABIO RANGHINO
Partner and Head of Sustainability & Strategy
Ambienta

HOW WOULD YOU DESCRIBE THE GROWING OPPORTUNITY OF SUSTAINABILITY INVESTING IN THE CONTEXT OF THE EUROPEAN MID-MARKET PRIVATE EQUITY SEGMENT?

Ambienta was founded almost two decades ago on the firm belief that **sustainability drives investment value**. We recognised that the world must transition approximately US$100 trillion[1] of economic activity toward sustainable practices in order to support current levels of global economic and population growth.

Our vision was anchored in the conviction that as environmental resources are strained by economic expansion and increasing global population, sustainability-driven businesses that address **resource efficiency** and **pollution control** will have a clear long-term competitive advantage.

This philosophy has not changed. We continue to believe that **sustainability creates strategic value**, drives growth and delivers long-term performance. More importantly, we recognise **that sustainability is a theme. It is not a sector** - environmental challenges are multi-layered and are not constrained to specific sectors. We are witnessing the biggest revolution in the history of the economy, which is reshaping all industries. Despite politics, this industrial revolution will not reverse – the food and beverage sector will not start moving back from natural to chemical ingredients, LED won't be replaced by traditional lighting, nor will heat pumps revert to gas boilers.

Based on a scientific understanding of sustainability dynamics across the entire sector spectrum, **we see opportunities present across all industries**. Currently, we have a portfolio of environmental champions that spans established companies with over 130 factories across

5 continents[2], all of which have grown at double-digit rates, with over 20% profit margins[3]. These are mature companies driving the economy towards a more environmentally sustainable footprint. In the last 18 years, we have executed 80 transactions, of which 71[4] were primary. This proves that with a strategy based on industrial value and real sustainability drivers and the ability to build deep relationships with entrepreneurs to grow their companies in partnership, **there are vast opportunities in the European mid-market Private Equity segment**.

ARE SUSTAINABILITY AND ESG LOSING MOMENTUM IN THE CURRENT POLITICAL LANDSCAPE?

Regardless of policies, politics, lobbyists and greenwashing, which are to some extent diverting attention from ESG and sustainability, it is indisputable that **environmental trends have reshaped and are continuing to reshape the competitive dynamics of all industries**.

Ultimately, and despite this shift in attention, it remains indisputable that those companies that have found a way to address human needs with a business model that has a lower environmental footprint, but still makes sense economically, are gaining market share and winning clients over traditional business models. Ultimately, **companies reducing resource use and pollution have a long-term advantage**. We see these companies, which we term **"environmental champions"**, continuing to grow three times faster than the market.

But let us take a closer look at why we are witnessing governments, public opinion and investors backtracking or reducing their focus on ESG considerations, goals and policies.

The drivers are twofold. For one, this is largely because it is becoming recognised that unfortunately many so-called ESG and impact players are not applying an authentic investment approach. And this is good news for genuine players in the market like Ambienta, who already back in 2007, before sustainability was even on the agenda for mainstream players, invested exclusively in this space. **Authenticity will prevail as we go through a period where superficial market players, who jumped on the ESG and sustainability bandwagon for the wrong reasons, fall away**.

The noise we are seeing currently does not impact our conviction that, simply put, companies that have found a way to use resources more efficiently and/or pollute less will, given the ever-increasing pressures on natural resources that we are already witnessing today, enjoy growing and long-term competitive advantages. On the flipside, companies that do not take this trend into consideration when evolving their businesses will be heavily penalised.

Secondly, ESG and sustainability are often used interchangeably, causing confusion and diluting the essence of their meaning. Ambienta is very clear on this – **sustainability and ESG are two very different things. Our approach distinguishes sustainability as the "what" and ESG as the "how"** in the context of analysing companies and investment opportunities. Sustainability means: "**What** is the business model?" It looks at whether the services or products of a business improve resource efficiency and pollution control in a way that is meaningful and measurable for the long term. ESG, on the other hand, means: "**How** is this business managed?" It is effectively a risk management tool assessing good governance and sound business practices.

Logically, both **the "what" and the "how" must be considered together** because a sound ESG framework alone, without the essence of a business model (the "What") being sustainable, cannot drive long-term performance.

Let's look at an example – any oil and gas company can have the best ESG credentials: solar panels installed on their roofs, social engagement, good governance, great diversity metrics. The company would satisfy the "How" it operates question. But on the "What" it clearly falls short.

It is for this reason that reservations arise when we talk about ESG – people recognise that ESG is being misused. **ESG does not equate to being sustainable**. And it is for the same reason that we still see funds labelled and bucketed as green or sustainable losing momentum - because investors recognise that these funds invest in companies that are not fundamentally related to environmental sustainability trends even though they tick all the boxes on best-in-class ESG implementation. **ESG is not a sustainability differentiator, in fact it is no longer a differentiator at all**. It may be a good indicator of how well a company is run and governed, but it must not be confused with providing any indication of whether a business model is ultimately environmentally sustainable.

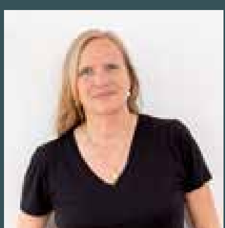
WHERE DOES THIS LEAVE US?

Sustainability and ESG are two entirely different concepts. It is the sustainability of the underlying business model of a company that determines and drives its value and competitive advantage, not its ESG scores, which are a metric for whether it is run well or not.

So, while recent noise around nomenclatures and ESG/sustainability/impact will prove a significant headwind and pose challenges for investors and businesses that do not have a fundamental and well-established footing in their conviction around the meaning of parameters in this space, the increased scrutiny will play in favour of businesses that differentiate themselves with authenticity. For Ambienta, being synonymous with authenticity in sustainability investing, we see this as a tremendous opportunity to stand out.

(1) World Bank data. **(2)** Ambienta internal source. **(3)** Ambienta internal source. **(4)** Ambienta internal source.

BEYOND ESG: EMBEDDING IMPACT IN INVESTMENT



LAURENCE MEHAIGNERIE
Co-Founder & Partner
Citizen Capital

Our society faces a combination of complex social and environmental challenges. While ESG criteria help assess certain aspects of corporate responsibility, they often address only the **symptoms** of contemporary issues. **Impact investing**, on the other hand, aims to go further by tackling the **root causes of societal and environmental imbalances**.

In this context, impact investment funds go **beyond ESG** by building their strategy on a strong belief: **capital is a powerful driver of societal transformation**. By scaling up businesses that **provide solutions** to today's social and environmental challenges - in sectors like healthcare, education, circular economy, and agriculture - impact investing helps expand the share of unlisted companies that contribute to a sustainable and resilient society. **Far from opposing profitability and impact**, these funds demonstrate that it is possible to **combine strong growth with positive transformation**. To achieve this, they place impact at the heart of their identity, both in their operational model and investment approach.

INVESTMENT FUNDS STRUCTURED AROUND IMPACT

An increasing number of impact investment funds are **applying the principles they advocate** to themselves, in addition to investing in high-impact businesses. In France, **29 asset management firms have adopted the "Société à Mission"**[1] status, while **114 are B Corp certified** across Europe[2]. Moreover, more than **850 funds comply with Article 9** of the SFDR regulation[3], requiring them to measure their carbon **contribution** alongside offsetting. By integrating these obligations and accountability measures into their operations, these funds commit to going **beyond basic ESG metrics to actively drive necessary social and environmental transformation**.

For funds that have adopted the "Société à Mission" framework, the creation of an **external governance body**, known as the **impact committee**, illustrates this commitment. Composed of independent experts, this committee validates fund actions and ensures that their mission is reflected in strategic decisions. This framework reinforces **rigour and ambition** in achieving meaningful, measurable impact.

Aligning interests is another cornerstone of these models. In several firms, the investment teams' variable compensation (carried interest) is **linked 50% to the impact performance** of their investments - as seen with Citizen Capital, Ternel, and Raise Impact, for example. This approach **strengthens coherence** between financial objectives and social and environmental goals.

IMPACT AT THE CORE OF THE INVESTMENT PROCESS

From the outset, even before the investment decision is made, each impact fund applies a tailored methodology to assess the **transformative potential of** prospective investments. At Citizen Capital, for instance, impact analysis is based on a **six-dimension framework**, called the **Impact Radar**. This diagnostic tool assesses the depth of the need addressed by the solution, its transformative potential, its accessibility, and associated risks. The objective is to develop a clear conviction about the **impact potential of the investment opportunity**.

Once this evaluation is complete, a crucial step involves formalising the entrepreneurs' commitment through an **impact business plan**. This document, co-developed with the leadership team, defines 2 to 3 **key objectives** with corresponding **indicators** that demonstrate mission achievement and impact. These commitments are monitored over time by a dedicated team in close collaboration with the operational teams of the portfolio companies.

TAILORED SUPPORT THROUGHOUT THE INVESTMENT LIFECYCLE

Beyond rigorous selection, Citizen Capital plays an active role throughout its relationship with funded companies. Firms receive support to **structure their mission**, integrate it into their **governance**, and ensure strategic decisions align with initial commitments. For some businesses, this may involve transitioning to a "Société à Mission" status or obtaining B Corp certification.

A genuine **partnership** is formed between the investment team and the impact team. **By addressing a fundamental need, these solutions are well-positioned to tap into real market depth** and thus achieve strong growth potential.

ENSURING IMPACT CONTINUITY AFTER EXIT

Citizen Capital's commitment does not end with the sale of its shares. Particular attention is given to ensuring the **continuity of the company's mission post-exit**. To achieve this, a dedicated mission clause may be included in the shareholder agreement, ensuring the company's founding principles endure, even after a change of investor.

By structuring their approach end-to-end - from company selection to long-term development - impact investment funds demonstrate that **embedding impact can align with sustainable performance goals**. Far from being a mere marketing narrative, **impact investing is emerging as a powerful force for economic and social transformation**. As environmental and societal challenges intensify, this approach may well become **the investment model of tomorrow**.

(1) Mission-driven companies source: https://www.observatoiredessocietesamission.com/societes-a-mission-referencees/?jsf=jet-engine&tax=wntat_sector:654
(2) B corp source: https://www.bcorporation.net/en-us/find-a-b-corp/?refinement[countries][0]=France&refinement[industry][0]=Equity investing - Emerging Markets&refinement[industry][1]=Equity investing - Developed Markets
(3) Article 9/SFDR sources: https://placement.meilleurtaux.com/placement-financier/autres-guides-placement/sfdr-article-9.html, https://www.novethic.fr/decryptages-dexpert/etudes/les-fonds-article-9-sont-encore-loin-des-exigences-du-reglement-sfdr, https://fr.apiday.com/blog-posts/a-guide-to-the-sfdr

RESPONSIBLE INVESTMENT IN PRIVATE EQUITY: DRIVING VALUE

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Chief Responsible Officer
Amundi Alternatives & Real Assets

This paper explores the evolving landscape of Responsible Investment (RI) in Private Equity (PE), building on prior research and enriched by a comprehensive survey of industry participants - both General Partners (GPs) and Limited Partners (LPs)[1].

While Private Equity has historically been seen as a latecomer in terms of Environmental, Social, and Governance (ESG) integration, our analysis shows that the industry is undergoing an in-depth transformation. This evolution is driven by an increasing pressure from investors, shifting regulatory environments, and a growing awareness among GPs that ESG considerations can generate value creation and improve risk management.

A NATURAL CONVERGENCE BETWEEN PE AND RI

PE, by nature, is well-positioned to embrace responsible investing. Its longer investment term enables a greater influence on the strategic direction of portfolio companies. PE offers a holding pattern where governance is a key component. GPs often hold board positions, enabling them to bring significant ESG transformations from within. This tight involvement facilitates the incorporation of sustainability objectives and improvements into strategic roadmaps.

Moreover, ESG integration is increasingly recognised not only as a reputational tool but also as a fundamental lever for value creation. Responsible governance, environmental efficiency, and social practices are seen as enhancing long-term resilience and financial performance. PE plays a major role in catalysing innovation and addressing societal challenges.

DRIVERS OF CHANGE: FROM VALUES TO MANDATES

One major driver of RI adoption in PE is investor demand. Institutional LPs particularly in Europe are increasingly incorporating ESG in their due diligence processes and expecting GPs to do the same. In contrast, North American and Asian markets exhibit more fragmented or cautious approaches. Regulatory frameworks, notably the SFDR[2] and CSRD[3] in the European Union (EU), are accelerating this transition by providing greater transparency and standardisation.

Cultural factors also influence ESG integration. European investors, especially in Nordic countries tend to view ESG as an intrinsic part of their fiduciary duty. Nevertheless, even in markets with limited regulatory pressure, competitive dynamics are encouraging firms to integrate RI as a way of differentiation and talent attraction.

IMPLEMENTATION IN PRACTICE

The implementation of responsible investment components varies widely across the industry. Common strategies include:

- exclusion policies: Avoiding sectors such as tobacco, coal, or controversial weapons is now mainstream,
- thematic investing: Many GPs have launched funds aligned with specific ESG goals, such as decarbonisation or transition or health innovation,
- engagement: PE enables proactive and continuous engagement policies. ESG priorities are onboarded in action plans, tracked with tailored Key Performance Indicators (KPIs), and monitored throughout the investment lifecycle,
- measurement and reporting: Standardised KPIs such as board diversity, Greenhouse gas (GHG) emissions, and work-related injuries are becoming more common.

However, implementation challenges persist. Data quality and access remain major obstacles, particularly for small and mid-sized companies. Defining materiality, ensuring comparability across portfolios, and verifying ESG data require significant human and technical resources. Moreover, the lack of harmonised frameworks within the PE industry complicates both internal management and LP reporting obligations.

ORGANISATIONAL ADAPTATION AND GOVERNANCE

Effective ESG integration in PE requires structural alignment. ESG must be sponsored at the highest level of the company and embedded throughout all levels of the organisation. Some leading GPs have granted ESG teams with veto power on deals. Success also depends on internal collaboration: investment professionals must be trained and empowered to take ownership of ESG performance, not just delegate it to specialists.

BALANCING ESG WITH FINANCIAL OBJECTIVES

A central concern remains the perceived trade-off between ESG integration and performance. ESG strategies offer dedicated investment themes over all real assets investments. Each real asset class (private equity, infrastructure, real estate,..) constitutes in its own an ESG strategy. It has now become for investors a necessary condition for the long-term performance of all investments. ESG criteria enhance long-term returns by improving risk-adjusted performance, diversifying exposures, and preventing reputational or operational risks.

Still, challenges exist. Top-performing GPs, often based in the US, resist ESG demands due to their strong market positioning. This forces LPs to balance fiduciary responsibilities with ESG expectations - a tension that reflects the industry's transitional phase.

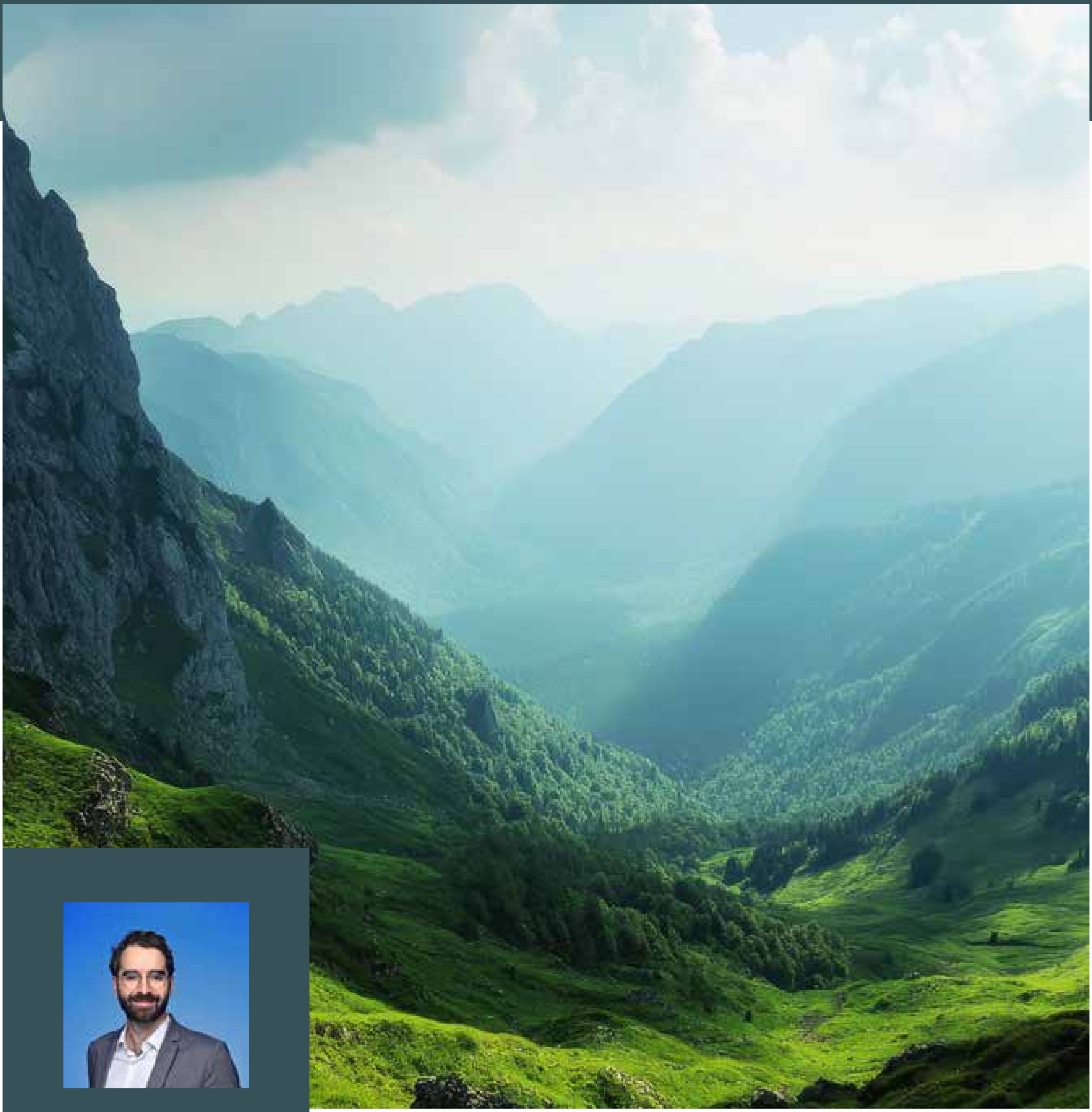
THE ROAD AHEAD: CONVERGENCE, ACCOUNTABILITY, AND MATURITY

PE's journey toward sustainability is complex and diverse. The industry is at different state of maturity ESG champions, latecomers, and a middle segment that integrates ESG reactively or selectively. To fully realise its potential, the PE sector must address structural challenges in reporting, align remuneration schemes with sustainability, and bridge the data gap. Regulation will continue to be a catalyst, but voluntary leadership and innovation remain essential.

In conclusion, responsible investment in Private Equity is no longer a question of "if" but "how fast" and "how deep". The industry has powerful levers to effect change and must now mobilise them systematically to meet rising expectations from regulators, investors, and society.

(1) This article is a summary of a larger study carried out on the RI and PE by Amundi Alternatives & Real Assets and Amundi Institute. This study can be consulted at the following address: "https://research-center.amundi.com/article/responsible-investing-private-equity" **(2)** Sustainable Finance Disclosure Regulation. **(3)** Corporate Sustainability Reporting Directive.

ESG: HOW AN ASSET MANAGEMENT COMPANY CAN - AND MUST! - UNDERSTAND YOUR CHALLENGES



RENAUD SERRE-LAPERGUE
Sustainable Finance Strategy Director
SWEN Capital Partners

Faced with the climate emergency and the need for more sustainable, more human and more organised finance, asset management companies obviously have an important role to play. And the possibility of going beyond regulatory requirements, in the best interest of nature protection.

DESIGNING AN EFFICIENT ORGANISATION TO CHART THE COURSE

In a world facing enormous challenges, private actors also have a responsibility to bear, particularly to finance projects that contribute to the protection of ecosystems, natural resources and/or the energy transition. To this end, everything starts from a vision, a strategy, a direction. In concrete terms, it is highly desirable for asset management companies to establish a governance model that can effectively reflect sustainability convictions in investment strategies.

To achieve this, organisations must equip themselves with all the necessary human and organisational resources to structure, manage and plan their sustainability strategy at entity level. And by having as a basis a comitology that extends from the Board of Directors to operational functions. At SWEN Capital Partners, a subsidiary of OFI Invest and Crédit Mutuel Arkéa, the ESG strategy and its deployment are discussed at the Board of Directors and Executive Committee level, but also at a more operational level by involving the heads of all functions in a Sustainable Finance Steering Committee.

Far from being a white elephant, this organisation, which covers each "floor" of the asset management company, is a vector of indispensable synergies and, ultimately, lays the foundations for participatory governance that can engage all employees on the same path.

OFFERING INNOVATIVE PRODUCTS TO INSTITUTIONAL INVESTORS

SWEN Capital Partners became a Société à mission (mission-driven company) in 2023 and is firmly committed to a new ambition. While essential, this step was neither a start nor an end for the company, but rather both at the same time. It has, in a way, enshrined the values and convictions it has held since its creation, namely, to promote economic models that are sustainable in both environmental and social terms, in other words to invest in nature.

Ten years after its creation, the company is determined to continue on this path, making it a point of honour to offer innovative products that aim to meet humanity's essential needs within planetary boundaries, convinced that companies that anticipate future changes and accept to transform themselves will be the leaders of tomorrow.

Current headwinds, marked by a decline in regulatory ambitions for ESG and a questioning of international ecosystem protection targets, are testing sustainability commitments and strategies. Whatever the motivations, these challenges are coming up against unavoidable physical realities, such as climate change and the collapse of biodiversity, which are already impacting the activities financed. And tomorrow, those economic consequences will be even more pronounced.

The sustainability momentum, driven in recent years by many asset management companies, must continue. Not only to protect the value of the assets financed, but above all to create value. These companies, having invested massively in tools, in human resources and reorganised their structures, are best placed to address the environmental and social challenges facing our industry, whatever the context.

These asset management companies now embody their convictions and commitments through innovative investment products, combining financial performance and sustainability. They show a clear will to transform business models and support companies in creating sustainable value. This is notably the case for the SWEN Blue Ocean thematic impact fund, launched in 2021 in scientific partnership with Ifremer. Specialising in venture capital and recognised as a "Top Innovation Fund" by UpLink as well as the World Economic Forum, it funds start-ups that develop technological solutions to stem the three major long-standing threats to the oceans: overexploitation of species, pollution and climate change.

Another example is the Macif Terre & Vivant fund, also designed by SWEN Capital Partners, which is committed to preserving, protecting and restoring life.

DEVELOPING KEY EXPERTISE AND ENCOURAGING DATA SHARING

These two products are the direct result of specialised expertise and methodologies that the asset management company has developed in close collaboration with a wide range of partners (scientists, industrialists, etc.), the aim again being to invest in activities that mitigate anthropogenic impacts on ecosystems.

Following this rationale of financing meaningful projects whose relevance is proven by the figures, in 2022 SWEN Capital Partners became a co-shareholder of the NEC (Net Environmental Contribution) Initiative, an indicator that measures economic activities' level of contribution to the ecological transition by assigning a score on a scale of -100% to +100%.

Lastly, the asset management company is committed to sharing in order to continue driving forward all the players in the financial ecosystem. This is reflected in the 1000 Ocean Startups initiative, which was co-founded in 2021 alongside other players such as Ocean Hub Africa, Katapult Ocean and Conservation International Ventures.

Just as laudable, its goal is to enable the development of 1,000 disruptive startups to restore ocean health by the end of the decade.

RAPID DEVELOPMENT IS A SOURCE OF NUMEROUS CHALLENGES FOR THE CUSTODIAN

Democratisation of Private Equity... a wonderful expression that testifies to the broadening of the typology of investors in unlisted assets. Once a niche activity dedicated to institutional investors, professional investors and the like, private markets[1] are now attracting a new category of investors, the general public, with the help of legislators and regulators.

The lower entry ticket, the desire for investment diversification, combined with a certain attraction for performance, generous in past years, make these investments in the various components of unlisted assets particularly attractive for individual investors.

In a new context, marked by difficult fundraising over the past two years, private markets seem to have found new growth drivers to improve their inflows.

However, this trend is not neutral for all players in the value chain, from the asset management company to the custodian, as it raises the issues of digitalisation, large volume management and automation.

More specifically, the challenges for the custodian are fairly comparable to those of its clients, the asset managers, and are multiple:

FIRSTLY, BEING ABLE TO EFFECTIVELY COLLECT A LARGE NUMBER OF SUBSCRIPTIONS

The immediate consequence of the extension of private equity in particular to private individuals and the lowering of the average ticket is a considerable increase in the volume of subscriptions. This results in the need to acquire the technical and human resources to cope with this influx (adaptation of tools, automation, etc.) This phenomenon is also found in funds that are by nature closed and that now target Private Banking's HNWI (High Net Worth Individual).

In the context of the circulation of shares via a Central Securities Depository (CSD), the main challenge for the depository is to make the necessary adaptations, particularly in the context of ELTIF 2 (European Long-Term Investment Funds), in view of the 14-day cooling-off period granted to individual investors by the legislator. The custodian must also take the necessary measures to run the widespread use of the Gates mechanism, an essential mechanism for managing potential fund liquidity crises.

The emergence of different platforms for collecting subscriptions necessarily requires multiple interfaces between them. However, the lack of standardisation of formats makes the custodian's task even more complex.

The volume also has a direct impact on the KYC (Know Your Customer) due diligence to which investment companies and banking institutions such as SGSS are subject. The challenge of digitisation, the use of techniques such as optical character recognition (OCR) and the contributions of generative AI should enable us to automate this part to a large extent while controlling the associated risks.

THE FREQUENCY OF VALUATION IS THE SECOND CHALLENGE

Given the nature of the underlying assets and their particularly illiquid nature, private market funds have until now had fairly long valuation frequencies, quarterly or even half-yearly.

The opening up to private investors, whether directly or through their life insurance contracts, leads, de facto, to a more frequent valuation in order to offer the necessary liquidity and to encourage fund inflows/outflows.

The issue that then arises for the valuer, in order to produce the net asset value on schedule, is to move closer to the UCITS (Undertakings for Collective Investment In Transferable Securities) model by automating to a fairly large extent. This results in actions with regard to asset management companies in order to define forms that can be integrated into our tools, to provide for connections with the various functions that revolve around a fund, such as the registrar for example, and, lastly, to automate our consistency checks.

THIRDLY, THE SUBJECT OF THE METHOD OF HOLDING PURE REGISTERED SHARES IS ALSO A THORNY ISSUE

Depending on the holding method, and beyond the KYC impacts already mentioned above, the consequences for reporting, particularly tax reporting, are not neutral and also require adaptations to the processing chains. For these reasons, the preferred scheme for ELTIF type funds is administered registered via Euroclear.

LASTLY, THE STRONG GROWTH OF PRIVATE DEBT FUNDS SHOULD ALSO BE SUPPORTED

The rise of this asset class is the result of several factors: banking disintermediation, the desire to diversify one's assets, incentives from the legislator via the creation of more flexible vehicles such as OFS (Organisme de Financement Spécialisé, or Specialised Financing Organisation) and, lastly, the favourable macro-economic context, particularly with regard to interest rates.

The custodian must inevitably make the necessary adaptations to take into account the specificities of these funds. For OFSs, for example, accounting tools must be adapted in order to be able to record both share issues and bond issues on the liabilities side of the fund. It is also necessary to be able to absorb an ever-increasing volume of loans on the assets side. In general, as a true partner, the custodian must be able to respond to the fertile inventiveness of the fund structurers/managers in this area.

Lastly, the scaling up imposed by the democratisation of investments in unlisted assets and the very rapid development of debt funds is a powerful factor of transformation for the custodian, enabling it to effectively accompany the new development dynamic of private markets in investors' portfolios. It is also an important lever for diversification, in addition to being a good growth driver.

(1) Unlisted investments: Private Equity, Real Assets, and Private Debt.

GAËLLE DUCLOS

Deputy Head of SGSS and Head of Fund Services Operations & Securities Banking Operations
Societe Generale Securities Services

Gaëlle Duclos is Deputy Head of SGSS and Head of Fund Services Operations and Securities Banking Operations within Societe Generale Securities Services (SGSS). She is also a member of SGSS' Executive Committee. Gaëlle Duclos started her career in 1993 at Indosuez, first within General Inspection and then as Business Associate in charge of North Asia (export credits). She joined Societe Generale group in 2003 within the Corporate and Investment Bank where she held various positions in Capital Market and Structured Finance Operations, then in International Private Banking Operations. In addition to her position as Head of Fund Services Operations since July 2019, she was appointed Head of Securities Banking Operations in January 2024, and Deputy Head of SGSS in January 2025.

AUTHORS' BIOGRAPHIES

PHILIP RAUH

Head Operations and Products, Infrastructure Equity **- Swiss Life AM**

Philip Rauh joined Swiss Life Asset Managers in September 2021. His main responsibilities include managing funds and portfolios, controlling, reporting, and overseeing products for all infrastructure funds. He plans and coordinates all marketing and sales activities related to infrastructure, particularly fundraising campaigns. Philip Rauh also leads the design and launch of new investment products for infrastructure. Additionally, he is responsible for internal budgeting and planning and oversees asset valuation proposals and forecasts.

ANTONIO DE LAURENTIIS

Global Head of Private Debt, Member of Real Estate Management Board **- AXA IM Alts**

Antonio is the Head of Private Debt at AXA IM Alts. In his role Antonio oversees the Commercial real estate and Infrastructure debt platforms, managing teams across Europe, the US and Japan. Over the last five years Antonio oversaw the acquisition (in both primary and secondary market) of over EUR 25bn of CRE loans in the UK, Continental Europe, Japan and the US and the launch of several CRE Debt funds/mandates within excess of EUR 15 billion raised globally. Antonio joined AXA IM Real Assets in 2013. Before this, he was a Vice President at Eurohypo where he was responsible for originating, syndicating, and restructuring CRE loans in the UK and Continental Europe. Antonio has over 18 years of experience in the real estate industry and is a member of the AXA IM Alts Real Estate Management Board. Antonio graduated in 2006 with a master's in management from EM Lyon, the French business school.

DAVID ZERBIB

Head of Private Wealth France **- Partners Group**

David Zerbib is Head of Private Wealth France for Partners Group, a global private markets firm with USD 149 billion in assets under management and more than 1,800 professionals across 21 offices worldwide. He has been in this role since June 2024. Previously, David was Head of Sales at Mandarine Gestion / Meeschaert AM / Amilton AM (LFPI Group) from May 2018 to May 2024 and Sales Manager - Wholesale & IFAs - at Edmond de Rothschild AM from February 2014 to May 2018. He also worked in the Wealth Management industry at Cyrus Conseil from February 2012 to February 2014. His career began in London with Derivatives Sales roles at UBS, HSBC and MF Global, from 2005 to February 2012. David has graduated from ESSEC Business School and Paris Dauphine. With 15 professionals in Paris, the French office has been opened in 2011 and is run by Virginie Bourel since 2020.


HELGE BAUR

Director, Head of Private Markets Operations and Co-Branch Head Luxembourg **- Allianz Capital Partners GmbH**

Helge Baur is Director, Head of Private Markets Operations and Co-Branch Head Luxembourg for Allianz Capital Partners GmbH. He leads the Private Markets Operations practice globally, i.e. all services around Fund Support (i.e. Investor Services, Fund Accounting, Fund Admin, Fund Audit), Investment Support (i.e. Loan Administration, Data Administration and Client Reporting) as well as the Private Markets buildout and Project Management practice (i.e. new fund/portfolio launches as well as strategic projects). Helge has 10+ years' experience in the financial services industry and lead major regulatory, transformational and strategic projects both on the consulting and the corporate side. As part of his current role, he focuses on streamlining and digitising processes together with service providers along the full Operations value chain as well as building of innovative products in the Private Markets space incl. its operational backbone


AGATHE BUBBE

Director in the Wealth Solutions team **- Eurazeo**

Agathe Bubbe is a Director in the Wealth Solutions team at Eurazeo. She is involved in the structuring and development of the Group's private wealth management products, as well as their marketing and the management of its network of partners. Agathe has a master's degree in International Relations from the University of Warwick and a BA from the University of Westminster in London.


RÉMI CUINAT

Head of Unit-Linked Assets **- Generali France**

Rémi Cuinat is Head of Unit-Linked Assets at Generali France and also a director of several investment funds under French and Luxembourg law. As such, Rémi is in charge of steering the financial product referencing policy and supervising counterparties. He also oversees transactions, operations and unit-linked asset control for Generali France and Generali Luxembourg. He previously worked in consulting for financial institutions and held various positions in the insurance industry, notably in marketing, business development, product management and communication.


PIERRE MONTEILLARD

Co-Founder **- Frame**

Pierre is the co-founder of Frame, a strategy and management advisory boutique dedicated to financial institutions. He has spent his entire career advising banks, asset managers, and asset servicers, with a strong focus on the securities services industry. Before founding Frame, he was a partner at Eurogroup Consulting and later co-founded Ailancy.

ARMAND AFFORTIT

Senior Manager **- Frame**

Armand is a senior manager at Frame, where he advises private equity fund managers and asset servicers on both strategic and operational matters. He has developed a particular expertise in the “retailisation” of private markets, a topic he follows closely through his client work and market analysis.

SALVATORE SBERNA

Head of Alternative Investments & Conducting Officer **- Azimut Investments S.A**

At Azimut, Salvatore leads the investment process for a diversified portfolio of funds, oversees the structuring of a broad range of investment strategies, and manages the Group’s European private markets business. He has also played a key role in expanding Azimut’s alternative investment platform, positioning the Group as a European leader in terms of ELTIFs launched — with 21 funds since 2021. Before joining Azimut, he gained experience at one of Italy’s leading private equity firms. He began his career at a global investment bank and a consulting firm, focusing on private investments. Salvatore holds an MSc in Finance from the Frankfurt School of Finance & Management and a bachelor’s degree from Bocconi University.

KELLY HEBERT

Country Head, France, Belux, Global Head of Sustainability & Impact Development **- M&G Investments**

Kelly joined M&G in 2014 and was appointed Head of France in 2024 alongside her responsibilities as Head of Belgium and Luxembourg and Global Head of ESG Sustainability development. Kelly has more than 15 years experience in the investment industry, and before joining M&G, she spent four years at LFDE - La Financière de l’Echiquier, where she was heading sales and marketing activities in the Benelux. She previously worked at AXA Investment Managers in the Marketing and Global Bank Distribution team. Kelly holds a Master of Science in International Marketing and Business Development of SKEMA Business School as well as a Bachelor Honours of Business Administration of the University of South Wales. Kelly is fluent in French, Dutch and English.

FABIO RANGHINO

Partner and Head of Sustainability & Strategy **- Ambienta**

Fabio is Partner and Head of Sustainability & Strategy at Ambienta and is based in Milan. He joined Ambienta in 2011 and has since led the creation of the Sustainability & Strategy department and the development of Ambienta’s approach to sustainability-driven investing across all asset classes. He is a member of the Management Committee and of all asset class Investment Committees, building internal proprietary knowledge across sectors. Prior to Ambienta, Fabio was a management consultant with Value Partners where he developed experience on a wide range of sectors and industries including industrial goods, automotive, luxury goods and energy. Fabio holds a BSc and a MSc in Aerospace Engineering from Politecnico di Torino and has an MBA from INSEAD (Fontainebleau, France and Singapore).

LAURENCE MEHAIGNERIE

Co-Founder & Partner **- Citizen Capital**

Laurence co-founded Citizen Capital with Pierre-Olivier in 2008. She now oversees Impact policy & management, client development, public affairs and communication. Laurence sits on the Investment Committee for all Citizen's funds and has a key role in leading the firm's strategic growth. Laurence played a leading role in the growth of impact investing sector in France. She is the cofounder and VP of the Communauté des entreprises à mission, the cornerstone association for mission-driven companies (legal framework since Loi Pacte), launched in 2018. She has 20 years experience in the field of impact and CSR. She had a key role in promoting diversity in France: research fellow at the Institut Montaigne think tank, co-author of « Les oubliés de l'égalité des chances report in 2004 "Les oubliés de l'égalité des chances", report in 2004, ("Bypassed by equal opportunity"), co-author and launching of the Diversity Chart in October 2004 (initially signed by 35 blue chip groups' CEOs). She was Advisor to the French Ministry in charge of equal opportunity in 2005-2006. Laurence is Franco-American.

SANDRINE LAFON-CEYRAL

Chief Responsible Officer **- Amundi Alternatives & Real Assets**

Sandrine is overseeing the SRI strategy and policy for Amundi Alternatives & Real Assets strategies (real estate, infrastructure, private debt, private equity, social impact, fund of funds). Sandrine was previously Deputy Head of Investment and Asset Management within Amundi Real Estate. Sandrine started her career in Asset Management at the CDC (Caisse des Dépôts et Consignations) in 1995, and then joined AEW Europe, in charge of retail assets. Sandrine joined Amundi in 2007 and was in charge of asset management as well as the SRI monitoring within the real estate department before taking in charge the ESG for ARA in 2022. Sandrine Lafon-Ceyral, MRICS, holds a degree from Kedge Business School (EBP International) and the University of Humberside (UK) and a Master in Wealth Management and real estate from the Institut du Management du Patrimoine et de l'Immobilier (IMPI).

RENAUD SERRE-LAPERGUE

Sustainable Finance Strategy Director **- SWEN Capital Partners**

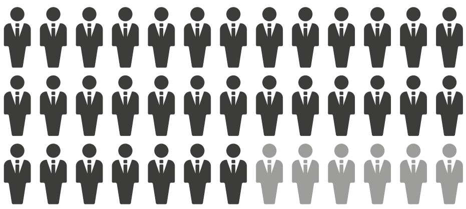
Renaud steers the delivery of SWEN CP's sustainable finance strategy for direct and indirect investments across its range of multi-strategy activities. He manages a team of dedicated ESG analysts and strives to embed SWEN CP's commitments into its products and services. Renaud studied literature and then management in Bordeaux and Quebec. He has worked professionally to promote truly sustainable finance for more than ten years, first as a consultant and then at SWEN CP as of 2016.

SOCIETE GENERALE SECURITIES SERVICES

Societe Generale's diversified bank model is based on complementary businesses around the world. The Group's expertise in securities services offers clients core banking services and the security of a global custodian.

SGSS provides a toolbox of solutions and innovative, value-added securities services that allow clients to meet the burden of regulatory change and concentrate on their core business. SG Markets, the Group's online BtoB platform, provides a variety of digital tools to manage, control and steer their operations.

4,000 EMPLOYEES



4,921 bn eur **ASSETS UNDER CUSTODY**	**623** bn eur **ASSETS UNDER ADMINISTRATION**

Source: SGSS internal report - data as of 31.12.2024

For more information, please visit **https://www.securities-services.societegenerale.com/**

4 REASONS TO CHOOSE SGSS FOR YOUR PRIVATE MARKETS SERVICES

01

EXPERTISE

- SGSS is a **market leading depositary** with long-standing experience in Private Markets.
- Benefit from **SG group's expertise and robustness** in financing solutions for Private Markets funds.

02

COMPREHENSIVE SOLUTION

- SGSS offers a **unique and comprehensive range of solutions** to accompany you at all stages of your fund life cycle through a one-stop-shop solution.
- Focus on your core business by outsourcing to SGSS' **Advanced Middle Office** service.

03

COMMITMENT FOR PRIVATE MARKETS

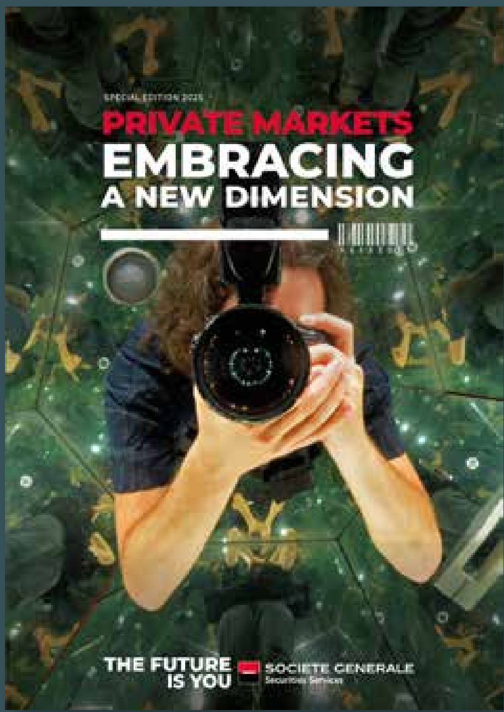
- SGSS puts **Private Markets as a top priority in its strategy** and has set up a dedicated operational line for this strategic segment.
- Clients are supported by **dedicated teams**.

04

INNOVATION

- SGSS has committed to a **multi-year program to digitise** its real assets activities.
- To enhance SGSS' services, the Private Markets dedicated resources are structured as a value chain with **high level of process automation**.

SGSS AT THE HEART OF AWARENESS



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