

2021  
*Activity Report*

# THE WAY AHEAD

*Committing ourselves  
to responsible investment solutions*

ARDIAN





**Ardian is a global investment house,** managing and advising approximately \$125 billion of assets on behalf of more than 1,200 investors including governments, pension funds, insurers, endowments and private clients.

We are an independent, employee-owned company with a European heritage and a global vision, specializing in three broad asset classes: Private Equity, Real Assets and Credit.

# Strategy and governance

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## Ardian's purpose and values



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## THE WAY AHEAD



# Few investment houses have developed such a broad set of approaches to monitoring and improving sustainability.

**DOMINIQUE SENEQUIER**  
*President of Ardian*

» Ardian saw a powerful acceleration in every aspect of our business during 2021. So much so that despite the successive waves of Covid-19 that struck our major markets, it was another record year by virtually every measure. We are nearing the end of our first decade as an independent company with many successes to celebrate. But if we want to keep growing – and we do – then we must prepare for the next ten years.

As we entered 2022, the geopolitical situation deteriorated sharply. We have watched a human tragedy unfold in Europe, plunging people and companies everywhere into a period of great uncertainty and heightened risk. For our company, this is a time to adapt our thinking to the shifting circumstances and make strategic flexibility our priority.

Demand for private market investments remains at record levels and there is every indication that the flow of capital into our industry will grow rapidly over the coming years, propelling the next phase of its development. We must be ready to respond. Our organization must be robust and flexible enough to serve more clients and meet their differing needs. We must equip ourselves to invest more money than ever in a wider range of opportunities.

Private investment is maturing. Large institutions have a sophisticated understanding of these asset classes and their expectations have evolved. Our industry is therefore on the same journey that others have taken before us. Henry Ford remarked in 1909 that his customers could have any color of Model T they wanted 'so long as it's black'. Today, buyers choose the features they want in a new car from a huge menu of options. In the same way, our clients are seeking ever more choice and flexibility in their private market investments.

Since the beginning, Ardian has provided a responsive and personalized service. Uniquely, we have always given our clients forecasts of capital calls and distributions so that they have proper visibility and can plan with confidence. This ethos of bespoke service is fundamental to our culture; it is one of the characteristics that sets our company apart. But we want to embed it more fully in our whole engagement with clients, not just in our client service and reporting but also in the investment opportunities we offer them.

Our decision to adapt the way we present our offering is an important step. Rather than setting out five investment pillars, we now describe Ardian in terms of three broad asset classes: Private Equity, Real Assets and Credit. In making this change, we are bringing the way we present our proposition into line with the way our clients view private markets. The customer's perspective becomes more embedded in what we offer. »

» Investors look to our industry not simply for products, but for ways to achieve their goals. Ardian is ideally placed to provide investment solutions that answer their needs. We have a longstanding record of success spanning a wide range of private markets. This gives us access to huge quantities of data across many asset classes, which we can use to provide insights and advice that enhance our clients' decision-making. We have a global organization with strong local teams of investment professionals based in all our major markets. We have built world-class support functions that ensure the highest standards of compliance, risk management and transparency. We have developed advanced technology tools to manage our operations more efficiently and improve the client experience.

From this position of strength, we can cater for all kinds of clients. For large and sophisticated institutions, we can offer flexible access to our strategies that goes beyond commingled funds, along with tailored reporting and high levels of transparency on sustainability metrics. For investors aiming to establish a diversified private markets allocation without a team of in-house specialists, we can provide fully bespoke portfolios managed by Ardian Customized Solutions. For High Net Worth Individuals seeking access to investments previously reserved for institutions, we are rolling out our Private Wealth Solutions offering.

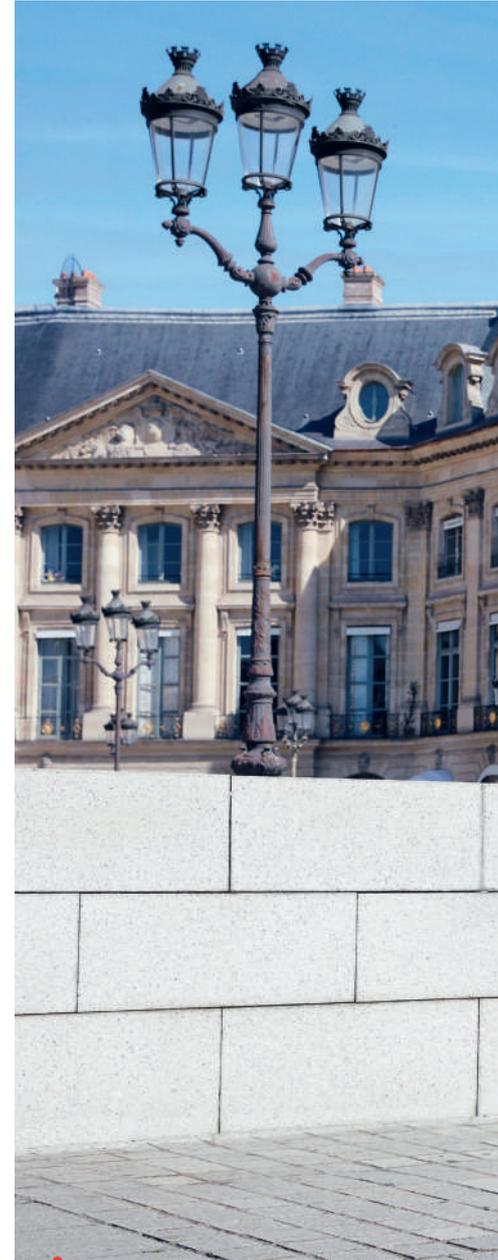
For some investors, the ability to retain assets for longer periods is important. We are already offering opportunities to invest in

continuation funds, such as the transaction involving Géosel that our Infrastructure team completed this year. More such vehicles will follow.

There are many elements to the investment solutions that Ardian offers, beyond the assets themselves. Every area of our activity contributes to them. Our expertise in sustainability is critical. We have in-depth experience of improving sustainability performance in multiple asset classes that have very different characteristics, from those where we have control as owners to others, such as Secondaries & Primaries and Private Debt, where our influence is indirect. I believe there are few investment houses that have developed such a broad set of approaches to monitoring and improving sustainability.

Ultimately, of course, the greatest value we offer comes from the talent and expertise of our people. As the investment world becomes more complex and the importance of digitalization and low-carbon technologies increases, we must stay ahead of these trends if we are to assess opportunities correctly and support our companies to transform themselves and adapt. Ardian has the reputation, scale and progressive culture to attract the most talented people to join us.

The future of our industry belongs to those companies that can bring together all the elements required to invest successfully in a complex and changing environment, and then shape those elements to meet the needs of each client. Ardian will be a leader among those companies. ❧



● **PARIS, FRANCE**

Ardian employees, near the company's headquarters on Place Vendôme



Investors look to our industry not simply for products, but for ways to achieve their goals. At Ardian, we are ideally placed to provide investment solutions that meet their needs.

## SUPERVISORY COMMITTEE'S POINT OF VIEW

For a highly regulated global business such as Ardian, **resilience is everything** and the quality of our governance is its guarantor

**PATRICK THOMAS**  
*Chairman of the  
Supervisory Committee*



» The past two years have provided powerful reminders that events can overtake us at any moment. Our first duty as a supervisory committee, therefore, is to ensure that Ardian can withstand shocks

of any kind and can continue to operate normally. Having responded to the pandemic with great agility, during the past year Ardian has successfully managed the transition to a new leadership team for its largest business, Secondaries & Primaries. The depth of talent available to take over the management of this activity bears witness to our careful executive succession planning and the close attention we pay to recruitment and talent retention.

For a highly regulated global business such as Ardian – entrusted with more than \$125 billion of our clients' money – resilience is everything and the quality of our governance is its guarantor. The governance standards that

the Supervisory Committee sets for Ardian are exactly the same as those we would expect in a major public company. This demonstrates the Supervisory Committee's commitment to making sure that Ardian has the flexibility to take whichever route will allow it to execute its strategy most effectively. Now more than ever, we are keenly aware that a company that lacks strategic flexibility is putting its future at risk. The return of conflict in Europe over recent months has once again demonstrated how quickly the environment can change, with massive implications for us all.

We are in a period of heightened risk, but also significant opportunity. There is no doubt that the flows of capital into private markets over the next few years will surpass anything we have seen to date, thanks in part to the impact of massive quantitative easing during the pandemic. Clients are increasing their allocations to private markets and concentrating their holdings with a smaller number of investment managers.

At the same time, they are seeking players that can provide more flexible investment solutions. This is a key strategic issue, and the Supervisory Committee has spent significant time advising and supporting the Executive Committee during 2021 in its efforts to strengthen Ardian's ability to offer more bespoke investment solutions.

As one of the world's largest and most diverse private investment houses, these trends naturally play to Ardian's strengths, thanks to the company's global scale, robust operational platform and wide range of activities. Positioning Ardian to capture the opportunities that await players with global scale and operational excellence is our most important objective. We are keenly aware that deploying significantly larger sums of money while maintaining Ardian's historical performance and risk profile represents an important challenge for the company over the coming years.

An essential part of the response will be selective additions to Ardian's range of investment activities such as the recent launch of Real Assets Debt. ❖



**MEMBERS OF THE SUPERVISORY COMMITTEE**

From left to right: **Nicolas Govillot** — **Jennifer Ferrand** — **Didier Deconinck** — **Patrick Thomas** — **Jean-Michel Verhaegen** — **Pascal Christory**

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**COMPLIANCE, INTERNAL AUDIT, RISK & AUDIT COMMITTEE**

The Compliance, Internal Audit, Risk & Audit Committee, which is chaired by Didier Deconinck, monitors areas of vital importance for all Ardian's stakeholders. The committee checks the company's compliance procedures, risk management and internal controls. It also oversees the annual audit of Ardian's accounts to ensure they present a fair and accurate picture. It reports its findings and recommendations regularly to the Supervisory Committee, in line with current best practice in listed companies and international financial organizations.

## EXECUTIVE COMMITTEE

# Ardian completes a record year and prepares for the next phase of growth

▶ Ardian had its most successful year ever in 2021. Private investment markets staged a powerful recovery from the initial impact of the pandemic in 2020, and deal volumes surged. Our teams raised more than \$15 billion last year and invested more than \$50.9 billion. Our portfolio companies demonstrated their resilience and, once again, delivered excellent results. By the end of the year, Ardian's assets under management or advised had reached \$125 billion.

Although our company is performing well, the highly uncertain outlook, especially in Europe, requires us to proceed carefully and remain agile. The past year has shown that private investments have the capacity to withstand crisis conditions and continue to deliver robust financial performance. It has also confirmed that investors' appetite to allocate capital to these assets is growing. We believe that the flow of liquidity will continue to accelerate, especially as more High Net Worth Individuals start to allocate part of their capital to private market investments. Private clients will therefore form a central part of our growth strategy over the coming years.

In spite of increased geopolitical risks, all our activities are performing well, and we continue to win clients and find attractive opportunities to expand. Our considerable experience of integrating sustainability into our investment strategies enables us to stay ahead of advancing regulations and to respond to investors' concerns about environmental and social impacts, as well as financial returns.

If we are to take full advantage of Ardian's opportunities, however, we must recruit increasing numbers of talented people. And just as importantly, we must ensure that as our company grows, we become a more diverse and more inclusive organization. Everyone who decides to join us and take part in the next phase of our growth must feel that they are a valued and respected member of our team, whatever their background. We are embedding inclusion and diversity principles in our recruitment and training processes, and although this is necessarily a long-term effort, progress so far has been encouraging.

Recruitment will be an important growth driver for Ardian. Digitalization is another representing a key theme for both our investment portfolios and our company.

Data analysis is a critical source of competitive advantage for Ardian and our clients, and we are investing heavily in digitalization to accelerate the flow of information through our organization. The introduction of Trustview Ardian has not only delivered huge value to our clients, it has also accelerated the digital transformation of the back-office operations that provide information to the Trustview portal. Initiatives such as Redpoint, Ardian Growth's deal sourcing tool, and our new secondaries database, show how we are finding more ways to use digital technology to work faster and more efficiently.

As we prepare Ardian for the next stage of its growth, our key priority is to provide comprehensive, tailored investment solutions for our clients. We have taken important steps to give investors more flexible access to our investment strategies, and to strengthen our solutions offering. We are also broadening our investment proposition with the launch of Ardian's Real Assets Debt strategy.

We believe that private markets are in a phase of rapid, sustained growth and that Ardian will strengthen its position and build further momentum. ◀



#### MEMBERS OF THE EXECUTIVE COMMITTEE

From left to right: **Mark Benedetti** Co-Head of Ardian US — **Nicolò Saidelli** Head of Ardian Italy and Deputy Head of Buyout — **Jérémie Delecourt** Chief Operating Officer — **Dominique Senequier** President of Ardian — **Vladimir Colas** Co-Head of Ardian US — **Jan Philipp Schmitz** Head of Ardian Germany and Asia, Head of Investor Relations and Ardian Customized Solutions — **Philippe Poletti** Head of Buyout — **Mathias Burghardt** Head of Infrastructure

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#### EXECUTIVE COMMITTEE GROUP

The Executive Committee Group comprises the Executive Committee and seven Managing Directors who meet monthly to address operational issues and share information that is relevant to all Ardian's teams as well as our investment activities and global office network.

#### —> THE CURRENT MEMBERS OF THE EXECUTIVE COMMITTEE GROUP

**Thibault Basquin** Deputy Head of Buyout — **Stéphanie Bensimon** Head of Real Estate — **Mark Brenke** Head of Private Debt — **Arnaud Chaléac** Co-Head of Group Finance & Head of Real Assets Debt — **François Jerphagnon** Head of Expansion — **Isabelle Strujan** Co-Head of Group Finance — **Audrey Villatte** Co-Head of Legal



# *Ardian's purpose and values*

## **PART 1**

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# Our purpose shapes our approach as an investor, an employer and a business partner

**IN 2020**, we published a simple statement of our corporate purpose: *'At Ardian, we invest all of ourselves in building companies that last.'* Our purpose expresses essential aspects of Ardian's culture and the way we do business.

**BUILDING SUCCESSFUL**, resilient companies requires us to put sustainability at the heart of our activities. We help our portfolio companies to improve both their financial performance and their social impact. Our concern for inclusion and diversity within Ardian and our portfolio companies reflects our conviction that people must feel accepted and appreciated as individuals if they are to commit fully to our shared goals.

**FINALLY**, the strength of our partnership with investors depends on our commitment to understanding their needs and delivering durable investment solutions that provide attractive returns and better social outcomes.

## ARDIAN

1996

### CREATION

Claude Bébéar, chairman of AXA, asked Dominique Senequier to create a private equity arm for the insurer. The journey began.

2008

### PROFIT SHARING

Ardian created its first profit-sharing scheme distributing part of the company's capital gains on exit with employees of the company involved wherever this was possible.

2013

### INDEPENDENCE

Dominique Senequier led an employee buyout of AXA Private Equity and created Ardian – Europe's leading private investment house.

# The principles that define the way ahead



## 1 — *A future built on sustainability*

Finance must operate as a force for good, providing returns and contributing to better outcomes for society. [P.16](#)



## 2 — *A future built on talent*

Talent is the fuel that drives our business forward. The greater our collective intelligence, the more successful we will be. [P.24](#)



## 3 — *A future built on trust*

Our business partnerships with investors are long-term commitments based on the trust we develop with each of them over the years. [P.30](#)

2016

### EXPANSION IN THE AMERICAS AND ASIA

Ardian celebrated its 20<sup>th</sup> anniversary with a major expansion plan targeting the Americas and Asia with new funds and offices.

2021

### A GLOBAL INVESTMENT HOUSE

Ardian reached \$125 billion of assets under management, and redefined its investment offering with three broad asset classes: Private Equity, Real Assets and Credit.

# *A future built on sustainability*

**Finance must operate as a force for good, providing returns to clients and contributing to better outcomes for society.** *We have been developing our approach to responsible investment since 2008, aiming to improve performance at Ardian itself and the companies in which we invest. We prioritize issues such as the climate transition, diversity and equal opportunities, and measures to ensure our companies create more positive social impact. We also engage actively with our industry peers to advance the sustainability agenda globally.*





Castello Sforzesco, view from Parco Sempione  
Milan, Italy

## OUR COMMITMENT TO POSITIVE CHANGE

*How responsible  
investment helps us build  
companies that last*



**CANDICE  
BRENET**

Head of  
Sustainability  
Ardian

» Ardian's purpose is to invest all of ourselves in building companies that last. Our sustainability strategy plays a critical role in realizing that vision as it helps us to create resilient businesses that are ready to face the future and deliver better social and environmental outcomes. The strategy we have developed over the past 14 years addresses three key priorities for Ardian and the companies we invest in: climate action, diversity and equal opportunities, and measurable impact.

As one of the world's largest private investment houses, we can influence hundreds of companies and we work closely with management teams to identify and address sustainability issues. We have the resources needed to develop expertise in areas that are vital to a decarbonized future, such as next-generation infrastructure to support the hydrogen economy.

However, our ability to exert influence varies, depending on our differing levels of control across our investment activities. This can vary from majority ownership to

minority positions, along with those where we are an LP in funds managed by other GPs and transactions where we are a lender rather than an equity owner.

These differences have required us to develop distinct approaches to sustainability for each of our activities. In all cases, however, we work with our partners in a spirit of collaboration towards shared goals.

Where we have control, we apply our Sustainability Measurement Methodology. This examines the entire value chain of each company – from raw materials and suppliers through to end-markets – and identifies areas for improvement that are mapped to the UN's Sustainable Development Goals. We use the results of our assessments to agree an annual roadmap with each company that targets measurable improvements on the most material issues. Wherever possible we link the achievement of these targets to management bonuses.

In other cases, such as our Secondaries & Primaries activity where our influence is indirect, we carry out detailed annual assessments of the GPs in our portfolio, enabling us and them to benchmark against their peers and to identify areas for improvement.

Sustainability today is a question of regulation and governance, as well as culture and values. We view this as a positive change and one that our long history of responsible investment means we are well prepared for. ❖



Frostkron employees thanking  
Ardian after benefiting from  
the profit-sharing policy

# 96

PORTFOLIO COMPANIES  
AND/OR ASSETS HAVE  
QUANTIFIED ESG TARGETS



# 28,000+

EMPLOYEES OF 37 PORTFOLIO COMPANIES HAVE BENEFITED FROM PROFIT SHARING AT EXIT BY ARDIAN SINCE 2008, RECEIVING THE EQUIVALENT OF 1 TO 6 MONTHS' SALARY

*“Monitoring sustainability KPIs is essential. But on its own it is not enough. Our approach is based on a rigorous data management system and on close collaboration with portfolio companies, so that we can agree appropriate plans and clear objectives. This combination produces tangible results.”*

**CANDICE BRENET**  
Head of Sustainability

# 75%

OF ARDIAN FUNDS IN FUNDRAISING SINCE MARCH 2021 CLASSIFIED AS ARTICLE 8 AND 9

READ OUR 2021 SUSTAINABILITY REPORT



## STORIES OF SUSTAINABILITY

### *Why hydrogen is at the heart of Ardian's energy transition strategy*

▶ Reducing greenhouse gas emissions in order to deliver Net Zero and ensuring energy independence means nothing less than reinventing the world's energy infrastructure. This is a huge challenge. We must replace or repurpose the incredibly complex energy generation, supply, and consumption systems embedded in economies worldwide.

With the creation of Hy24 by Ardian and FiveT Hydrogen in late 2021, we aim to be one of the pioneers in this multi-decade transition. Hy24 will identify and finance the hydrogen infrastructure of the future – a critical part of the next-generation global energy system. It is the largest fund of its kind in the world and is backed by leading industrial players.

Guided by a group of global infrastructure investment professionals and experts in hydrogen, Hy24 will invest to accelerate the scaling up of hydrogen projects along the whole value chain: production, conversion, storage, supply and

usage. We will help to turn large early-stage and strategic projects into essential energy infrastructure.

International Energy Agency (IEA) analysis shows that hydrogen is essential to the energy transition – the fuel that will make it possible. Much of the world's existing industries, from steel plants and fertilizer factories to long-haul airliners, can use clean hydrogen as their new energy vector. Hydrogen could represent 18% of the global energy system in 2050.

Reinventing the world's energy infrastructure does not mean consigning to the scrap heap the massive investments the world has made in today's energy systems. Major parts of them can be recycled, made more efficient and reinvented as part of the solution. Natural gas pipelines and LPG terminals can be converted to carry hydrogen. Storage facilities can be repurposed to hold clean fuels or captured carbon, as Ardian Infrastructure is planning to do with the Géosel facility. Transportation and refueling infrastructure can be similarly repurposed. By 2040, a dedicated European Hydrogen Backbone will require converting 75% of present natural gas pipelines connected by 25% new stretches of pipeline.

We intend to make hydrogen happen. We have used our quarter-century of experience analyzing conventional energy infrastructure projects, and the expertise of our in-house hydrogen specialists, operating partners and advisors, to create an analytical framework for hydrogen investments. Hy24 will use it to drive the energy transition forward. ◀



**MATHIAS BURGHARDT**  
Head of Infrastructure  
and Member of the  
Executive Committee  
Ardian

*“Investors are looking beyond fossil-fuel finance and endorsing managers with a proven expertise and a vision for the energy transition.”*





**LAURENT  
FAYOLLAS**

Deputy Head of  
Infrastructure at Ardian  
and President of Hy24

**HY24**

The world's largest clean hydrogen infrastructure investment manager was launched as a joint venture between Ardian and FiveT Hydrogen. Hy24 is seeking to raise up to €1.8 billion for its debut fund, which will make it the largest fund of its kind in the world.



» There is now a consensus that hydrogen should account for 15%-20% of global energy consumption by 2050. To achieve that, we must multiply the amount of hydrogen we produce ten-fold,

*“The scale of hydrogen refining must increase exponentially. The EU alone has set a 40GW target for 2030 – up from less than 0.1GW today.”*

shift the process to use renewable energy or carbon-capture, and create the infrastructure necessary for distribution.

The number of large-scale hydrogen projects has jumped over the past two years. The Hydrogen Council has tracked 359 of them, 80% of which are in Europe, according to its Hydrogen Insights 2021 report. But a much larger scaling up is essential. Only with high volumes – of electrolysis, vehicles, and other hydrogen applications – will it be possible to drive down prices. Only when that happens will take-up be sufficient to reach Net Zero. 🔥



## THE ARDIAN FOUNDATION

### *Our vision of opportunity and social mobility for the youngest children*

» Ardian and its employees are determined that our success should translate into better opportunities and more positive outcomes for others. Through the Ardian Foundation, we promote social mobility by supporting charities that help children and young people from disadvantaged backgrounds to benefit from education, training and advice. In 2021, we donated €2.9 million to our 41 charity partners.

The Ardian Foundation has a special focus on early childhood development, an area that is under-researched and therefore poorly understood. Studies indicate, however, that successful interventions at this stage can produce huge long-term gains as children develop. To address the lack of provision for very young children, the Foundation has adopted a ‘venture philanthropy’ approach. It means that

we back early-stage, experimental initiatives and provide money and our company-building expertise to help them develop into large, effective organizations capable of supporting thousands of beneficiaries. Our partnership with the French charity Ensemble pour l’Éducation de la Petite Enfance to support the roll-out of their ‘First 1,000 days’ centers for parents and babies is our first such project.

Our work on early childhood issues exemplifies the two main strands of the Foundation’s approach. Firstly, we take a curative approach by working with charity partners to address existing inequalities, both by funding their activities and by donating time, skills and expertise to strengthen their organizations. Secondly, we aim to prevent poor outcomes by supporting academic research into education policy and social mobility at the Paris School of Economics, and by encouraging a wider engagement in early childhood issues by experts across a range of disciplines.

Our major strategic priority for the immediate future is to prepare the Foundation for scaling up its activities and deploying larger sums of money over the next few years. Funding research to provide a framework for new early childhood initiatives sows the seeds of our future growth, as does our work to support new organizations in becoming the leaders in this vital field. ❧



**CAROLE  
BARNAY**  
President of the  
Ardian Foundation

*“The Ardian Foundation intends to focus on early childhood development in the main countries where Ardian operates. We are currently working with 13 organizations worldwide to support the most vulnerable children aged 0 to 6.”*





**NATHALIE  
CASSO-VICARINI**

Founder of Ensemble  
pour l'Éducation  
de la Petite Enfance

» Nathalie Casso-Vicarini set up Ensemble pour l'Éducation de la Petite Enfance in 2016 to raise awareness of insights from neuroscience about child development and improve educational provision for the youngest children, where one dollar invested today can save 13 dollars of spending later\*. The Ardian Foundation is co-funding the roll-out of its 'First 1,000 Days' project, which aims to support parents in the most deprived areas of France from the birth of their children onwards.

*“In France, one in five children is born into a poor family that is not accessing vital public services.”*

“Our 'First 1,000 Days' project brings together groups of ten parents and babies so that our facilitators can help them talk about their challenges and link them to the public services they need. They meet twice a month for the first year of the child's life and the sessions help these marginalized families to gain confidence, build a support network and integrate better into society which will have a big impact on the children's life chances.” ◀

\* Heckman equation 2019; Prof James Heckman, winner of the Nobel Prize for Economics, 2000.

• **ENSEMBLE POUR  
L'ÉDUCATION  
DE LA PETITE ENFANCE**

French referent in the field of early childhood, the charity helps children, parents and professionals by sharing the latest international knowledge to achieve equity.



# *A future built on talent*

**Talent is the fuel that drives our business forward. The greater our collective intelligence, the more successful Ardian will be.** *The extensive work we are doing on inclusion and diversity shows our determination to let nothing stand in the way of talent. We believe that diversity is about acceptance, and that inclusion is about appreciation. We want Ardian to be open and welcoming to people from all backgrounds and we want everyone who joins our company to feel personally valued and confident that they can bring 'their whole self to work'.*





Ardian employees in a meeting  
in Paris, France

## OUR AMBITION AS AN EMPLOYER

*We create a welcoming environment where talent thrives*



**JÉRÉMIE DELECOURT**  
Chief Operating Officer and Member of the Executive Committee  
Ardian

» Ardian is a fast-growing company that competes hard to attract the most talented people. The Human Resources team strives to ensure that our organization develops in line with our values, in particular by becoming more gender-balanced and socially diverse.

We are absolutely committed to ensuring that we appeal to people from a wider variety of social and educational backgrounds and that we provide an environment where every employee feels valued and chooses to stay. Initiatives such as the Millennial Executive Committee, which gives a voice to our younger staff, and Ardian Women's Club, which offers mutual support and career development for female employees at all levels, are vital parts of our strategy. We are also encouraging our portfolio companies to focus more on inclusion and diversity, for example by addressing these issues in Ardian Circle, our workshop series that brings together senior managers and CEOs to discuss common challenges.

Making Ardian more inclusive and diverse involves a huge number of practical steps, some

of which will take years to be fully effective. Recruitment is a critical area. It is for this reason that we place such emphasis on Ardian's employer brand, which sets out our values as an employer and the promises we make to those who join us. As most of our recruits are young people, we are seeking junior employees and interns from a wider range of sources and have set up a mentoring program to support new joiners.

We have also made important changes to our employment conditions by extending flexible working and increasing paternity leave, while all our managers have received training to help them exert a positive influence on behavior and culture. However, it is equally vital to understand our employees' experience of these issues. We are therefore carrying out anonymous surveys across the company to establish a baseline set of data so that we can benchmark our progress. We have also created Inclusion & Diversity committees in Paris, New York, London, Frankfurt and Milan which are a great way to receive feedback on our initiatives and to discuss the next steps.

The Human Resources goal is to attract a more diverse group of candidates to join Ardian. But the test of our success will be their decisions to stay and build their career with us. This is why the core of our strategy is to equip everyone at Ardian to understand these vital issues and to find practical ways to help our increasingly diverse team succeed together. ◀



# 6

WEEKS OF PATERNITY AND OTHER PARENTAL LEAVE ALLOWANCE FOR ALL EMPLOYEES



39%

PERCENTAGE OF WOMEN  
RECRUITED IN INVESTMENT  
FUNCTIONS IN 2021

18%

GROWTH OF OUR  
WORKFORCE  
BETWEEN 2020 AND  
2021, THANKS TO  
172 NEW RECRUITS

*“Becoming more inclusive and diverse is about the promise you make to people. We have some real advantages in this because we have always believed in trusting people and helping them to develop.”*

**JÉRÉMIE DELECOURT**

Chief Operating Officer and  
Member of the Executive Committee



**THE MILLENNIAL EXECUTIVE  
COMMITTEE: HELPING TO  
DELIVER I&D PROJECTS**

The Millennial Executive Committee, which comprises 15 employees aged under 35 from all parts of the company, contributed to many of the company's Inclusion & Diversity initiatives during 2021. Under its president at the time, Nadine Zariffa, Senior Investment Manager in the Buyout team, the committee played a leading role in drawing up Ardian's remote working policy and the new six-week paternity leave allowance for all employees. It also helped to set up Inclusion & Diversity committees in Italy, the US and UK, and it responded to feedback from new joiners by creating a mentoring program, which pairs them with a colleague for their first few weeks or months.

## STORIES OF TALENT

*Ardian helps you to build confidence and become part of the team*



**ROMAIN  
CHIUDINI**

Managing Director  
Growth  
Ardian

» I joined Ardian Growth in 2012 as an intern after a business school scholarship. Over the past ten years I have worked at most levels in the Growth team: from Analyst to Managing Director. I am involved in every stage of the investment process and work alongside the entrepreneurs, all the way through to exit. I also work with Ardian Growth's entrepreneur network, from where we often identify experienced

*“Ardian gives you a clear view of your potential career path, so that you understand how you can progress and what you need to do to move to the next stage. It is very empowering.”*

founders to join the board of our portfolio companies and support their growth plans.

I feel I have achieved a lot and that Ardian has helped me to progress. From the beginning, there was personal support and training in key areas like financial skills, negotiating and communications. Ardian believes in mentoring, which was very important for me. Nowadays I mentor new joiners from other teams, so I am carrying on that effort to help people feel part of our community.

In 2019, I joined the Millennial Executive Committee, which is made up of people under 35. It encourages collaboration and helps the company keep pace with a world that is constantly evolving. Ardian encourages young people to take responsibility very early on – I remember going in front of the Investment Committee soon after I joined. It gave me confidence and made me feel a trusted member of the team. 📌



**ANTJE ROMERO  
FLORES**

Finance Senior  
Manager Fund  
Finance  
Ardian Customized  
Solutions  
Ardian

» I joined Ardian in 2011 as a Financial Controller and now I am a Finance Senior Manager running a team of four. We are responsible for all cash management, reporting and handling questions for German and Latin American clients of Ardian Customized Solutions. I always wanted to move into management, and Ardian has done a lot to support me in achieving my goal.

As part of my career development, I was given a coach. I also had a lot of training, but the personal support I got from my coach was incredibly important. She really helped me to think about things in a different way and I am still benefiting from it.

*“I really enjoy managing the team and our business keeps growing, so I have opportunities to develop and learn new topics.”*

I have also been involved in developing Ardian Women's Club here in Germany, which is having a very positive impact. We are putting together training sessions, helping to create a network within Ardian and we are organizing more Women in Private Equity workshops with women finalizing their studies. The first one led to someone joining our Expansion team in Germany after they found out more about Ardian at the event.

I was very proud when I became a manager because I had worked really hard for it. But if you have the drive and ambition to develop, the company will do a lot to help you. There is so much opportunity here. 📌



## *We help our companies face common challenges together*

» During 2021, the Sustainability and HR teams jointly launched Ardian Circle, a program of workshops addressing common challenges that confront senior decision-makers from our portfolio companies. Our first two events, which attracted 30 people from 17 companies, were devoted to inclusion and diversity.

As an investor in scores of companies, we have the opportunity to aid their development by bringing them together to hear from external specialists and Ardian experts, and to share their own experiences and learn from each other. The workshops allow us to discuss challenging subjects with our portfolio companies in a collaborative atmosphere that encourages learning and creates a community among our management teams. ◀



**PAP' AMADOU NGOM**

CEO of SQORUS, after attending the Ardian Circle workshops on inclusion and diversity

*“Ardian Circle allows you to interact with your peers, share thoughts and get ideas you can use to improve your business.”*

### • **ARDIAN.CIRCLE**

Ardian's peer-to-peer community brings together leaders from our portfolio companies to build relationships and collaborate on practical solutions to shared challenges.

# *A future built on trust*

**Our business partnerships with investors are long-term commitments based on the trust we develop with each of them over the years.**

*We listen carefully to every client and commit all our resources, expertise and networks to helping them find the solutions they need to achieve their goals. Through our investment activities we generate huge amounts of data on private markets that we use to help our clients make better decisions. We promise them a responsive personal service coupled with Trustview Ardian, our online investor portal.*





Business district, La Défense  
Paris, France

## OUR RELATIONSHIP WITH CLIENTS

*Tailor-made solutions  
and premium service to match  
each investor's requirements*



**JAN PHILIPP  
SCHMITZ**

Head of Ardian  
Germany and Asia,  
Head of Investor  
Relations and Ardian  
Customized Solutions

» Ardian aims to be a trusted partner for each of its clients and to do all it can to help them achieve their goals. We work with a wide range of investors, each with their own priorities, needs and resources – government agencies, pension schemes, endowments, insurance companies, family offices, private banks and High Net Worth Individuals. Our role is to understand each of them thoroughly and to provide the combination of investment opportunities, advice, information and insight that will deliver the most value.

We draw on all Ardian's resources and our network of external experts and advisers to support our clients and deliver tailor-made investment solutions. Our clients have access to a wide range of asset classes and strategies, both through bespoke portfolios created by Ardian Customized Solutions and through our comingled funds. Access to our direct investment strategies is becoming more flexible, making us better adapted to meet our clients' differing needs.

We complement our flexible approach to execution with responsive, personalized service, including on-demand access to Ardian's global network of human experts and our proprietary market data and intelligence. We have invested heavily in data gathering and analysis, and today we have one of the world's largest databases of private market investment information. This is a powerful resource that allows us to anticipate our clients' needs and helps them make better informed decisions.

Our leading position in secondaries is also a vital part of the solution we offer to clients, since it brings the option of early liquidity for investors that want to manage their private market portfolios more dynamically. Few investment houses globally can offer the same certainty of access to liquidity as Ardian, and the same commitment to help investors move quickly to reshape their allocation.

The foundation of our relationship with every client is trust. We earn our investors' trust by taking time to understand their particular concerns and building good working relationships across their organizations so that we can provide the support they require. Everyone at Ardian works diligently to anticipate their needs and respond rapidly to their requests, so that we can help them find the answers they are seeking. ◀

60+

INVESTOR RELATIONS  
PROFESSIONALS



114

NEW INVESTORS  
IN 2021



*“Our role is to understand each client’s needs thoroughly and to provide the combination of investment opportunities, advice, information and insight that will deliver the most value – a tailor-made investment solution.”*

**JAN PHILIPP SCHMITZ**

Head of Ardian Germany and Asia, Head of Investor Relations and Ardian Customized Solutions



**ADVANCED REPORTING FOR INVESTORS WITH THE TRUSTVIEW ARDIAN PORTAL**



## OUR COMMITMENT TO PERSONAL SERVICE

*All of Ardian's investor relationships are built on personal trust and confidence*

▶ Ardian places great emphasis on the highest quality client service, rooted in the strong personal relationships we build with our investors. For the past 20 years, Ardian has consistently strived for excellence by achieving outstanding results for our investors, partners and stakeholders.

When investors join us, they become part of the Ardian family. We align our goals and dedicate our full support and commitment to offering strategic advice on the issues our investors face today and on their future ambitions.

Our goal is to continuously develop strong personal relationships with people across our partner organizations and to provide the information and advice that will be most valuable. Our comprehension of the market, combined with a deep understanding of our investors, enables us to meet and anticipate the evolving and often very complex needs of each investor, from the world's largest Sovereign Wealth Funds and financial institutions to individual investors.



**FRANÇOIS-AÏSSA  
TOUAZI**

Global Head of Investor Relations for France, Middle East and Africa, Central and South-East Asia  
Ardian

*“When investors join us, they become part of the Ardian family. We align our goals and dedicate our full support and commitment to offering strategic advice on the issues our investors face today and on their future ambitions.”*

Ardian also meets our investors' growing wish to invest in attractive co-investment deals. We regularly present these opportunities while following our co-investment process.

Ardian's Investor Relations Managers work closely alongside our investment teams, our portfolio companies and industry experts to support our investors and stakeholders. We provide investors on a regular basis full access to our external experts, to cutting-edge digital tools and to data. We update them frequently about investment issues, activities and trends in private and public markets, and share our private analyses, white papers and reports. Our President, Dominique Senequier, and our senior managers, meet investors regularly to exchange insights on the evolution of financial markets and current geopolitical issues.

We pride ourselves on supporting our investors with swift advice and designing solutions that suit each situation. Our teams provide the information and reporting that they need in the form that they want, as regularly as they need it. Trustview Ardian provides a comprehensive digital portal that instantly provides access to key information.

Our ongoing conversations with each partner and our commitment to understanding their requirements shape the service that Ardian delivers and the solutions we propose and continuously develop. These trusted personal relationships allow partners to engage in strategic discussions with us and gain the full benefit of their relationship with our company. ▶



**FARID MASMOUDI**

Deputy Head of  
Investor Relations  
MENA & Head  
of Investor Relations  
Central Asia  
and BIM  
Ardian



› Ardian’s key success in the Middle East was built on our capacity to listen to our clients needs and to design the right blend of solutions. Thanks to our leading secondaries platform, we can build tailored made solutions to our investors base and provide innovative liquidity solutions for institutions that want to have a more dynamic approach of their private markets portfolio.

*“Ardian is among the few global private markets players that has provided more capital to institutions in the Middle East through secondary transactions than anyone else.”*

We do often share knowledge by leveraging our deep market intelligence platform created over years on thousands of private equity funds around the world and arrange introduction for our investors to those fund managers. We also help institutions and Family Offices that aim to develop their local economy or their businesses by connecting them with Ardian portfolio companies that want to expand in the MENA region through joint ventures or acquisitions. And of course, we welcome investors that deploy long term capital in our various funds, we offer them strong co-investment opportunities and in return we deliver stable and steady returns in our funds across all expertise and all economic cycles. Ardian has built a large and scalable range of solutions and became a solid and trustworthy partner for the MENA investors base. ‹

Abu Dhabi – United Arab Emirates



## STORIES OF TRUST

*We make sure investors have the information they need*



**JÉRÔME  
JOUYET**

Head of the Product  
Team - Paris Investor  
Relations  
Ardian

» Every investor is different and has their own priorities and concerns. The role of Ardian's Product Team is to make sure each investor receives all the necessary information to evaluate our different funds and solutions, and to reach investment decisions that are right for them.

*“The most important thing is that every investor can feel privileged and unique, knowing they are more than just a client for us.”*

During fundraisings, the Product team provides the essential documents that investors require for their due diligence, including marketing presentations, legal documents and standard due diligence information. We respond rapidly to any questions investors have about the offering and if required we create tailor-made information packs to meet specific due diligence needs. This set of documents is the result of close collaboration between all Ardian teams.

Effective teamwork and information sharing are key to our success. We work closely every day with our colleagues in Client Servicing; there is a constant flow of information between us, that optimizes the services our investors receive. We also have extensive contacts with other teams right across the company, which allows us to deliver precise and detailed information to our investors while remaining responsive and flexible to best answer their requests.

The information and insights we receive from investors via Ardian's Investor Relations Managers are also vital in helping us deliver a high-quality service. Through our Investor Relations Managers, who are our Ambassadors, we learn what clients are looking for and how they view the macroeconomic environment. This helps us to shape our product offering to meet their expectations and ensure it is well adapted to the current conditions.

Our aim in everything we do is to ensure our investors feel privileged and unique, receiving the most relevant information and services in due time. Our digital investor portal, Trustview Ardian, is now improving their experience further by enabling them to obtain due diligence information on our funds, subscribe digitally, and access all reporting information, making all of these processes quicker and easier to keep track of. 📄

### TRUSTVIEW : ARDIAN

Trustview Ardian has been developed to replace paper documents and enable the entire fund subscription journey to be completed online.



**VINCENT JOLY**  
Head of Information  
Technology  
Ardian

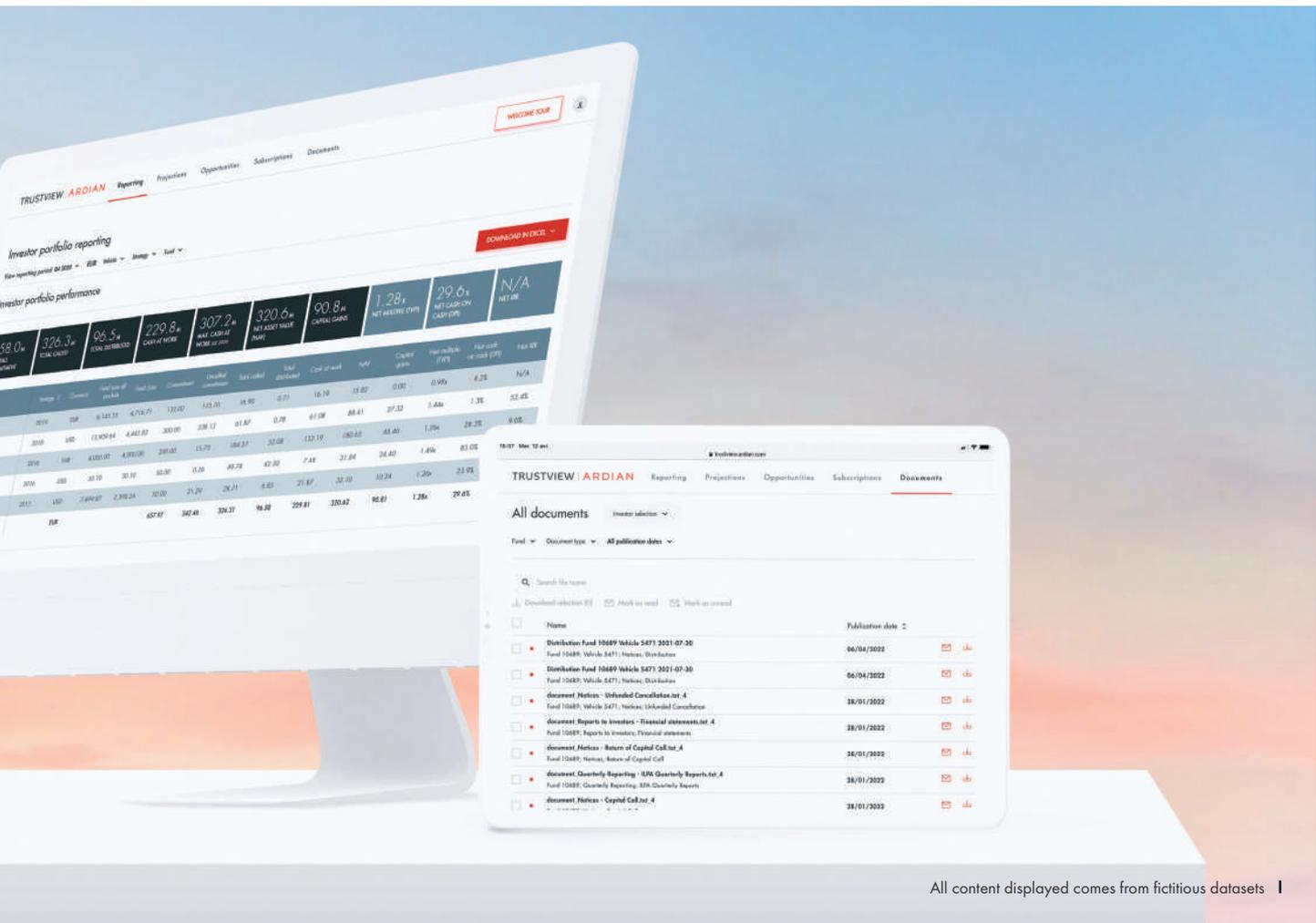


Trustview Ardian is our online portal that enables every client to monitor their holdings with us on a single dashboard. Having launched Trustview in 2020, we are adding functionalities that will give clients more timely information, allow

them to do their own analysis of portfolio data and complete fund subscriptions digitally.

Trustview enhances the personal service we offer, with automated cash flow projections, for example, significantly improving the client experience. Providing these projections also requires us to standardize and industrialize the way we generate the data we share with clients. By focusing on serving our clients better through Trustview, we are also helping Ardian to become a more robust and scalable operation.

*“We are the first GP in the world to provide a digital portal where investors can see future cash flows for each of their investments.”*



All content displayed comes from fictitious datasets |

View of Manhattan  
New York, United States



# *Ardian in 2021*

## **PART 2**

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*Ardian in  
numbers*  
P.40

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*Our global  
presence*  
P.42

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*Highlights  
of 2021*  
P.44

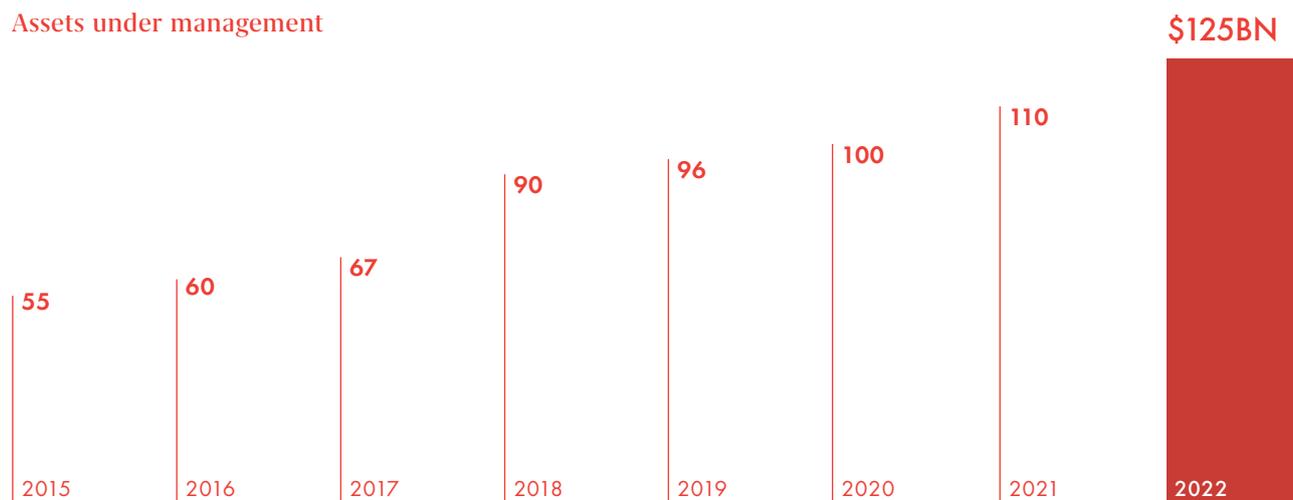


# Ardian in numbers

Figures as of December 31, 2021

Ardian's investment activities cover three broad asset classes: **Private Equity**, **Real Assets** and **Credit**. Investors can access these directly and through bespoke portfolios delivered by **Ardian Customized Solutions** and **Private Wealth Solutions**.

## Assets under management



## Assets under management per expertise

### PRIVATE EQUITY

SECONDARIES & PRIMARIES  
CO-INVESTMENT – BUYOUT – EXPANSION  
GROWTH – NORTH AMERICA FUND

\$93 BN

151 TRANSACTIONS  
AND 88 BUILD-UPS IN 2021

### REAL ASSETS

INFRASTRUCTURE  
REAL ESTATE  
REAL ASSETS DEBT

\$22 BN

15 TRANSACTIONS  
AND 6 BUILD-UPS IN 2021

### CREDIT

PRIVATE DEBT

\$10 BN

26 TRANSACTIONS  
AND 6 BUILD-UPS IN 2021

**1,200+**  
INVESTORS

**\$30.9** BN  
INVESTED IN 2021 \*

*\* including \$16.8bn of secondary deal volume, \$2.2bn of primary commitments in 2021 and total amount arranged for Private Debt*

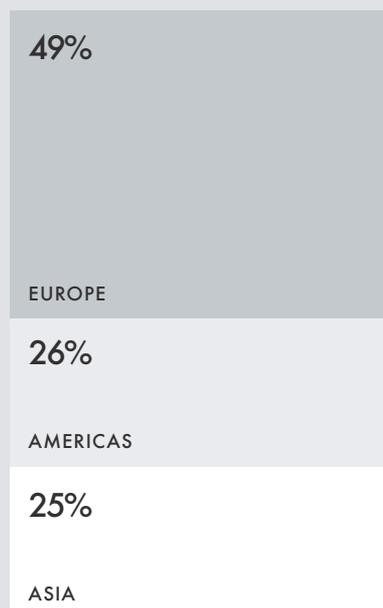
**\$11.4** BN  
DISTRIBUTED TO OUR INVESTORS IN 2021

**28,000+**  
EMPLOYEES

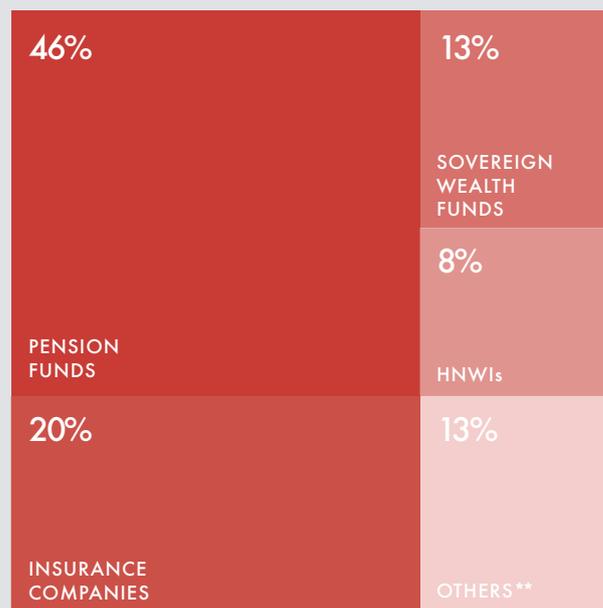
OF 37 PORTFOLIO COMPANIES HAVE BENEFITED FROM PROFIT SHARING AT EXIT BY ARDIAN SINCE 2008, RECEIVING THE EQUIVALENT OF 1 TO 6 MONTHS' SALARY

**\$15** BN  
RAISED IN 2021

Investors' location



Investors' type



*\*\*Others include: fund of funds, endowments and foundations, government agencies, banks, other asset managers and corporate investors*



## OUR GLOBAL PRESENCE

We have more than 880 employees working from a global network of **15 offices** in Europe, the Americas and Asia. This allows us to stay close to our clients and companies, **wherever they are.**



## Americas

We are a major investor in secondaries, as well as having growing activities through Buyout, Infrastructure, Co-Investment and North America Fund.

New York  
San Francisco  
Santiago



## Europe

Ardian has unrivaled coverage of the main Eurozone economies, Switzerland and the UK thanks to our successful multi-local team structure. We are the biggest foreign private markets player in Italy and Germany, and are extending our presence in Spain.

Paris  
Frankfurt  
Jersey  
London  
Luxembourg  
Madrid  
Milan  
Zurich



## Asia

We cover the region from four offices in the major financial hubs. We see a growing appetite among Asian institutions to invest in private markets and have increased our presence to provide a more responsive local service for them.

Beijing  
Seoul  
Singapore  
Tokyo

# Highlights of 2021

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## ■ April



### CLOSING OF LATEST BUYOUT PLATFORM AT €7.5 BILLION

---

Ardian raised €6.5 billion for Buyout Fund VII, with an additional €1 billion reserved for co-investments. Ardian Buyout's strategy is to support ambitious management teams to turn regional champions in high-value niche markets into global leaders.

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## ■ June

### RedPoint by ARDIAN

### BIG DATA TRANSFORMS DEAL ORIGINATION

---

The Growth team upgraded Redpoint, its proprietary software tool for deal prospecting and origination. By combining industrialized data analysis with its unrivaled entrepreneur network, Ardian Growth has created a unique and highly scalable platform.

### ESG DEAL KIT by ARDIAN

### EMBEDDING ESG IN THE DEAL CYCLE

---

To help investment teams integrate ESG more fully into the investment process, Ardian has developed the ESG Deal Kit platform, a proprietary ESG tool that gives detailed guidance and resources, tailored to each investment activity. The Sustainability team provided extensive training in using the ESG Deal Kit platform during 2021.

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## ■ July



### FIRST DEAL IN SPAIN FOR ARDIAN REAL ESTATE

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The Real Estate team closed its first investment in Spain with the acquisition of a c.9,300sqm office building close to AZCA, Madrid's main financial district.

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■ *October*



**PARTNERSHIP BOOSTS  
THE HYDROGEN ECONOMY**

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Hy24, the world's largest clean hydrogen infrastructure investment manager, was launched as a joint venture between Ardian and FiveT Hydrogen. It will invest worldwide in projects that are critical to global decarbonization.

**ARDIAN.CIRCLE**

**OUR COMMUNITY OF EXECUTIVES  
AND DECISION MAKERS**

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Ardian Circle held its second workshop, on Inclusive Management, bringing portfolio companies together to explore the topic, exchange ideas and to network. Ardian Circle addresses social and environmental issues as well as transformation challenges.



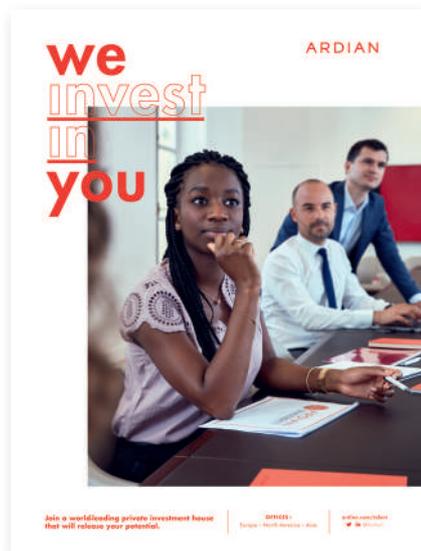
**NEW TEAM DEDICATED TO  
PRIVATE CLIENTS**

---

Ardian launched the Private Wealth Solutions unit to provide dedicated investment solutions for private clients. The team is developing new ways to give private clients and family offices greater access to private market assets.

# Highlights of 2021

## ■ December



### ARDIAN EMPLOYER BRAND

Ardian launched its global employer brand, showcasing the company's aspirations as an employer and its promise to existing employees and candidates. The employer brand expresses Ardian's values and commitments and sets out the benefits it offers to those who join.

### ADVISORY BOARDS AND ANNUAL GENERAL MEETINGS 2021

Meetings were held virtually and physically in June and December 2021 for investors to review and discuss Ardian's recent investment activities. More than 800 clients attended.



### RECORD \$16.8BN OF SECONDARY DEALS FOR SECONDARIES & PRIMARIES TEAM

The Secondaries & Primaries team closed 27 secondary transactions in 2021, representing a deal volume of \$16.8 billion. The record-breaking total significantly exceeds the deal flow during 2020. More than 85% of the team's transactions were acquisitions of LP portfolios.

# Highlights of 2022



## PATERNITY LEAVE POLICY

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Up to six weeks of paid paternity / parental leave became a right for all Ardian employees, regardless of their length of service. This was an important step to promote inclusion and provide greater support to parents and caregivers.



## ARDIAN MOVES TO THREE BROAD ASSET CLASSES

---

Ardian adapted the way it presents its offering, moving from five investment pillars to three broad asset classes: Private Equity (Secondaries & Primaries, Co-Investment, Buyout, Expansion, Growth and North America Fund), Real Assets (Infrastructure, Real Estate and Real Assets Debt) and Credit (Private Debt).

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## ■ March



## ARDIAN'S REAL ASSETS DEBT ACTIVITY IS LAUNCHED

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Ardian announced the creation of a Real Assets Debt activity to manage funds and mandates for financing pan-European real estate projects. Ardian Real Assets Debt will be managed by Arnaud Chaléac, as Head of Ardian Real Assets Debt.

View of the city center,  
Zurich, Switzerland



# Our investment solutions and activities

## PART 3

—  
*Our investment expertise, solutions and activities*  
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—  
*Ardian Customized Solutions*  
P.52

—  
*Private Wealth Solutions*  
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## PRIVATE EQUITY

—  
*Secondaries & Primaries*  
P.60

—  
*Co-Investment*  
P.64

—  
*Buyout*

P.72

—  
*Expansion*  
P.80

—  
*Growth*  
P.88

—  
*North America Fund*  
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## REAL ASSETS

—  
*Infrastructure*  
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—  
*Real Estate*  
P.110

## CREDIT

—  
*Private Debt*  
P.118



# *We offer broad **exposure** to private markets*

**Ardian's aim is to help each client find the best way to achieve their investment objectives using private market assets.**

*The breadth of our offering is a vital part of the solutions that we deliver, spanning our own funds and Ardian's privileged access to primary fundraisings by other leading sponsors globally. But our flexibility in seeking tailored solutions for clients is equally important. Whichever route investors choose, our approach remains the same: our local investment teams in each market form long-term partnerships with entrepreneurial managers and work together to build resilient, high-quality businesses that are fit to face the future.*

# Investment solutions and activities

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*Ardian's investment activities cover three broad asset classes:*

**Private Equity, Real Assets and Credit**, which are complemented by tailored investment solutions: **Ardian Customized Solutions and Private Wealth Solutions.**

Assets under management as of December 31, 2021

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## **PRIVATE EQUITY** **\$93BN**

- SECONDARIES & PRIMARIES
- CO-INVESTMENT
- BUYOUT
- EXPANSION
- GROWTH
- NORTH AMERICA FUND

---

## **REAL ASSETS** **\$22BN**

- INFRASTRUCTURE
- REAL ESTATE
- REAL ASSETS DEBT

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## **CREDIT** **\$10BN**

- PRIVATE DEBT

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# ARDIAN CUSTOMIZED SOLUTIONS

*Bespoke portfolios unlock the private market opportunity*



City center,  
Zurich, Switzerland

“Our customized investment solutions allow clients to control the mix of assets they hold and the level of support they need Ardian to provide.”



**JAN PHILIPP SCHMITZ**  
*Head of Ardian Customized Solutions  
and Member of the Executive Committee  
Ardian*

Ardian Customized Solutions (ACS) enjoyed another strong year for fundraising in 2021. Activity increased particularly through the second half of the year, following a lull caused by the pandemic, and gave us a strong tailwind as we entered 2022.

Providing bespoke investment solutions is central to Ardian's growth strategy. As institutions increase their exposure to private markets, many that do not possess large in-house teams are instead seeking managed portfolios with tailored asset allocations, along with flexible service levels and reporting. We are well placed to meet their needs, thanks to Ardian's expertise in a broad range of private market asset classes and our combination of primary and secondary funds activities with large direct investment operations. Importantly, we can now offer investors exposure to Ardian's investment strategies with greater flexibility in terms of timing and investment selection. This will help us to build truly tailored portfolios and to cater for newer investor groups, such as the fast-growing private client segment. We expect private banks and family offices in particular to account for a growing share of ACS's business over the next few years.

Infrastructure was the dominant asset class in 2021. Some 80% of the new ACS commitments raised were for infrastructure, fueled by the

search among institutions for alternative sources of yield coupled with solid capital growth. This result demonstrates investors' appreciation of Ardian's infrastructure offering, which combines leading direct and secondary infrastructure expertise with primary infrastructure fund selection.

Another key trend in 2021 was investors' intensifying focus on sustainability. This was evidenced both by their more sophisticated ESG due diligence and their search for sustainable investment options. Ardian's expertise in this area is becoming a critical advantage for ACS and sustainability is a now key element in many of the investment solutions that we deliver.

Europe – especially France, Germany and Switzerland – continues to be our largest market, but Asia is catching up. In fact, in 2021, around half of ACS's fundraising came from Asia. We are also continuing to build our presence in Latin America and in the mature US market, where our large Secondaries & Primaries and Co-Investment activities give us a distinctive proposition that is difficult to replicate.

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**80%**

OF NEW COMMITMENTS  
IN 2021 WERE FOR  
INFRASTRUCTURE

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**c. 50%**

OF FUNDRAISING IN 2021  
CAME FROM ASIA

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**2/3**

OF ARDIAN CUSTOMIZED  
SOLUTIONS ARE  
LONG-TERM PARTNERSHIPS

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## FOCUS ON PROFOND

### *Customized solution gives Profond flexible access to infrastructure*



**MARCEL JÖRGER**  
*Investment Manager  
for Alternative  
Investments  
at Profond*



**FELIX SIGNORELL**  
*Managing Director,  
Secondaries &  
Primaries  
Ardian*

**Profond is a Swiss collective pension foundation that serves around 2,500 small companies and has nearly 58,000 pension scheme members. It started investing in a customized solution provided by Ardian in 2019 to gain exposure to a diversified portfolio of infrastructure assets and extended the relationship in early 2022.**

**Why did Profond decide to increase its allocation to infrastructure assets?**

**Marcel Jörger:** There were two main reasons in our case. Our investment strategy involves holding almost 50% of our portfolio in equities, which is quite high for a Swiss pension fund, but it has helped us achieve excellent long-term performance – we have averaged 5.4% a year over the past 30 years. Infrastructure has relatively low correlation to other asset classes, and it has low volatility, which means that it can play a valuable role in our portfolio because it enables us to hold more volatile assets such as equities alongside it. So our infrastructure allocation plays an important role in moderating the overall volatility of our portfolio. But we also want to hold infrastructure because the returns, in terms of both capital growth and income, are attractive when you compare them to traditional asset classes such as fixed income or even Swiss real estate.

**Felix Signorell:** Many European pension funds, including Profond, have historically

had very low allocations to alternative investments involving infrastructure, which means there is plenty of scope to increase that exposure. A lot of them are now considering infrastructure because the risk/reward profile is very attractive for these investors. This is a fast-growing part of Ardian Customized Solutions' offering.

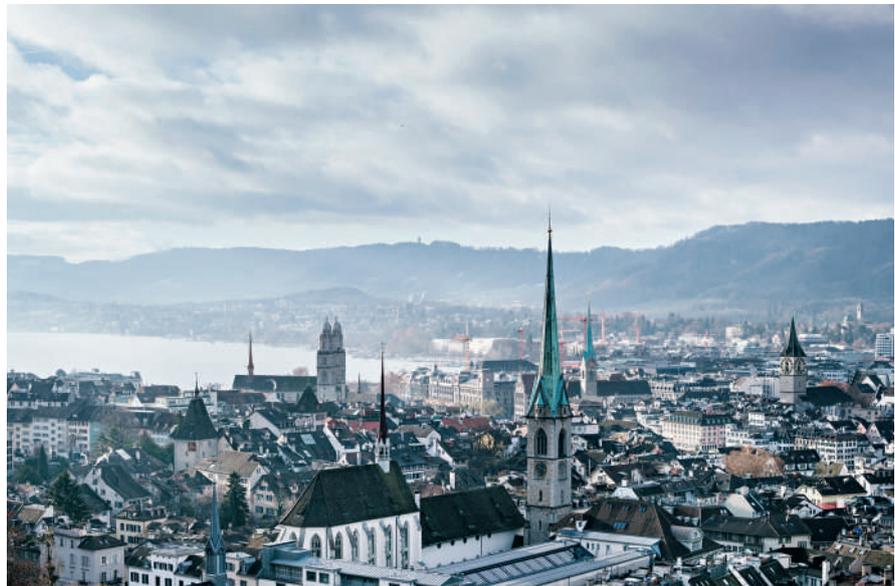
**What made a customized investment solution the best way for Profond to increase its exposure to infrastructure?**

**MJ:** Around seven years ago Profond was investing directly in infrastructure including wind farms and solar parks, but we realized that managing infrastructure assets is not the core business of a pension fund. We reviewed our strategy and decided to change our investment process and switch to indirect infrastructure investments. That was why we started looking for potential partners to manage our infrastructure exposure for us. Moving to a customized solution has allowed us to tailor our individual asset allocation within the infrastructure segment, based on the recommendations of the team at Ardian, and to delegate manager selection and other technical aspects to experts. It professionalizes the whole process and simplifies our workload.

**FS:** The other big advantage of a customized solution is that it has given Profond a lot of flexibility. This allowed us to create a fully tailored portfolio for them with a flexible allocation to both third-party and Ardian Infrastructure funds and access

# Profond

PROFOND IS ONE OF THE LARGEST INDEPENDENT COLLECTIVE FOUNDATIONS IN SWITZERLAND, WITH MORE THAN 56,000 INSURED PERSONS AND ASSETS UNDER MANAGEMENT OF OVER CHF 11 BILLION. PROFOND FOLLOWS A REAL VALUE-ORIENTED INVESTMENT STRATEGY WITH THE GOAL OF ACHIEVING LONG-TERM, ABOVE-AVERAGE RETURNS ON THE PENSION FUND ASSETS OF ITS INSURED PERSONS. PROFOND EMPLOYS AROUND 100 PEOPLE AT ITS LOCATIONS IN ZURICH, CRISSIER, BIEL AND ST. GALLEN.



View of Zurich, Switzerland

to our leading secondary platform combined with direct and secondary co-investments. This helped us mitigate the J-curve effect as well as to achieve a fast ramp-up of the NAV and allowed Profond to meet their return objectives in the early years of the program.

## Why was Ardian the right solutions partner for Profond?

**FS:** We offered the full range of customized solution services including set-up of a dedicated vehicle and our ability to provide reporting fully tailored to the needs of Profond. On the investment side, we started the program with a secondary co-investment in one of the largest infrastructure secondary transactions at that time, giving immediate access to a diversified portfolio of funds and direct co-investments managed by blue chip infrastructure managers. Innovative thinking and Ardian's history of investing in and operating infrastructure assets since 2005, were important factors.

**MJ:** It was very important to be able to include the right proportion of secondary

assets in our customized solution to mitigate the J-curve effect, and Ardian found a good way to achieve this. But other aspects of our partnership with them were also important. We wanted to work with a partner that had a local presence in Zurich and that had experience with Swiss institutional clients since we have some special requirements in areas such as reporting. And we liked the fact that they have high ESG standards both in their investments and at the corporate level. When we put all of that together, we saw that Ardian could offer an integrated, fully customized investment solution with the asset mix that we wanted and a genuinely global reach.

# PRIVATE WEALTH SOLUTIONS

*Ardian builds a dedicated proposition for private clients*



“We are creating very significant capacity to meet the growing demand for private investment solutions that we expect from private clients globally.”



**ERWAN PAUGAM**  
*Head of Private  
Wealth Solutions  
Ardian*

Private clients are an important and fast-growing group of investors that account for more than half of Ardian's LPs by number and some \$7.5 billion of assets under management. The Private Wealth Solutions team that we have built and the focused strategy we have designed will enable us to address this growing opportunity, building on strong relationships with distributors and designing new dedicated solutions.

Forecasts suggest that over the five years to 2025, private investors will commit more capital to private market investments than institutions: \$2.7 trillion\* versus \$2.45 trillion. Crucially, the biggest jump in allocations is expected to come from those High Net Worth Individuals (HNWI) that have up to \$50 million of assets. Investors in this group are expected to more than double their allocation to private markets by the end of 2025.

We are committed to creating scalable investment solutions for these investors. Ardian is therefore opening its fund structures to enable clients served by our customized solutions to contribute up to 30% of the equity ticket for each deal in future fund generations. Given Ardian's scale and investment tempo, this will create very

significant capacity to meet the growing demand for investment solutions that we expect from private investors directly and indirectly.

We are working to structure an investment proposition that recognizes the needs of private investors and meets their specific regulatory requirements. This will first take the form of a dedicated solution that gives smaller clients the opportunity to invest into a diversified solution with flexible terms and conditions. We believe this structure will be able to create a seamless way for clients to diversify their exposure across different investment vintages.

Although our early development work has focused on the French market, we are building a Private Wealth Solutions team that can serve a global client base, drawing on the existing expertise in the Ardian Customized Solutions team based in Switzerland. We now have team members in Zurich, Paris and Singapore, and are finalizing the hiring of a senior team member in New York. This provides the foundations of what we believe will become a large, global business that will play a crucial role in Ardian's growth plans over the next decade with additional hiring planned in Europe, Asia and in the US.

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**600+**

PRIVATE INVESTORS

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**\$7.5BN**

ASSETS UNDER MANAGEMENT  
FOR PRIVATE CLIENTS AT  
THE END OF 2021 (6% OF  
ARDIAN'S TOTAL AUM)

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**47%+**

INCREASE IN ASSETS  
MANAGED FOR PRIVATE  
INVESTORS SINCE 2020  
AND A 12.5% INCREASE  
IN 2021

\* *Competing for Growth, Oliver Wyman and Morgan Stanley, July 2020.*

## FOCUS ON SHEARMAN & STERLING

### *The ingredients for long-lasting private client relationships*



**CYRILLE NIEDZIELSKI**  
*Family Office Advisor  
and Of Counsel at  
Shearman & Sterling*



**ERWAN PAUGAM**  
*Head of Private  
Wealth Solutions  
Ardian*

**Ardian counts an increasing number of Private Investors among its LPs. These clients receive a premium, personal service overseen by a dedicated relationship manager. Private clients and their advisers have direct access to people at all levels within Ardian, including the investment teams who manage their money, and can access consolidated information on their portfolios via Ardian's Trustview investor portal.**

**How does Ardian create close, personal relationships with its large private clients?**

**Erwan Paugam:** The most important factor is that we think of our private clients as important members of the Ardian family. The key to the trust that grows up between us is that they develop personal relationships with people throughout our organization. We encourage them to speak directly to the people who manage the funds they invest in so that they are close to the investment process and understand how each business is performing. But there is more to the relationship than simply having access to the investment teams. Each of our investment teams sees these investors as important, long-term relationships and they are personally committed to deliver an excellent service. Indeed, the fact that we offer our major private clients the opportunity to co-invest alongside our funds shows how much we value having them as investors with Ardian.

**Cyrille Niedzielski:** Before investing, family offices and large private clients always want to meet the team who will be managing their money to hear about the investment strategy at first hand and to get a sense of the team as people. This adds a personal dimension to their professional relationship with Ardian, which clients find very valuable. In my experience, Ardian is very responsive to clients' requests and keen to help them understand the investment strategy and how decisions are made. I have also found that, in comparison with other financial institutions, the people we have spoken to at Ardian are very good at explaining things in terms that non-financial people can understand, which helps a lot to build trust and deepen the relationship.

**Which aspects of Ardian's approach to reporting do private clients particularly value?**

**CN:** Many private clients don't just want to give instructions. They are genuinely interested in the businesses they invest in and have often been in business themselves, so they want to follow their investments closely and receive detailed updates on their progress. Ardian's relationship managers are always available to deal with our questions and ensure we receive any information the client wants, which is greatly appreciated. Another very important point is that clients value the fact that there are no surprises with Ardian. They are given plenty of warning about when capital calls will come and what the amounts will be, which helps them to plan. This aspect of Ardian's service really matters to private clients.

## SHEARMAN & STERLING

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WITH MORE THAN 850 LAWYERS IN 25 OFFICES, SHEARMAN & STERLING HAS A LONG AND DISTINGUISHED HISTORY OF SUPPORTING THEIR CLIENTS WHEREVER THEY DO BUSINESS, FROM MAJOR FINANCIAL CENTERS TO EMERGING AND GROWTH MARKETS. THE FIRM REPRESENTS MANY OF THE WORLD'S LEADING CORPORATIONS AND MAJOR FINANCIAL INSTITUTIONS, AS WELL AS EMERGING GROWTH COMPANIES, GOVERNMENTS AND STATE-OWNED ENTERPRISES.



I Ardian employee in the Paris office

**EP:** A central element of what we do for our Private Investors is bringing more transparency to their Private Investment portfolio. For this, we provide long-term projections that allow investors to have a consolidated view of what the commitments cycle could look like. Another important part of our service is the Trustview Ardian portal, which gives them an overview of all their holdings with Ardian as a single portfolio that is regularly updated. Trustview is in no way a substitute for direct, human relationships. Instead, it is a complement to them. The high-level overview that Trustview gives our clients is important because it helps us have a better dialogue about their asset allocation and advise them on solutions that could fit well with their existing portfolio.

close contact with the management teams at each company and so we are actively involved in the key decisions. This means we can do more to affect the outcome of our investments especially in more volatile environments.

**CN:** Clients have often become unhappy with the traditional options they are offered in this low interest rate environment. The big attraction of private markets for them is a much better risk/reward profile and the chance to be closer to the teams managing their money.

### What are the major benefits of private market investments for private clients?

**EP:** There are three in our opinion. Private investments are not marked to market daily. This allows everyone to concentrate on what is important for the long-term success of each company and ignore the day-to-day background noise. Second, as private-market managers, we invest the client's money over a period of several years, so we have the luxury of waiting and deciding when to do so. Finally, we are in

# SECONDARIES & PRIMARIES

*Record year for global  
secondaries leader*



**90+**  
INVESTMENT  
PROFESSIONALS

**1,600+**  
FUNDS IN THE PORTFOLIO

**10,000+**  
UNDERLYING COMPANIES

View of Manhattan  
New York, United States |

**We have embedded ESG considerations in our investment processes and we engage with our GPs on this subject continually.**

*By the ASF Management Committee*

Ardian Secondaries & Primaries experienced unprecedented transaction volumes during 2021, representing a record of \$16.8 billion – including individual secondary transactions valued at \$3.1 billion and \$2.4 billion – as the market rebounded from the initial Covid-19 shock. Our scale in the secondary market is a key differentiator for Ardian and by strengthening our relationships with leading GPs, we deliver significant benefits for investors in many of Ardian’s strategies.

The past year has been marked by an extraordinary increase in the number of very large secondary transactions coming to the market: of the \$130 billion of deal flow we saw during 2021, almost half comprised deals of more than \$2 billion each. Sellers are using the secondary market for many reasons, notably to manage their private equity holdings actively, release liquidity and concentrate on relationships with GPs that offer co-investment opportunities. Thanks to the buoyant conditions, we were able to focus on large LP portfolios of the highest quality, where our ability to underwrite quickly and offer certainty of execution limits competition. The ASF VIII main pocket was 85% committed at the end of 2021. LP portfolio deals account for 86% of the ASF VIII portfolio, with the remainder in GP-led transactions.

We have well-established ESG practices embedded in our investment processes and our annual ESG monitoring survey, sent to close to 200 GPs, gives us an unrivaled overview of their practices globally. Almost three-quarters of the net asset value of our secondary portfolio is managed by GPs rated A+ or A based on our survey, up from 27% five years ago.

Among our notable deals was the acquisition in early 2021 of a \$1.4 billion portfolio of infrastructure interests from a US institution.

This was the largest secondary infrastructure LP transaction to date and illustrates the growing importance of infrastructure for our secondary platform. Ardian was one of the earliest players in infrastructure secondaries and we are well positioned in this fast-growing market, where the huge increase in primary commitments over the past five years is driving rapid growth today in secondary volumes. Many LPs are seeking to accelerate their shift into this infrastructure, and investing in secondary portfolios allows them to gain rapid exposure to mature, yield-producing assets and to diversify easily across fund vintages. In 2022, we closed ASF VIII Infrastructure, our third infrastructure secondaries pocket, at \$5 billion. This is the largest secondary infrastructure fund ever raised.

Even if secondary transactions soared in 2021, we believe they could increase quickly from here. Primary fundraising volumes are the key leading indicator of growth in the secondary market, and these are set to increase over the next few years. However, we believe secondary volumes could grow much faster than the primary market because currently just 2% of total private equity fund holdings are traded each year.

ARDIAN SECONDARIES & PRIMARIES IS LED BY DOMINIQUE SENEQUIER, PRESIDENT OF ARDIAN, WITH THE SUPPORT OF THE ASF MANAGEMENT COMMITTEE, WHOSE MEMBERS ARE:

**Mark Benedetti**, Co-Head of Ardian US and Member of the Executive Committee

**Vladimir Colas**, Co-Head of Ardian US and Member of the Executive Committee

**Marie-Victoire Rozé**, Senior Managing Director, Secondaries & Primaries

**Jan Philipp Schmitz**, Head of Ardian Germany and Asia, and Member of the Executive Committee

## SELECTED SECONDARY TRANSACTIONS

\$16.8 BN

SECONDARY  
TRANSACTIONS DEAL  
VOLUME IN 2021

27

SECONDARY  
TRANSACTIONS IN 2021

### INFRASTRUCTURE SECONDARY

**ROBIN**      SIZE:  
DATE:      \$1.4BN  
09/2021

**FOXES**      SIZE:  
DATE:      \$115M  
03/2021

### EARLY SECONDARY

**GUTENBERG II**      SIZE:  
DATE:      \$844M  
09/2021

**MADISON II**      SIZE:  
DATE:      \$59M  
01/2021

### SECONDARY

**ORCA**      SIZE:  
DATE:      \$3.1BN  
12/2021

**BLAZER**      SIZE:  
DATE:      \$1.2BN  
09/2021

**FERRY**      SIZE:  
DATE:      \$2.4BN  
09/2021

**NEWSPRINT**      SIZE:  
DATE:      \$1.1BN  
09/2021

**WINSTON**      SIZE:  
DATE:      \$1.5BN  
09/2021



“There are very few players that sellers can trust to execute these very large secondary transactions. The portfolio sizes rule out most buyers in any case, and with deals this large the GPs have to be comfortable with the buyer as well. So competition is limited and prices remain remarkably stable.”

**MARK BENEDETTI** *Co-Head of Ardian US and Member of the Executive Committee, Ardian*



“Ardian was one of the earliest players in infrastructure secondaries and we are seeing strong demand from LPs who are using the secondary market to accelerate their shift into this asset class. The infra market today is in a similar place to where the private equity market was some years ago.”

**VLADIMIR COLAS** *Co-Head of Ardian US and Member of the Executive Committee, Ardian*

## SELECTED PRIMARY COMMITMENTS

\$2.2 BN  
NEW PRIMARY  
COMMITMENTS IN 2021

71  
NEW FUNDS  
IN 2021

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### GLOBAL FUNDS

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#### CARLYLE VIII

DATE:  
09/2021



“The volume and value of deals we did in 2021 were completely unprecedented. The market rebounded first in the US but then in Europe and more recently we have seen Asian sellers come back. And not only was this our most active year ever, but our portfolio performance has also been very strong.”

**JAN PHILIPP SCHMITZ** *Head of Ardian Germany and Asia, Head of Investor Relations and Ardian Customized Solutions*

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#### GAIP 2021

DATE:  
07/2021



“The secondary market has grown rapidly to \$130 billion in deals per year, but even so that still means less than 2% of total private equity holdings are traded every year. If the asset class continues to grow and more players use the secondary market, it could double in size quite quickly from here.”

**MARIE-VICTOIRE ROZÉ** *Senior Managing Director, Secondaries & Primaries, Ardian*

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#### KKR GLOBAL INFRA IV

DATE:  
05/2021

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### NORTH AMERICA FUNDS

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#### NAUTIC X

DATE:  
07/2021

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#### GENSTAR X

DATE:  
04/2021

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#### MANULIFE

DATE:  
04/2021

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### EUROPE FUNDS

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#### BRIDGEPOINT EUROPE VII

DATE:  
12/2021

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#### PERMIRA VIII

DATE:  
04/2021

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#### ANTIN MID-CAP

DATE:  
04/2021

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### ASIA FUNDS

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#### PREMIER GROWTH M&A FUND V

DATE:  
12/2021

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#### CPE CHINA FUND IV

DATE:  
07/2021

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#### BLACKSTONE ASIA II

DATE:  
03/2021

# CO-INVESTMENT

*Investing alongside  
the world's top sponsors*



€500M  
INVESTED OR COMMITTED  
EACH YEAR

30  
INVESTMENT  
PROFESSIONALS

€10M TO €200M  
INVESTED IN EACH TRANSACTION

Marlink  
France |

**Through Ardian's huge secondaries platform, we enjoy close links with the world's leading GPs. That leads directly to a strong, high-quality flow of co-investment deals.**



**ALEXANDRE MOTTE**  
*Head of Co-Investment  
Ardian*



**PATRICK KOCSI**  
*Head of US  
Co-Investments  
Ardian*

Ardian Co-Investment saw a resurgence in activity last year as stimulus programs helped markets recover from the worst of the pandemic, creating an extremely strong environment for LBO transactions.

Our teams in Europe, the US and Asia agreed a record 22 deals during 2021, featuring several in the fast-growing technology and healthcare sectors, including our investment in Quanyi. By the year end, our \$2.6 billion fifth generation fund was almost fully committed. This represents a very successful outcome for the team, since we have deployed a much larger fund at the rate we anticipated while maintaining our highly selective approach. We now hold a portfolio of 54 investments, diversified by sector, size, region and sponsor, offering exposure to private equity returns allied with the strong defensive characteristics investors seek from co-investment strategies. Our companies have not been immune to cost and supply-chain challenges, but their overall performance has been extremely resilient.

Although Fund V is still young – with a two-year weighted average age of holdings – it is maturing well. We have already seen two IPOs, along with several dividend recapitalizations, and are starting to see exits, including Palex, the Spanish medical device distributor. Our initial exits have achieved returns at or above our targets for the fund and are evenly balanced between European and US holdings.

We assessed 325 transactions in 2021, 50% more than our record year in 2019. This huge growth in our deal flow illustrates the powerful synergies that Ardian enjoys between the Secondaries & Primaries and Co-Investment activities. Ardian's primary commitments have grown to \$2 billion a year since 2018, making our firm a key partner for sponsors around the world and leading directly to more co-investment and co-sponsorship proposals.

Even so, we remained extremely selective, approving less than 7% of the transactions that we looked at. Both financial and sustainability factors drove our decisions, with several deals declined due to ESG concerns, while others were approved only when we could identify improvements that would create a more sustainable – and therefore more valuable – business.

As we consider future fund generations, we are aiming to increase our global coverage with the addition of several co-investment professionals in our Beijing office. We also intend to offer a wider range of investment options, including syndication and bespoke co-investment solutions for clients that want more flexibility than a traditional fund commitment.

## FOCUS ON LINDFAST

### *Ardian's support helps industrial group come back stronger*



**BILL NIKETAS**  
*CEO of LindFast*



**FARUK AMIN**  
*Senior Managing  
Director Co-Investment  
Ardian*

The solid partnership between Ardian Co-Investment and Nautic Partners enabled LindFast to weather the Covid-19 crisis and concentrate on gaining market share and improving profitability.

**What role did Ardian Co-Investment play in helping to win this transaction and how has Ardian supported LindFast's development since then?**

**Faruk Amin:** We have a longstanding relationship with the deal sponsor, Nautic Partners, through Ardian Secondaries & Primaries. We knew Nautic had expertise in the fasteners industry, so when they told us about LindFast, we were immediately very interested. They wanted a co-investor who could complete due diligence quickly and commit to a sizeable ticket at signing. We were happy to do that and then provide active support by joining the board.

**Bill Niketas:** When Nautic started looking at this deal in January 2019, I was an operating adviser. Ardian's support was essential for us in winning this transaction. We knew there would be competition to buy LindFast and having a co-investor that comes on board quickly allowed us to get ahead of the process and pre-empt it.

**How did you address the challenges LindFast faced as activity collapsed during the early stages of the pandemic in 2020?**

**BN:** Obviously, demand was hit very severely – at one point in Q2 2020 our revenues were down more than 40%. We decided to focus all our efforts on outperforming the competition, gaining market share, controlling our costs, improving gross margins and making sure that our service levels with inventory and availability were as strong as possible. So, we continued to invest in our inventory and facilities, and we launched several projects to win market share with key customers and find innovative ways to create value for them. Thanks to all those efforts, we finished 2020 with revenues down less than 10% and our earnings flat over 2019.

**FA:** The impact of Covid-19 was very significant, but Bill and his team used this as an opportunity to streamline the business and position LindFast well for the recovery. We supported Nautic and Bill wholeheartedly at board level because we felt the strategy was absolutely the right one and we are very pleased that the execution has been outstanding.



LEADING US MASTER DISTRIBUTOR  
OF SPECIALTY INDUSTRIAL  
FASTENERS TO PARTS SUPPLIERS  
IN NORTH AMERICA

17

WAREHOUSE LOCATIONS  
WITH OVER 1.2M SQUARE FEET

3,000+

CUSTOMERS

130,000+

SKUS



| Fasteners provided by LindFast

**What position is the company in now,  
as business returns to normal and  
revenues rebound?**

**BN:** We finished 2021 well ahead of plan, and even ahead of our original plans for 2022 and 2023, with the pace of growth still accelerating. That is down to the decisions we took in 2020. We import 80% of our stock from Asia and we were very aggressive at the end of 2020 and in early 2021 in getting product on the water. This put us in a strong position compared with our smaller competitors when shipping

delays started to have an impact and I think that is what has led to some of the acceleration in our business more recently.

**FA:** Whenever there is a crisis, it also creates opportunities, but you have to seize them. Bill and the Nautic team are extremely analytical and thoughtful, and the way they executed on their strategy during the pandemic was excellent. If they hadn't done it right, we could be in a very different situation.

# 2021 HIGHLIGHTS

## Investments

### SYNTAX

Headquartered in Montreal, Syntax is a leading technology managed services firm offering comprehensive ERP solutions to midmarket companies throughout North America and Europe.

Its infrastructure-agnostic platform operates across the public, private and hybrid cloud spaces and provides the following services: managed cloud services, application managed services and professional services.

INVESTMENT DATE *September 2021*

SECTOR *Technology, Media and Telecoms*

COUNTRY *Canada*

### MARLINK

Marlink connects people and assets around the world, covering markets where conventional connectivity cannot function or is unavailable. Focusing on B2B customers in the maritime and enterprise verticals, Marlink has expertise in the design, installation and operation of intelligent network solutions that combine hybrid connectivity with satellite and terrestrial links.

INVESTMENT DATE *July 2021*  
(commitment date)

SECTOR *Technology, Media and Telecoms*

COUNTRY *France*

### WATERLOGIC

Waterlogic is the #1 global B2B provider of purified drinking water dispensers, serving more than 50 million users worldwide every day. The company is a vertically integrated player of scale, with a best-in-class R&D team and proprietary factories in China, Australia and the United States to assemble components. Waterlogic has a positive ESG impact, saving the equivalent of 24 billion plastic bottles per year.

INVESTMENT DATE *May 2021*

SECTOR *Business services*

COUNTRY *France*



### IMAGINE LEARNING (FORMERLY WELD NORTH EDUCATION)

Imagine Learning is the largest provider of digital curricula to K-12 students in the United States, serving around 7,000 school districts with its Core, Supplemental, and Courseware solutions. The company is a leader in educational courseware, providing more than 300 customizable online courses for first time credit, credit recovery, and electives.

INVESTMENT DATE *February 2021*

SECTOR *Education*

COUNTRY *United States*

## Exits

### ACA COMPLIANCE

Headquartered in NYC, the ACA Compliance Group is the market leading regulatory compliance consultancy, providing recurring regulatory compliance, technology and performance attestation solutions primarily to traditional and alternative asset managers.

INVESTMENT DATE *May 2018*

EXIT DATE *November 2021 (signed date)*

SECTOR *Consultancy*

### EVANS

Headquartered in Pennsylvania, the Evans Network of Companies is a non-asset based logistics platform providing services in intermodal drayage, truckload and freight brokerage to a network of agents. Evans is the market leader across the outsourced drayage market. In August 2021, Court Square Capital acquired a majority stake in the company. Ardian Co-Investment re-invested in the new transaction with its latest fund.

INVESTMENT DATE *February 2017*

EXIT DATE *September 2021*

SECTOR *Logistics platforms*

### PALEX

Headquartered in Barcelona, Palex is a leading independent distributor of medical devices to hospitals in Spain and Portugal. Palex focuses on the marketing, sales and distribution of a wide product portfolio with 100,000+ references. In December 2021, Fremman Capital closed the acquisition of Palex. As part of the transaction, Ardian Co-Investment re-invested part of its proceeds in the company.

INVESTMENT DATE *January 2020*

EXIT DATE *October 2021*

SECTOR *Healthcare and Life Sciences*



### SEQENS

Seqens is a leading manufacturer of small molecule pharmaceutical APIs, intermediates and specialty ingredients. Its main activities involve small molecule contract development and manufacturing along with life sciences solutions for the pharma and consumer health industries. In the summer of 2021, SK Capital acquired a majority stake in the company, with Ardian Co-Investment rolling-over some of its proceeds in the new transaction.

INVESTMENT DATE *June 2016*

EXIT DATE *July 2021 (partial exit)*

SECTOR *Chemical and industrials*

# CO-INVESTMENT PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 STARMERX	03/22	Cross-border e-commerce brand management group	China	1,200
<b>Project Sunshine</b>	02/22	Garage door opener and access control solutions provider	United States	1,416
 <b>renta</b>	02/22	Construction & renovation equipment rental company	Finland	281
 SCHWIND	02/22	Manufacturer of eye lasers for refractive surgery	Germany	49
 WSAudiology	01/22	Global hearing aids player	Denmark	2,053
 IQEQ	12/21	Investor service provider	Luxembourg	463
 <b>Palex</b>	12/21 01/20	Distributor of medical devices to hospitals	Spain	271
 DiotSiaci	11/21	Insurance consulting and brokerage group	France	660
 MARLINK	09/21	Independent provider of communications services and solutions in remote areas	France	452
 SYNTAX	09/21	Comprehensive ERP solutions for mid-market companies	Canada	325
 Davies	09/21	Professional and technology enabled outsourcing services to the insurance market	United Kingdom	368
 EVANS	08/21 02/17	Business process outsourcing services for the US freight industry	United States	229
 Questel	08/21	Intellectual Property management software and tech-enabled services	France	263
 Trinity Consultants	07/21	EHS (Environmental, Health and Safety), engineering, and science consulting firm	United States	183
 OLINA	07/21	Food ingredient mixes	France	648
 Recipharm	06/21	Contract Development & Manufacturing Organization	Sweden	1,023
 NEWLOOK	05/21	Leading eye care product and service provider	Canada	334
 waterlogic	05/21	Leading provider of purified drinking water dispensers for workplaces, hospitals, schools, hotels and restaurants	United Kingdom	411
 GBAGROUP	04/21	Specialist in bio-analytical services in Food & Beverage, pharmaceuticals and environment analytics	Germany	169
 全亿健康	04/21	Retail pharmacy chain	China	842
 PRGX	03/21	Provider of tech-enabled recovery audit, contract compliance and advanced analytics services	United States	148
 i imagine learning	02/21	American provider of digital curriculum solutions to K-12 grade students	United States	565
 LaCentrale	02/21	French #2 car marketplace	France	67
 AMERICAN RENAL	01/21	US dialysis services provider	United States	687
 Galway	12/20	Property & casualty (P&C) insurance and employee benefits brokerage platform in the US	United States	974
 ELSAN	12/20	Private hospitals operator	France	2,473
 Infoblox	11/20	Provider of mission-critical network services	United States	693
 zayo	03/20	Provider of fiber infrastructure	United States	2,171
 BRAND SAFWAY	01/20	Provider of work access and multi-craft services	United States	4,086
 ACTION	01/20	Non-food discount retailer	Netherlands	6,834
<b>Project Lounge</b>	12/19	Airport benefits access provider	China	116
 emera	12/19	Nursing homes operator	France	335

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
<b>Project Classified</b>	11/19	Media conglomerate	Germany	3,387
 <b>...saal</b>	11/19	Online platform and manufacturer of premium photo products	Germany	45
 <b>INSIGHTGLOBAL</b>	09/19	Staffing & employment solution provider	United States	3,167
 <b>GALDERMA</b>	09/19	Pure-play dermatology company	Switzerland	3,080
 <b>PALACIOS</b>	07/19	Food manufacturer	Spain	254
 <b>Cast &amp; Crew</b>	04/19	Professional employment organization (PEO) for the entertainment production industry	United States	373
 <b>trademe</b>	04/19	Classifieds website & generalist marketplace	New Zealand	176
 <b>LinFast Solutions Group</b>	04/19	Master distributor of specialty fasteners	United States	279
 <b>SUSE</b>	03/19	Linux operating systems ('OS') for enterprises	Germany	493
 <b>dun &amp; bradstreet</b>	02/19	Commercial credit data provider	United States	1,971
 <b>leqee</b>	01/19	E-commerce third-party service provider	China	189
 <b>sedgwick</b>	12/18	Third-party claims management and property loss adjusting services	United States	3,475
 <b>FFP</b>	09/18	Clean label food ingredients manufacturer	United States	144
<b>RODAN+FIELDS</b>	05/18	Skincare brand	United States	911
 <b>fives</b>	05/18	Industrial engineering group	France	1,724
 <b>CHEVRON</b>	03/18	Traffic safety services provider	Germany Sweden United Kingdom	508
<b>Project Home Care</b>	02/18	Nursing homes operator	Germany	987
 <b>AL/EST</b>	01/18	Manufacturer of airport ground support equipment	France	393
 <b>ProService HAWAII</b>	12/17	Professional employment organization (PEO)	United States	288
 <b>Water 000 Fleet</b>	11/17	Mobile portable water & wastewater treatment provider	United States	20
 <b>PRÆSIDIUM</b>	10/17	Provider of perimeter security systems & solutions	United Kingdom	313
 <b>Parkdean Resorts</b>	02/17	Holiday park operator	United Kingdom	602
 <b>allegro</b>	01/17	E-commerce platform	Poland	1,165
 <b>EVOLVE</b>	08/16	Cloud service for mid-size companies	United States	112
 <b>Emergen North America</b>	08/16	Industrial cleaning services	United States	151
 <b>SEQENS</b>	06/16	Chemicals for everyday products	France	1,155
 <b>MultiPlan</b>	06/16	Healthcare cost management solutions	United States	983
 <b>MIRION</b>	06/16	Nuclear measurement equipment and services	United States	603
 <b>Fleet Farm</b>	03/16	Vehicle leasing and fleet management company	Netherlands	1,905
 <b>Fleet Farm</b>	02/16	Rural Midwest retailer	United States	1,698
 <b>INVENTUS POWER</b>	04/15	Designer and manufacturer of custom rechargeables power systems	United States	358
 <b>Global Medical Response</b>	04/15	Provider of air medical services	United States	4,322
 <b>PETSMART</b>	03/15	Provider of pet products and services	United States	14,127
 <b>States</b>	06/14	Manufacturer of automotive and industrial belts and hoses	United States	3,156
 <b>ACTEON</b>	11/12	Oil & gas engineering services and products	United Kingdom	555
 <b>eDreams ODIGEO</b>	06/11	Online travel agency	France	294
 <b>KYOBO</b>	12/07	Life insurance	Korea	9,194

# BUYOUT

*Building global leaders  
in high-growth sectors*



**24**

BUILD-UPS  
EXECUTED IN 2021

**50+**

INVESTMENT  
PROFESSIONALS

**€300<sub>M</sub> TO €2<sub>BN</sub>**

VALUATION OF TARGETED COMPANIES

Florida Food Products |  
United States

**We view sustainability**  
– from the supply chain right through to the customer – as a core element of our investment strategy.



**PHILIPPE POLETTI**  
*Head of Ardian Buyout  
and Member of the  
Executive Committee  
Ardian*



**THIBAUT BASQUIN**  
*Deputy Head of Buyout  
Ardian*



**NICOLÒ SAIDELLI**  
*Head of Ardian Italy  
Deputy Head of Buyout  
and Member of the  
Executive Committee  
Ardian*

Ardian Buyout committed more than €1.5 billion to new investments and follow-on acquisitions during 2021 – a record total that demonstrates our ability to source numerous high-quality opportunities in both Europe and North America, many of them primary and/or proprietary. Our high-quality sourcing is based on our network of local teams and our focus on selected high-growth sectors.

We are steadily becoming a bigger and more global player in the buyout market as we build bridges between our extensive European networks and our growing operation in the US. Following our second major US transaction, Florida Food Products, signed in September 2021, we have now committed close to \$1 billion of equity to that market, including bolt-on acquisitions.

To consolidate our global position, we have created a three-member Buyout Management Committee, chaired by Philippe Poletti and comprising Thibault Basquin, overseeing North America, France and Luxembourg, and Nicolò Saidelli, who will oversee Italy, Germany, Spain and the UK, as Deputy Heads of Ardian Buyout.

The closing of Buyout Fund VII in April 2021 at €6.5 billion, against a target of €6 billion, shows the appetite of investors to support ‘transformational’ strategies for building global leaders in high-growth sectors. We are also providing an additional €1 billion of co-investment capacity alongside Fund VII to increase our LPs’ access to these sought-after opportunities. Returns from exits, including our sale of food ingredients specialist Solina and insurance broker Siaci Saint Honoré, and refinancing operations have been very strong. We realized proceeds of more than €1.3 billion during 2021.

In addition to our geographic expansion through strong local teams, we have increased our investment focus on Ardian Buyout’s four core sectors – the food value chain, health & wellness, technology & software, and high-value services. In recent fund generations, these sectors have seen an increasing share of deals, rising to 100% in Fund VII to date. In the meantime, we also continue to focus in all our geographies on primary, proprietary transactions, partnering with successful entrepreneurs to expand their businesses both organically and through acquisitions.

The continuous reinforcement of Ardian’s digital expertise through the investment team, our senior advisors and experts, along with Ardian’s Growth and IT teams, is becoming increasingly important for value creation among our portfolio companies.

The performance of our companies through the pandemic demonstrates the strengths of our focused investment approach, our digital expertise and our commitment to improving sustainability metrics. Together, these factors have enabled our companies to show impressive resilience. Two-thirds of the companies that delivered the strongest financial performance in 2021 were also among our top performers in terms of sustainability.

We view sustainability – from the supply chain right through to the customer – as a core element of our investment strategy for building companies that are ready for the markets of the future. Our approach is to look for companies in our chosen sectors where there is clear potential to use our expertise in developing and monitoring sustainability programs to improve performance and generate both positive impacts and financial gains.

## FOCUS ON INOVIE

### *Patience pays off as Inovie achieves huge growth*



GEORGES RUIZ  
*President of Inovie*



NICOLAS DARNAUD  
*Managing Director,  
Buyout  
Ardian*

**It took nearly two years to negotiate a deal with Inovie's management team and its 400 biologist shareholders that would allow the company to continue its rapid growth.**

**Why did it take such a long time to reach an agreement on how Ardian would invest in Inovie?**

**Georges Ruiz:** We knew that a major transformation was needed in order for us to keep growing. The company was owned by nearly 400 biologists – around a third needed to retire so we had to find a way to allow them to take out the value they had created. But we also had to enable younger biologists to buy into the group as shareholders. The plan we agreed with Ardian aligned their interests: it allowed people to exit and younger biologists to stay and create new value over the next four to five years. But in return for that opportunity, they had to accept a lower salary to bring us into line with industry norms. It is not easy to convince health professionals to give up more than half their salary overnight, so it took some time to explain the proposal to everyone.

**Nicolas Darnaud:** Inovie had never had a financial investor before Ardian and had hoped to raise debt to enable this transformation. Georges knew that was impossible, but having developed the company as one entirely owned by its

biologists, changing the model to include external capital was a sensitive step to take. In the end, however, 93% of the biologists supported Ardian's proposal.

**What progress have you made in developing the company since this transaction closed?**

**ND:** Our equity story is already done – in less than a year we have reached the targets we had set for year five. The group has been reorganized with the new shareholder structure, new governance, the rebasing of salaries and operational improvements. We have delivered huge external and organic growth, in addition to carrying out huge numbers of Covid-19 tests. After only nine months, we had doubled the size of the company and completed a dividend recapitalization that brought excellent returns for our investors and the biologist shareholders.

**GR:** We have filled the gaps in our coverage in France, especially in Paris where Ardian negotiated a major acquisition directly with the financial sponsor that owned the company. Overall, we signed nine acquisitions in less than a year, all of them proprietary.



FOUNDED IN 2010, INOVIE IS FRANCE'S LEADING INDEPENDENT MEDICAL DIAGNOSTICS COMPANY. ITS BIOLOGISTS AND 6,000 SUPPORT STAFF SERVE MORE THAN 70,000 PATIENTS A DAY

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25

LABORATORIES, 55 TECHNICAL PLATFORMS AND 530 COLLECTION SITES OPERATED

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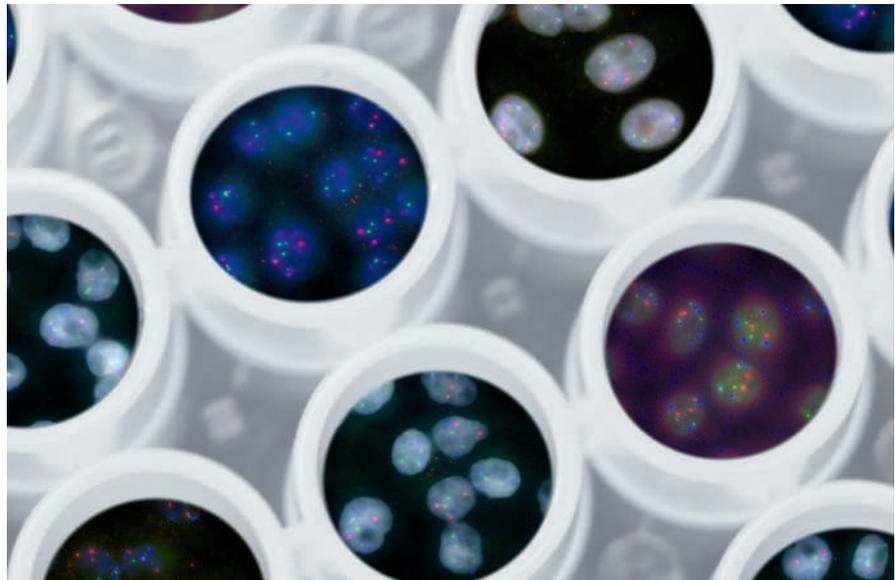
5

SPECIALTY HUBS

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70,000

PATIENTS DAILY, 20M+ YEARLY



Three-dimensional landscapes of genomes

**What are your plans for the next stage of Inovie's development?**

**GR:** The next big step will be digitalization, which will transform the patient journey. It will enable us to offer patients a better, quicker service and it will unlock big cost savings through automation, especially in the pre- and post-analytical stages of the process. We can use digitalization to improve the way we report and interpret people's results for them, and by replacing paper with digital reports the savings will be huge, €5 million - €6 million a year in postage costs alone.

**ND:** We will continue to develop in genomics, fertility and the veterinary market, which is growing very strongly, and we are looking at European acquisitions. But Inovie also has successful operations in Middle East and Africa that have great potential. In the longer term, we think the diagnostics industry will move into predictive medicine and will combine different areas of diagnostics, such as medical imaging, with pathology labs.

# 2021 HIGHLIGHTS

## Investments

### FLORIDA FOOD PRODUCTS

Florida Food Products (FFP) is a leading provider of clean label cures for the protein sector, as well as being an innovator, formulator and producer of vegetable and fruit-based clean label ingredients. The company's products replace traditional, synthetic ingredients with natural, plant-based alternatives which improve texture and flavor, extend shelf life, and ultimately provide consumers with clean label and natural products. Under Ardian's ownership, FFP has acquired Comax, a provider of clean label flavor solutions to mid-tier customers, focused on the nutrition & beverage markets.

INVESTMENT DATE *August 2021*

SECTOR *Food value chain*

COUNTRY *United States*



### JAKALA

One of Europe's leading marketing tech firms, Jakala is an Italian company operating in a rapidly changing market, assisting its clients to make the best use of technology and data. Jakala combines its expertise in analytics, big data and customer insights with the use of engagement platforms to optimize sales and marketing performance, addressing a wide range of solutions that cover the whole spectrum of Chief Marketing Officers' needs.

INVESTMENT DATE *May 2021*

SECTOR *Business services*

COUNTRY *Italy*

### GBA GROUP

GBA Group is a leading independent provider of highest-quality bio-analytical laboratory services for food, environmental and pharmaceutical testing. The group focuses on tailor-made solutions to meet its clients' needs, backed by its strong scientific expertise and comprehensive service portfolio. GBA employs over 1,000 people and operates more than 40 labs across Europe.

INVESTMENT DATE *April 2021*

SECTOR *Healthcare and Life Sciences*

COUNTRY *Germany*



### AD EDUCATION

AD Education is a leading higher education platform in Europe, a pure player in the field of creative arts, teaching more than 18,000 students in 14 schools on 44 campuses in France, Italy, Spain and Germany. AD Education covers four main sub-segments: Design & Graphical Arts, Media & Digital, Audiovisual and Culture & Luxury.

INVESTMENT DATE *March 2021*

SECTOR *Education*

COUNTRY *France*

## Build-up

### DEDALUS

Dedalus is a leading pan-European provider of software and managed services for healthcare providers, including hospitals, labs, medical doctors, ambulatory care and community care. Among the eight transactions completed in 2021, Dedalus acquired DXC Technology's healthcare provider software business (carve-out) in April. These acquisitions will strengthen Dedalus' various clinical content domains, enabling it to integrate more processes, workflows and applications and improve healthcare outcomes for each individual and for the population as a whole.

INVESTMENT DATE *July 2016*

BUILD-UP DATE *April 2021*

SECTOR *Healthcare software*

8 EXTERNAL GROWTHS *over 2021*

## Exits & partial exits

### SOLINA

Solina Group is a major player in the global food ingredients market. With 29 production facilities, multiple R&D centers and a network of local sales offices, Solina's services feature personalized ingredient solutions for the food industry in the areas of fish, meat, nutrition, ready meals and snacks. The company benefits from ongoing secular growth trends.

INVESTMENT DATE *December 2015*

EXIT DATE *July 2021*

SECTOR *Food ingredients*



### INOVIE

Inovie Group is a leading independent medical diagnostic provider in France and a key player across southern and central France specifically. With 6,500 employees and an extensive network of 530 collection sites spread across six key French regions, Inovie's biologists deliver high-standard clinical pathology testing to more than 70,000 patients a day. In December 2021, the company was successfully refinanced, paving the way for an ambitious program of external growth.

REFINANCING DATE *December 2021*

INVESTMENT DATE *March 2021*

SECTOR *Healthcare and Life Sciences*

COUNTRY *France*

### PROSOL

Prosol is a leading French fresh food retail group, with a mission over the past 30 years to supply a wide range of fresh, high-quality products offering the best value for money.

The group controls the entire value chain, from sourcing products to operating more than 300 stores. Prosol has four core retail brands: Grand Frais (fruits & vegetables, Dairy, fish & seafood), fresh, Banco Fresco and the mon-marché.fr online platform. In July 2021, the company was successfully refinanced with the largest recapitalization ever in the French LBO market.

REFINANCING DATE *July 2021*

INVESTMENT DATE *April 2017*

SECTOR *Fresh food retail*

COUNTRY *France*

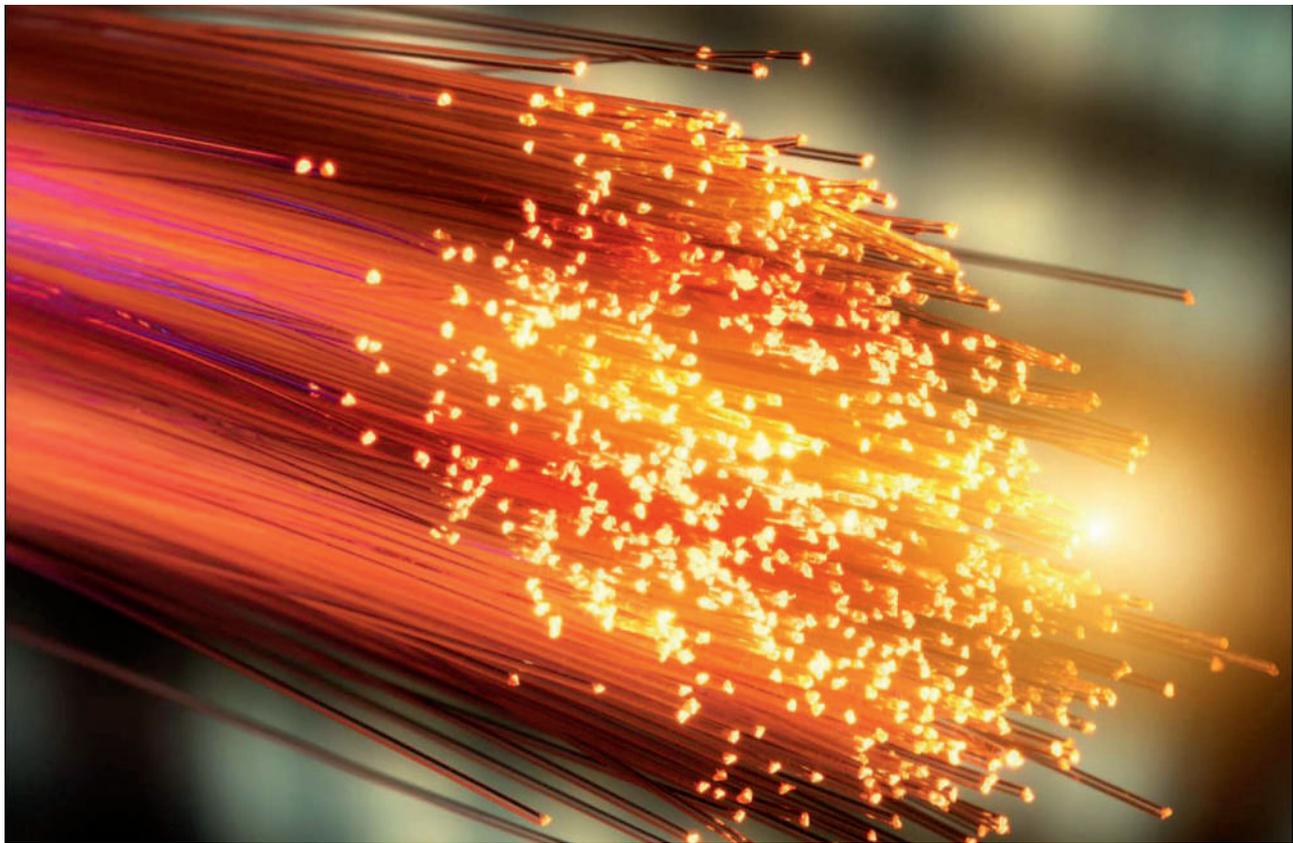
## BUYOUT PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 FFP BECAUSE REAL WORKS DATA DRIVEN PERFORMANCE	09/21	Clean label food ingredients manufacturer	United States	110
 JAKALA DATA DRIVEN PERFORMANCE	07/21	Leader in the outsourcing of marketing services	Italy	300
 GBAGROUP	04/21	Leading independent provider of highest-quality bio-analytical laboratory services	Germany	165
 AD EDUCATION	03/21	Private higher education platform in Europe, only pure player in Creative Arts	France	120
 iNoviE	03/21	Independent medical diagnostic provider	France	795
 ANGUS	11/20	Specialty additives utilized in premium Life Sciences and Industrial Technology applications	United States	350
 frulact	05/20	Innovative producer of natural fruit-based and plant-based specialty ingredients	Portugal	205
 S SANTÉ CIE	04/20	Home healthcare provider	France	355
 Cérélia	03/20	Manufacturer of fresh, ready-to-bake dough solutions	France	560
 Audiotonix	03/20	Designer and manufacturer of professional audio mixing consoles	United Kingdom	130
 staci FLY-TRUCK LOGISTICS	10/19	Specialty logistics solutions for companies	France	485
 Sintetica	06/19	Specialty pharmaceutical company	Switzerland	80
 StudyGroup	05/19	International education provider	United Kingdom	185
 Revima SERVING IN OUR PASSION	04/19	Commercial air transport equipment	France	205

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 <b>CELLIgroup</b> The sustainable drinking experience	03/19	Specialist provider of innovative beverage dispensing solutions	Italy	130
 <b>inula</b> natural health	12/18	Developer and manufacturer of herbal remedies	Belgium	120
 <b>NEOPHARMED GENTILI</b>	11/18	Specialty pharmaceutical company	Italy	185
 <b>MONBAKE</b>	02/18	Frozen bread and bakery products manufacturer and distributor	Spain	290
 <b>INDEXIA</b> GROUP	02/18	Broker of smartphone and multimedia insurance	France	450
 <b>( expleo )</b>	09/17	Engineering services provider	France	995
 <b>PROSOL</b>	04/17	Fresh food specialty retail	France	2,040
 <b>UNITHER</b> Pharmaceutical Contract Development Manufacturing Organization (CDMO)	03/17	Pharmaceutical Contract Development Manufacturing Organization (CDMO)	France	330
 <b>SLV</b>	01/17	Lighting for residential and commercial spaces	Germany	240
 <b>Dedalus</b>	07/16	Healthcare software	Italy	755
 <b>TRIGO</b> The quality network	06/16	Inspection quality control services	France	325
 <b>d&amp;b audiotechnik</b>	04/16	Audio equipment manufacturer	Germany	90
 <b>NHV</b>	01/14	Helicopter transport	Belgium	160
 <b>eDreams ODIGEO</b>	07/11	Online travel agency	France	110

# EXPANSION

*Helping European midcaps  
accelerate their growth*



30

INVESTMENT PROFESSIONALS,  
INCLUDING SIX NEW RECRUITS:  
THREE IN FRANCE, TWO IN ITALY  
AND ONE IN GERMANY

3

EXITS AT AN AVERAGE 6X  
MULTIPLE ON INVESTMENT

50

BUILD-UPS COMPLETED  
IN 2021

Trustteam |  
Belgium

**We are cautious about the inflation outlook, but so far 90% of our companies have been able to protect their margins, which is very encouraging.**



FRANÇOIS  
JERPHAGNON  
*Head of Expansion  
Ardian*

The Expansion team demonstrated the strengths of its approach to value creation with three exits in 2021 at an average six-fold multiple of our original investment. Each of these companies – Lagarrigue, Berlin Brands Group (BBG) and Schwind – combined strong and sustained organic growth with an active buy-and-build program that transformed their international reach. This created companies that attracted keen interest from trade buyers as well as private equity sponsors.

During our ownership, for example, the e-commerce consumer goods group BBG increased its revenues five-fold and its EBITDA by more than that as investments in logistics and process improvements allowed margins to expand. Half of the company's growth was organic, and half came from its strategy of consolidating Amazon merchants and unlocking their value by moving them onto BBG's technology platform. As BBG has significant further growth potential, we followed up the sale of our stake from Expansion Fund III with a reinvestment through our current generation, Fund V, taking a small minority stake.

Having demonstrated its resilience and grown organically in 2020, our portfolio continued to perform strongly in 2021, with average organic revenue growth of almost 11% and organic EBITDA growth of 23%. We have great confidence in the quality of our portfolio companies, although we remain cautious about the potential for further supply chain disruption and the developing issues of wage inflation and labor scarcity. To date, however, our companies have shown further resilience and good pricing power, enabling them to manage the inflationary pressures.

Meanwhile, our team is steadily expanding its reach across Western Europe. Following our first transaction in Switzerland in 2020, we completed our first Dutch investment in 2021 with the purchase of Deli Home, a manufacturer of timber-based home improvement products, such as doors.

The transaction offers a good illustration of Ardian Expansion's investment approach. We look at opportunities across a wide range of sectors to identify companies that meet five criteria: management that retains a significant holding; strong and consistent organic growth; high conversion of operating profits to cash; fragmented markets with good buy-and-build potential; and businesses that will attract trade buyers. Deli Home is not in a conventional high-growth sector. But we recognized that its adoption of digital manufacturing processes gives it an important edge: it can offer made-to-measure DIY products that sell for premium prices and generate high margins.

Deli Home was one of six investments completed during the year. We also made 50 bolt-on acquisitions, proving our ability to identify and execute very large numbers of buy-and-build transactions for our companies.

Resilience has been the outstanding feature of our portfolio and during 2021 we reinforced this further with a portfolio-wide cybersecurity audit. Most of our companies have business models that benefit from a large digital component, which helped them maintain robust organic growth through the pandemic. This allowed us to achieve several exits at very attractive multiples.

## FOCUS ON LAGARRIGUE

### *How Ardian supported Lagarrigue to achieve global recognition*



**JEAN-PIERRE MAHÉ**  
*Chairman of Lagarrigue*



**MARIE ARNAUD-BATTANDIER**  
*Managing Director, Expansion Ardian*

Ardian's partnership with Lagarrigue saw the company complete 25 acquisitions, transforming it firstly into the leading French orthopedics and prosthetics company and then into a leading global player.

#### **What were the keys to success for your partnership after Ardian invested in Lagarrigue in 2016?**

**Marie Arnaud-Battandier:** From the beginning, there was a great relationship between our teams. The Lagarrigue management, Alain Montean and Jean-Pierre Mahé, had big ambitions. They wanted to become the leader in France and to start growing internationally, which we knew we could help them to do. They also had very complementary skills: Alain was a trained prosthetist who had joined the company at 16 and Jean-Pierre was very entrepreneurial and strategically aware. And for us, it was inspiring to invest in a company whose mission is to improve people's health and wellbeing and to help them overcome social exclusion and inequality.

**Jean-Pierre Mahé:** For us, the key was having a very stable relationship with Ardian, where we dealt with the same three people throughout. This created a lot of trust between us. We wanted to make a big change in our strategy, to follow our dream further, and Ardian never said 'It's too

ambitious'. No, they said 'How can we help you?' So, together we made 25 acquisitions, became number one in France and bought companies in Belgium, Switzerland, Spain and Canada. Their international experience and network were a godsend for us, and we learned a lot during this period that helped us towards our goal of becoming a globally recognized player in orthopedics.

#### **How did your investment in digitalization help to strengthen the company's position?**

**MA-B:** Digitalization is a key theme for Ardian and Lagarrigue had already developed its own software program, Rodin 4D, for taking patients' measurements and designing prosthetics for them. Rodin was one of the two leading virtual prosthetic design programs and in 2020 we acquired the owner of the other one, Vorum, which was a Canadian company. Today, Lagarrigue is the worldwide leader in virtual design solutions for prosthetics.

**J-PM:** We knew that the best way to make Lagarrigue a global brand was to have a very strong business-to-business proposition, based on digital technology and innovation. We decided to build our digital division by buying Vorum and now everyone in our industry knows us as an orthotics and prosthetics company focused on patient care and digital technologies.

## LAGARRIGUE

SPECIALIST DESIGNER AND PROVIDER OF PROSTHETIC LIMBS AND LARGE-SCALE ORTHOPEDIC DEVICES FOR CHILDREN AND ADULTS WITH DISABILITIES

46

YEARS' EXPERIENCE OF DELIVERING NON-INVASIVE ORTHOPEDIC MEDICAL DEVICES

1,400

EMPLOYEES IN SIX COUNTRIES

82

CLINICS PROVIDING PATIENT CARE



I Made-to-measure torso orthosis

### What steps did you take together to make Lagarrigue a more sustainable business?

**J-PM:** During those five years, we came to understand that we were a company with a mission to help people. When we were negotiating the deal with Ardian, we saw that this could allow us to differentiate ourselves and create a new value proposition. Sustainability could make us more successful and help attract talented professionals to work for Lagarrigue.

**MA-B:** When we decided to invest, it was partly because of Lagarrigue's capacity to improve physical and mental health and reduce inequality. After that, we started

working at a more detailed level and focusing on the areas that were most relevant for this company. We found ways of reducing its use of plastic and adopted eco-design principles. We also looked at responsible procurement, reducing waste and improving health and safety practices. We also strengthened governance and provided more training to help retain talented employees.

# 2021 HIGHLIGHTS

## Investments

### GROUPE RG

Groupe RG is the leading specialist distributor of personal protective equipment (PPE), offering around 40,000 products – including its own brand, Ergos. Through its 39 agencies in France and Europe, Groupe RG serves around 7,000 customers and advises them on improving their employees' safety and ensuring compliance with regulatory requirements.

INVESTMENT DATE *December 2021*

SECTOR *Personal protective equipment*

COUNTRY *France*

### ARTEFACT

After rapid international expansion since its creation in 2014, Artefact has established itself as a leader in data-driven business transformation, with the aim of creating value by bridging the gap between data and business. Today, Artefact has a global network with operations across the world and over 800 employees.

INVESTMENT DATE *September 2021*

SECTOR *Data services*

COUNTRY *France*



### YT INDUSTRIES

YT Industries designs, develops and distributes high-performance mountain bikes, apparel and accessories, with a strong presence in Europe and North America. Thanks to its online direct-to-consumer business model, YT Industries is able to offer the highest quality mountain bikes at extremely competitive prices.

INVESTMENT DATE *September 2021*

SECTOR *Consumer goods and services*

COUNTRY *Germany*

### NETCO

NetCo is a leading European specialist in the design, global maintenance and servicing of conveyor systems in all production sectors (minerals, agro-food, logistics and environmental). With a network of over 75 service points, NetCo is recognized for its responsiveness, efficiency and highly technical tailor-made services.

INVESTMENT DATE *July 2021*

SECTOR *Industrials*

COUNTRY *France*



### DELI HOME

Deli Home is a manufacturer and distributor of high-quality made-to-measure ('M2M') timber-based home improvement products with a fully integrated digital configuration platform, a broad logistics network and unique category management capabilities. The company sells through DIY, wholesale and online channels.

INVESTMENT DATE *July 2021*

SECTOR *Construction building materials*

COUNTRY *Netherlands*

## Build-ups

### SYCLEF GEA REFRIGERATION FRANCE SAS

Syclef acquired GEA France (Matal), the French installation and maintenance refrigeration business of the GEA Group. This highly complementary acquisition brings together GEA's strengths in industrial refrigeration for logistics operators and food and beverage companies with Syclef's operations in commercial refrigeration.

INVESTMENT DATE *November 2020*

BUILD-UP SIGNING DATE  
*September 2021*

SECTOR *Business services*



### SWISSBIT HYPERSTONE

Swissbit acquired Hyperstone, the leading German supplier of industrial-grade microcontrollers. Through this acquisition, Swissbit is strengthening its technological capabilities thanks to Hyperstone's complementary R&D and software expertise. The combined group will be able to expand its customer and partner network and will focus on the joint development of new, innovative products for embedded Internet of Things (IoT) and security applications as a truly integrated European solution provider.

INVESTMENT DATE *June 2020*

BUILD-UP DATE *February 2021*

SECTOR *Technology, Media  
and Telecoms*

## Exits

### BERLIN BRANDS GROUP

Berlin Brands Group (BBG) is a global direct-to-consumer (D2C) e-commerce player. With the support of Ardian, the company accelerated its international growth, establishing its own D2C web stores, expanding its marketplace channels across Europe and completing a series of acquisitions. In order to further support the company during its next growth phase, the Expansion team provided additional growth capital to BBG alongside Bain Capital.

INVESTMENT DATE *July 2015*

EXIT DATE *September 2021*

SECTOR *Consumer goods  
and services*

COUNTRY *Germany*



### LAGARRIGUE

Lagarrigue is a Toulouse headquartered, global specialist in external orthopedic devices and in the design and manufacture of large-scale orthopedic devices for the treatment of disabilities. The company has developed a unique model of disability support, combining its expertise in designing and manufacturing innovative orthopedic equipment with local proximity to its patients.

INVESTMENT DATE *September 2016*

EXIT DATE *April 2021*

SECTOR *Healthcare and Life  
Sciences*

COUNTRY *France*

## EXPANSION PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 Groupe RG <small>deux conseils. une seule stratégie.</small>	12/21	Specialist distributor of personal protective equipment	France	282
 BERLIN BRANDS GROUP	10/21	Pan-European D2C e-commerce player	Germany	426
 ARTEFACT	09/21	End-to-end data services company	France	86
 V <small>by VELOCITEE</small>	08/21	Global high-performance mountain bike (MTB) brand	Germany	81
 NetCo <small>A PASSION FOR PERFORMANCE</small>	07/21	Maintenance of conveyor systems	France	170
 DELI HOME	07/21	Market leading producer and distributor of made-to-measure, do-it-yourself and building supplies	Netherlands	362
 CYCLEF	11/20	Installation and maintenance of refrigeration systems	France	290
 FINAXY <small>CRÉDIT. ASSURANCE. INVESTISSEMENT.</small>	09/20	Multi-specialist insurance broker	France	47
 swissbit®	06/20	Manufacturer of storage and embedded IoT solutions	Switzerland	144
 Impactgroup.	03/20	Manufacturer of packaging for the food industry	France	163
 ...saal	11/19	Online platform and manufacturer of premium photo products	Germany	45
 technology & strategy	01/19	Specialist in new technology consulting	France	182
 Trustteam.fr	10/18	Integrated one-stop-shop ICT provider for SMEs	Belgium	52
 opteven	10/18	Breakdown warranty and roadside assistance solutions	France	263

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 corob	08/18	Tinting systems for decorative paint	Italy	96
 BIBEAU-SEGUIN	12/17	Builder of individual homes	France	235
 imes-icore <small>Commerce-PROC &amp; DIGITAL Solutions</small>	09/17	Manufacturer of machine systems for the dental and manufacturing industries	Germany	56
 F2A	02/16	Business process outsourcing (HR/Finance)	Italy	64
ALGO  GROUP	06/15	Automotive aftermarket components manufacturer	Italy	39
 SYNERLAB <small>SYNERGIC LABORATORIES</small>	12/13	Pharmaceutical Contract Development Manufacturing Organization (CDMO)	France	133

## CENTRAL & EASTERN EUROPE PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 AKH <small>AKH GROUP</small>	12/16	Distributor and supplier of tires and wheels, fleet servicing	Hungary, Czech Republic, Slovakia, Romania, Slovenia, Croatia	94
 World Class	02/14	Fitness clubs	Romania	21

# GROWTH

*Extending our growth strategy across Europe*



**80%**  
OF LPS ARE  
ENTREPRENEURS

**40%**  
GROWTH IN TEAM SIZE  
DURING 2021

**100+**  
GROWTH INVESTMENTS  
TRACK RECORD

Kapten & Son  
Germany |

**The kind of data we are processing when sourcing deals and accompanying investments is almost non-existent elsewhere in our industry. We are definitely pioneering this approach in Europe.**



**ALEXIS SAADA**  
*Head of Growth  
Ardian*

Ardian Growth has scaled its activities steadily throughout the Covid-19 crisis, as the pace of digitalization across all sectors quickened. We continue to widen our reach and in early 2021 completed our first deal in Germany, following our first in Switzerland the year before.

The Growth team expanded by 40% in 2021. We added five new members and took a major step forward in mid 2022 when we appointed our first team member in New York. We have already helped portfolio companies including Planisware and Ivalua transfer their top management to the US, and a permanent presence there will provide even stronger support for our companies' growth ambitions in this vital market, while also acting as a transatlantic bridge for US entrepreneurs and their sponsors.

Our specialist sectors – including e-commerce, software and digital services, healthcare and tech-enabled consulting – have been among the biggest beneficiaries of the increasing digitalization witnessed during and after the pandemic. The Ardian Growth portfolio is performing strongly and MBK Fincom (formerly ProduceShop), our Swiss e-commerce garden and homeware platform, has achieved our investment plan in just twelve months.

We added seven companies to the portfolio during 2021 and made ten add-on acquisitions. We also exited seven investments including Jakala, the Italian digital marketing company, which was acquired by Ardian Buyout. We reinvested in Jakala as part of this transaction through Growth Fund II.

Ardian Growth's ability to scale is based on our unique approach to deal sourcing and value creation. We combine two powerful ecosystems

– human and virtual – which together deliver a highly differentiated proposition that makes us the natural partner for ambitious entrepreneurs.

Through our long-running events program, we have built a huge European network of entrepreneurs, many of whom are also LPs in our fund. This allows us to place seasoned specialists from our network with investee companies as directors or advisers, bringing considerable additional value to them. This factor is frequently a key differentiator in our dealmaking process.

Alongside our human ecosystem, we have created Redpoint, our industry-leading software suite that fully digitizes the process of deal prospecting and origination. Redpoint gives us a digital ecosystem containing more than 500 million data points on the European and North American growth equity markets, spanning companies, executives, advisers, investors and transactions. We can mine this data on scores of axes, mapping the links between individuals and companies and identifying opportunities years in advance. Redpoint manages the entire workflow of our team, integrating all emails and communications to provide a complete real-time overview of our engagement with the market.

We believe that the combination of our industrialized data analysis and the reach of our entrepreneur network gives Ardian Growth a unique and highly scalable proposition.

## FOCUS ON TRANSLATED

### *Translated blends the best of human and machine translation*



**ISABELLE ANDRIEU**  
*Co-Founder and Chairwoman Translated*



**BERTRAND SCHAPIRO**  
*Managing Director Growth Ardian*



**OLIVIER ROY**  
*Senior Investment Manager Growth Ardian*

In June 2021, Ardian Growth became the first external investor in Translated. The company, founded by Isabelle Andrieu and Marco Trombetti in Rome in 1999, is a leader in neural machine translation.

**What was it that made you decide to partner for the next stage of Translated's development?**

**Bertrand Schapiro:** We had done a huge mapping exercise of the translation market and Translated emerged as a player with disruptive technology that was gaining attention. Then, when we met Isabelle, Marco and their team, we all got on well and had similar ideas about where the translation business is going. They had an ambitious vision for their product, which we admired, they had identified a highly innovative way to use technology and they had executed brilliantly.

**Isabelle Andrieu:** We were impressed because they were different. They were very proactive, they knew a lot about our market and they listened to our vision for Translated. The timing was right for us because Marco and I owned 100% of a very successful company but we had invested everything we had in it for 20 years and we were becoming a little too cautious. Partnering with Ardian allowed us to take more risk and move faster.

**How has Translated managed to reach such a strong position in such a challenging area of computing?**

**IA:** From the very beginning in 1999, we always focused on what people wanted and pushed our team to look for innovative solutions. Over time, customers wanted a faster solution and more qualified translators, so we built technologies around that to help our translators produce more words per day. We just tried to fine-tune the expectations of clients and translators and create this symbiosis between human and machine to serve our community better. We always asked 'what do people want?' Analyzing every step, every request, makes the difference.

**BS:** They were among the first to bet on neural machine translation, which was a breakthrough. Twenty years ago, most people were betting on machine translation, a mathematical approach, whereas neural machine translation puts humans in the loop. And because they made this bet early, they have gathered awesome amounts of data, which means that now their algorithm is much faster and better trained than the others. This is how they won a contract worth more than \$100 million with Airbnb, the biggest in the history of their industry.

**t** translated.

TRANSLATED IS AN AI-DRIVEN TRANSLATION PLATFORM COMBINING NEURAL MACHINE TRANSLATION SOFTWARE SOLUTIONS AND A GLOBAL NETWORK OF 200,000 LINGUISTS

c. \$50M  
GLOBAL SALES

50%+  
SALES IN THE UNITED STATES

30%+  
CONSTANT ANNUAL ORGANIC GROWTH



Translated develops solutions for today and designs those of tomorrow.

**What is your plan for the next few years?**

**Olivier Roy:** Our main objective is to help scale Translated’s technology platform and expand geographically across Europe and in particular in the USA. We are notably helping to build the USA team and work with trusted entrepreneurs from our network who can join the board and support Marco and Isabelle. A significant share of Ardian Growth’s portfolio companies is active in the US and we have a strong track record of helping entrepreneurs enter this market. We have already done it notably with companies like Planisware, Ivalua, Neotys and IWD.

**IA:** Our goal is to make sure people understand each other and have no language barriers. It is an enormous task. It has taken us 20 years to fine-tune our technology and it could easily have taken us another 10 to achieve our vision on our own. By injecting more capital we can push harder. Now is the time to accelerate.

# 2021 HIGHLIGHTS

## Investments

### STRATÉGIE MEDIA CONSEIL

Founded in 1994, Stratégie Media Conseil (SMC) has developed two digital platforms for real estate classifieds: Maisons & Appartements, a leader in high-quality housing, and Résidences Immobilier, a leader in luxury real estate. Initially specializing in real estate media, the group has established its digital presence and became one of the leading platforms for real estate classifieds in France.

INVESTMENT DATE *November 2021*

SECTOR *Media*

COUNTRY *France*



### NOVA REPERTA

Nova Reperta is a management consulting company founded in 2011. With a strong foundation in operational excellence, Nova Reperta specializes in both back-and front-office transformations. It is widely recognized for its company-wide change programs, addressing the overall operating model and value creation plans of its clients.

INVESTMENT DATE *July 2021*

SECTOR *Consultancy*

COUNTRY *Belgium*

### TRANSLATED

Headquartered in Rome and with a significant presence in the US and Europe, Translated has developed a leading artificial intelligence-enabled professional translation and localization platform leveraging its proprietary neural machine translation software, ModernMT, and a network of over 200,000 selected native professional translators.

INVESTMENT DATE *June 2021*

SECTOR *Internet Software and Services*

COUNTRY *Italy*



### KAPTEN & SON

Founded in 2014, Kapten & Son is one of Europe's leading sellers of premium lifestyle accessories, thanks to its quality products, direct-to-customer sales approach and marketing expertise. Kapten & Son sells accessories, suitcases, backpacks, eyewear and watches in more than 30 countries via the Kapten & Son online store and seven Kapten & Son and exclusive partner retail stores.

INVESTMENT DATE *March 2021*

SECTOR *E-commerce*

COUNTRY *Germany*

## Build-up



### OPTIMIND

Optimind is an independent consulting firm that provides support to insurance firms, banks and large companies by identifying opportunities to improve their performance. In 2021, the company focused on external growth, completing five acquisitions: R&B Partners and 2J Associés in March, Agora Partners in September, Eosa in October and Alliad in December.

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5 EXTERNAL GROWTHS over 2021

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INVESTMENT DATE *January 2019*

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SECTOR *Internet Software and Services*

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COUNTRY *France*

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## Exits

### NEOTYS

Founded in 2005, Neotys designs and markets NeoLoad, a software program that tests the performance of web and mobile applications that carry large volumes of digital traffic. Having generated more than 40% of its revenues in the US, the company became very attractive for a US player in the testing & monitoring landscape seeking to expand in Europe.

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INVESTMENT DATE *May 2014*

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EXIT DATE *March 2021*

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SECTOR *Internet Software and Services*

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COUNTRY *France*

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### SANTÉDISCOUNT

Santédiscount is an online health and beauty retailer established in 2008 by two pharmacists from Toulouse. Convinced that pharmaceutical products should be available online, Santédiscount's founders, together with Loïc Lagarde, previously a Strategy Associate at Google and now CEO at Santédiscount, have made every effort to put the customer experience at the center of the platform.

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INVESTMENT DATE *April 2017*

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EXIT DATE *March 2021*

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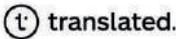
SECTOR *E-commerce*

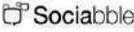
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COUNTRY *France*

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# GROWTH PORTFOLIO

Company	Invest. date	Activity	Country
 easiware	12/21	Omnichannel SaaS customer relationship management software platform	France
 DIGITAL VALUE <small>Data Analytics for Business</small>	12/21	Leader in data analytics for business	France
<b>Stratégie Media Conseil</b>	11/21	Luxury real estate classifieds platform	France
 Nova Reperta	07/21	Management consulting company specialized in back and front-stage transformations	Belgium
 translated.	06/21	Leading artificial intelligence-enabled professional translation and localization platform	Italy
 JAKALA <small>DATA DRIVEN PERFORMANCE</small>	05/21	European leader for loyalty, advisory & marketing tech (martech) services	France
 logalty	04/21	Provider of services for generating proof by interposition in online transactions	Spain
 KAPTEN & SON	02/21	Direct-to-Consumer digital native brand focused on premium fashion accessories	Germany
 PROTEOR	12/20	Production, distribution and fitting of external orthopedic devices	France
 elée	11/20	Software & Cloud Asset Management platform	France
 H2 PHARMA	10/20	Manufacture of non-sterile OTC and generic liquid pharmaceutical products	France
 mbk <small>FINCO.M.</small>	05/20	Europe's smart data-driven online store for home, office and garden furniture	Switzerland
<b>Argon&amp;Co*</b>	04/20	Global management consultancy in operations strategy and transformation	France
<b>euro parts</b>	04/20	Omnichannel distribution of spare parts, equipment and accessories for off-road vehicles	France
<b>Alsatis</b>	12/19	Specialist Internet / telecom operator & services provider	France
 SQORUS <small>TRANSFORMING BUSINESS FOR PEOPLE</small>	12/19	HR and Finance consulting & integration services	France

Company	Invest. date	Activity	Country
 UPTOO	04/19	Sales executive hiring, training & consulting B2B platform	France
 RIVALIS <small>un réseau d'accompagnement des entreprises</small>	03/19	Management solutions & services for small & microenterprises	France
 loquant <small>data &amp; business team</small>	02/19	SaaS software publisher specialized in multichannel customer relations management	France
 optimind	01/19	Actuarial & risk management services for insurance, banking and corporates	France
 IWD	09/18	Retail merchandising software publisher	France
 Planisware <small>Cloud. Innovations for markets</small>	08/18	Project portfolio management software	France
 mobius <small>group</small>	07/18	Mobility platform dedicated to fleet maintenance	Spain
 TQmedia <small>Think &amp; Optimize</small>	06/17	Full-service digital marketing & advertising agency for Spanish speaking markets	Spain
 Abvent	03/17	Software and IT solutions for architects and the building industry	France
 jechange <small>Des solutions pour le fait plus réel.</small>	07/16	Multimarket comparison service for utility suppliers, finance & insurance	France
 HAWK	04/16	Mobile, audio & outdoor advertising management software	France
 Sociabble	02/16	Employee Communications & Brand Advocacy SaaS platform	France
 PC SOFT	12/15	Software editor allowing the development of multi-platform applications	France
 Ariane <small>Hotels and Hospitality Solutions</small>	05/15	Self check-in/check-out solutions for hotels	France
 CLEVER AGE	01/15	Digital and mobile consultancy and design specialist	France
 lastminute.com	10/12	Online travel agency	Switzerland
 ivalua	04/11	Leading international editor of e-procurement software	France

# NORTH AMERICA FUND

*Supporting the growth  
ambitions of industrial companies*



**10**  
INVESTMENT  
PROFESSIONALS

€10M TO \$50M  
EBITDA OF TARGETED COMPANIES

PRGX |  
United States

**We have concentrated on strengthening all our companies over the past year to position them for a strong upturn in activity in 2022.**



**VINCENT FANDOZZI**  
*Head of North America Fund  
Ardian*

The North America Fund team added a new company to the portfolio in 2021 with the acquisition of PRGX, a US-based provider of software and analytics to reduce errors and waste in corporate procurement.

PRGX was acquired in March 2021 and is performing strongly since the deal closed under a new CEO and CFO, thanks to efficiency gains and investments in new software and services. With Ardian's help, client wins in 2021 included a major international retail group.

In addition to the acquisition of PRGX, the team has made material add-on acquisitions for three existing holdings, HDT Automotive Solutions, Revere Plastics Systems and Soteria.

Revere, which manufactures injection-molded components, acquired US-based Ferguson and has now reduced its exposure to its key customer, Whirlpool, to around 45% of revenues, down from 80% when Ardian originally invested. Specialist can liner extruder Soteria Flexibles acquired Seattle-based Redi-Bag, expanding its regional footprint into the Pacific Northwest.

At Acousti Engineering, the Florida-based interiors contractor acquired in late 2020, work is well advanced to strengthen the management team and internal processes, and to prepare for acquisitions.

The fund's industrial holdings were all affected by global supply-chain disruptions from Q2 onwards, as well as rising raw material and distribution costs, and a tight labor market. Microchip shortages that forced production cuts among automakers and consumer goods manufacturers naturally impacted HDT and Revere, while rising resin prices squeezed margins at Soteria, particularly during the first half.

However, demand in our portfolio companies' end markets is extremely strong and Revere, for example, has won record quantities of new business over the past year. We expect supply chain disruption to ease gradually during 2022 and, as it does, our companies are positioned to deliver a strong upturn in operating performance.

## FOCUS ON PRGX

### *Ardian helps data analytics specialist to refocus and grow*



**MICHAEL LUSTIG**  
*CEO of PRGX*

With Ardian's support, PRGX is taking advantage of its advanced data analysis capabilities to strengthen its global leadership in 'recovery audit' and advanced analytics – reclaiming overpayments to suppliers on behalf of its clients and providing invaluable data insights.



**VINCENT FANDOZZI**  
*Head of North America Fund  
Ardian*

**Why was partnering with Ardian the right move for PRGX at this point?**

**Michael Lustig:** Our core business is reclaiming overpayments by our clients to their suppliers and making sure they receive all the monies they are entitled to. We have recovered billions of dollars in this way for our customers, but when I re-joined the company as CEO after the close of the Ardian transaction, it was clear that PRGX needed to reassess its strategy for growth. Ardian and I had a vision for PRGX whereby the company could be 'right sized' by reducing overheads, while focusing on top-line growth in all four core business areas: retail, commercial, contract compliance and advanced analytics.



**TODD WELSCH**  
*Managing Director  
North America Fund  
Ardian*

**Vincent Fandozzi:** PRGX was underperforming, but it had good growth opportunities that we could help to realize. We used Ardian's access to companies at the top level to help PRGX win major new retail clients in France and Canada. We also introduced Michael to another Ardian portfolio company that works in contract management. More importantly, we are working with Michael to seize on

growth opportunities in the analytics and commercial recovery businesses, which are largely underpenetrated.

**ML:** Winning our new French client was huge for us. Ardian's help in opening that door was incredibly valuable.

**What do you see as the big opportunities for PRGX under Ardian's ownership?**

**ML:** Vince and his team want to invest in our growth, and they are looking to us for ideas. There is huge potential to expand all of our businesses internationally because we are the only player in our market with people in Europe, Latin America, Asia and Australia. Our fastest growing region today is Latin America.

**TW:** We think PRGX has good opportunities in the commercial market – so, businesses beyond retail – and in advanced analytics. This company has great technology that can process vast amounts of financial data, emails, etc., very quickly and securely. That means it can analyze its clients' data and generate insights that can help them to run their businesses more efficiently.

## PRGX<sup>®</sup>

TECHNOLOGY-ENABLED FINANCIAL SERVICE SPECIALIST, USING DATA ANALYSIS TO IDENTIFY AND RECOVER OVERPAYMENTS BY ITS CLIENTS TO THEIR SUPPLIERS

\$1.4BN

IN ANNUAL PROFIT RECOVERIES FOR ITS CLIENTS

1 TRILLION

TRANSACTIONS REVIEWED ANNUALLY

360TB

OF DATA PROCESSED BY PRGX SYSTEMS ANNUALLY



PRGX team members in a meeting

This opportunity to provide data enrichment opens up an attractive, stable revenue stream. We have seen similar things happen in other tech-enabled service businesses we have owned, so we believe PRGX can do the same.

### How is the strategy progressing over your first year of working together?

**ML:** We have had some good wins, not only in France but also with major players in the US. Some of the bigger wins have been a continued penetration of our existing clients, where we've sold them additional

solutions and services – with recovery audit clients starting to use our contract compliance or analytics products. We work with a large number of major companies that already trust us and could use more of the solutions and services we offer.

**VF:** It is going very well already, and we will start to see the benefits of some of the investments we made in 2021 over the course of this year, such as certain sales and marketing investments we have made. PRGX is going to be an outstanding investment for our fund.

# NORTH AMERICA FUND 2021 HIGHLIGHTS & PORTFOLIO

## Investment



### PRGX

PRGX is a technology-enabled financial service specialist, using data analysis to identify and recover overpayments by its clients to their suppliers. PRGX's advanced solutions include recovery audit, preventive audit, contract compliance, and advanced analytics. These solutions leverage artificial intelligence and machine learning to minimize leakage, maximize value, optimize cash flow, and strengthen operations.

INVESTMENT DATE *April 2021*

SECTOR *Financial services*

COUNTRY *United States*

## Build-ups

### REVERE PLASTICS SYSTEMS FERGUSON AND NEW PLANT IN MEXICO

Revere Plastics Systems, LLC designs, develops, manufactures, and supplies plastic injection molded assemblies and components for the appliance, automotive, outdoor power equipment, medical, garden and consumer goods industries. Revere acquired Ferguson, a Kansas-based injection molding company that serves consumer, industrial, pet care, agricultural, and recreational vehicle markets. In addition, Revere fully integrated a new plant based in Saltillo, Mexico.

INVESTMENT DATE *December 2017*

BUILD-UP DATE *July 2021*

4 EXTERNAL GROWTHS *since acquisition*



### SOTERIA REDI BAG

Soteria Flexibles is a manufacturer of flexible plastic packaging. The company primarily serves the healthcare, janitorial supply, commercial/industrial, and foodservice end-markets. The acquisition of Redi-Bag will strengthen Soteria's offering on film and protective packaging for food applications including fresh seafood, produce, meat/poultry and baked goods.

INVESTMENT DATE *September 2019*

BUILD-UP DATE *June 2021*

1 EXTERNAL GROWTH *since acquisition*



I PRGX offices

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
<b>PRGX</b>	04/21	Tech-enabled recovery audit, contract compliance and advanced analytics services	United States	144
 ACousti ENGINEERING COMPANY OF FLORIDA SINCE 1944	10/20	Specialty interior finish solutions for institutional, infrastructure and commercial end markets	United States	210
 <b>SOTERIA</b>	09/19	Manufacturer of flexible plastic packaging	United States	61
 Revere Plastics Systems, LLC.	12/17	Designer and manufacturer of plastic injection molded parts	United States	185
 <b>HDT</b> AUTOMOTIVE	07/17	Global supplier of tubular components for the automotive industry	United States	326

# INFRASTRUCTURE

*Laying the foundations  
for a sustainable future*



**10**  
NEW HIRES  
IN 2021

**€1.4**BN  
CAPITAL DEPLOYED  
IN 2021

**€2.8**BN  
CAPEX IN 2021

**19%+**  
AVERAGE YEAR-OVER-YEAR  
REVENUE GROWTH  
ACROSS PORTFOLIO

Mila - Skólafell  
Iceland |

**The economy of the future will depend on smarter, cleaner infrastructure. Our financial strength and industrial expertise position us at the heart of that transition.**



**MATHIAS BURGHARDT**  
*Head of Infrastructure and Member of the Executive Committee  
Ardian*

Ardian Infrastructure has confirmed its status as one of the world's leading infrastructure managers with a series of landmark deals and partnerships during 2021. After less than twelve months' fundraising, the second-generation Americas Infrastructure Fund exceeded its target size and is expected to reach the hard cap of \$2 billion in 2022. The new fund is more than double the size of the previous generation, demonstrating our leadership in the mid-market infrastructure segment in the Americas.

In Europe, we are investing alongside local authorities to support the energy transition plans of utility companies with which we have formed partnerships. In Lower Saxony in Germany, one of the continent's most important industrial regions, we have backed EWE in a joint venture that will make it the country's biggest onshore wind producer. We are also supporting its plan to produce clean hydrogen to fuel municipal vehicles.

Alongside our energy investments, we have increased our exposure to telecommunications infrastructure with two large deals. In a landmark transaction, we agreed the acquisition of 100% of Mila, the owner of Iceland's largest integrated telecommunications infrastructure network. The deal will separate Mila from Síminn, the country's leading telecoms services provider. Mila is also engaged in the energy transition, as it is the only national telecommunications network in Europe powered entirely by renewable sources. In 2021, we also made our first telecom investment in Spain, acquiring Adamo, which owns a fast-growing fiber optic network serving nearly two million homes.

We are actively engaged in the energy transition and believe that developing the hydrogen economy will be essential to reach net

zero emissions. In October, we launched Hy24, a joint venture with FiveT Hydrogen that is the world's biggest investment manager specializing in the infrastructure needed to produce and distribute clean hydrogen. The first fund is an impact fund that aims to reduce global carbon emissions in line with Article 9 of the Sustainable Finance Disclosure Regulations. The first closing reached €1 billion before the end of 2021, against our €1.8 billion target, thanks to the support of major European, US and Asian industrial players including Air Liquide, TotalEnergies, Plug Power, Chart Industries, Baker Hughes, LOTTE Chemical and institutional investors such as AXA and CCR.

In total, our renewable electricity assets avoided 1.3 million tonnes of CO<sub>2</sub> emissions in 2020. Meanwhile, the management at Turin Airport, in which we invested in 2015 through 2i Aeroporti, has partnered with the SNAM Group to build Italy's first hydrogen-ready fuel cell – with a capacity of 1.2 MW – to reduce the airport's carbon footprint. Separately, our focus on health and safety there has reduced the non-fatal accident rate among its employees by an average of 39% between acquisition and the end of 2020.

We are increasingly applying data science to improve the performance of our assets through projects such as Opta and Air Carbon. Opta is a pioneering digital project for renewable energy management, which both streamlines operations and maintenance, and monitors our merchant risks. Air Carbon is an in-house tool that enables airports to measure their carbon emissions in real time and plan longer-term reduction strategies. Our efforts have won industry recognition with two global awards from Infrastructure Investor: Innovator of the Year and Sustainable Investor of the Year.

## FOCUS ON MÍLA

### *Ardian partners with Iceland's national telecoms network*



**ORRI HAUSSON**  
*CEO of Síminn*



**DANIEL VON DER SCHULENBURG**  
*Head of Infrastructure for Germany  
Ardian*



**GONZAGUE BOUTRY**  
*Managing Director Infrastructure  
Ardian*

In October 2021, Ardian agreed to buy 100% of Míla, which controls the largest Icelandic telecoms network, from Síminn, the country's privatized national telecoms operator.

#### **Why was Ardian's purchase of Míla such an unusual transaction for everyone involved?**

**Orri Hauksson:** We were planning to sell the entirety of the national incumbent's telecommunications infrastructure - assets that are crucial for the economy and national security - to an international financial investor, so this was a transaction that was inevitably going to attract a lot of attention. There were discussions in parliament, and public opinion was a key factor. Obviously, Síminn is a commercial entity, and we wanted to secure a good price, but other factors were crucial too. We needed a trusted partner for Iceland for decades to come and someone with very deep telecommunication expertise, the ability to execute complex transactions and strong connections in the country and across the Nordic region.

**Daniel von der Schulenburg:** We already work closely with leading telecoms industry players and governments, but acquiring Iceland's entire telecoms network as a foreign investor made this an unusually sensitive transaction. At the same time, separating the network from the incumbent telco as we did was also extremely complex. Our access to former top-level industry executives as operating partners

was essential in drawing up the long-term agreements between Míla and Síminn so that this deal could happen.

**Gonzague Boutry:** Telecom operators usually dispose of minority or sometimes entire single passive infrastructure networks such as mobile tower assets of fiber networks. The unique feature here is that we are executing the carve-out of all of Síminn's infrastructure assets and requirements: including both passive and active equipment across copper, fiber and mobile connectivity. This deal positions us at the forefront of digital infrastructure and how technology and infrastructure requirements of society and national operators will evolve over the next decade.

#### **What factors helped Ardian to emerge as the preferred owner of Iceland's telecoms network?**

**OH:** The Ardian Infrastructure team was very proactive, and they put a lot of effort into the process very early on. They met many people in Iceland to build trust and answer questions, and their professional approach, reputation, and connections were important. But so were other things. Iceland was the first country in the world to elect a female president, so having Dominique Senequier as Ardian's president really mattered.

**DS:** Obtaining the government's approval for the sale of critical national infrastructure and winning public support for the transaction was crucial. We met all the senior politicians, stakeholders and



MÍLA IS THE OWNER OF ICELAND'S LARGEST FIXED AND MOBILE TELECOMMUNICATIONS NETWORKS

#1

LARGEST TELECOMS INFRASTRUCTURE PLATFORM IN ICELAND

10,500+KM

OF FIBER NETWORK

630+

RADIO ACCESS NETWORK POINTS OF PRESENCE (POPS)

18,500+KM

OF COPPER NETWORK



| Míla-Skálafell

regulators, and we also decided to invite a group of large local pension funds to become minority investors in Míla alongside us. This helped us convince not just Síminn but also the politicians and stakeholders that we would be a good partner and steward of Míla and ultimately resulted in an exclusive transaction.

**What do you see as the big opportunities in separating Míla and Síminn to create two standalone companies?**

**GB:** We believe this is how telecom operators will be structured in future – as service providers with an independent open, long-term partner meeting all their infrastructure and technology needs. Now that Míla is a standalone open-access network owned by an infrastructure specialist, its value proposition is clearer. It is better placed to attract more service providers to its network and support a 50% increase in investment over the life of our plan. This will extend mobile coverage and accelerate the roll-out of 5G and fiber

to the home in all Icelandic households. Longer-term, we see opportunities in building datacenter capacity thanks to Iceland's abundant geothermal energy.

**OH:** There are big regulatory and financial advantages for Síminn in becoming a pure services company. But this deal will also make it easier for us to work with other service providers on new 5G services. Telecoms isn't the winner-take-all game it used to be. Now it is much more about experimenting and collaborating; having Míla as the owner of the 5G network is going to help that process.

# 2021 HIGHLIGHTS

## Investments

### HIRPINIA PROJECT

The Hirpinia project involves the acquisition of a 90% stake in six brownfield wind plants in southern Italy, providing a total capacity of 84MW, with a further 41MW in an advanced stage of development. An additional pipeline of 97.4MW, comprising wind, solar and storage projects, is at an earlier stage. The majority of the investment was made in December, with a second closing in early 2022.

INVESTMENT DATE *December 2021*

SECTOR *Wind energy*

COUNTRY *Italy*



### ASTM

ASTM is an integrated infrastructure player and the second-largest toll road operator worldwide, managing a portfolio of 25 concessions in Italy and abroad covering 5,398 kilometers of road. It is also active in construction, technology and engineering solutions for infrastructure assets. Ardian acquired an additional stake in ASTM in November 2021 and will continue to support the company's international development, with a clear commitment to ESG and digital targets.

INVESTMENT DATE *November 2021 (closing) / September 2018*

SECTOR *Motorways*

COUNTRY *Italy*

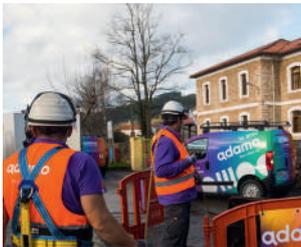
### MÍLA

Míla is the largest telecom infrastructure company in Iceland providing comprehensive end-to-end services in all areas of digital infrastructure. Míla's network is comprised of fixed broadband, mobile access, and backhaul infrastructure covering the entire country. Ardian plans to support Míla's efforts to enhance the country's connectivity through substantial investments for the rollout of additional fiber and 5G technology.

INVESTMENT DATE *October 2021 (signing)*

SECTOR *Technology, Media and Telecoms*

COUNTRY *Iceland*



## ADAMO

Adamo is one of Spain’s fastest growing fiber optic platforms, focused on rural areas and supported by an open access wholesale business model. Adamo has an existing customer base of about 1.8 million homes, serving some 250,000 subscribers. With Ardian’s support, Adamo will continue to drive organic and inorganic growth of its network, with a target of supplying more than 3 million homes in the years ahead.

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INVESTMENT DATE *October 2021 (signing)*

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SECTOR *Technology, Media and Telecoms*

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COUNTRY *Spain*

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## ALTERRIC

Oldenburg-based energy service provider EWE and the Aloys Wobben Foundation, sole shareholder of Aurich-based wind turbine manufacturer ENERCON, have successfully set-up Alterric, a joint venture in onshore wind energy.

The new company has an installed capacity of more than 2,300MW based on existing systems and a project pipeline of over 9,400MW, making it the market leader in onshore wind activity in Germany and Europe as a whole.

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INVESTMENT DATE *March 2021 (closing)*

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SECTOR *Wind energy*

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COUNTRY *Germany*

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## NEVEL

Nevel is a leading district heating and industrial energy solutions company operating in Finland, Sweden, and Estonia. Nevel operates more than 1.6GW of generation capacity across more than 130 heat and power plants and 40 district heating networks. It also has one of the most sophisticated digital operating platforms in the industry. Ardian is supporting Nevel’s ambitious plans to transition towards CO<sub>2</sub> neutral energy production in its networks by 2030.

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INVESTMENT DATE *January 2021 (closing)*

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SECTOR *Renewables*

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COUNTRY *Finland*

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# INFRASTRUCTURE PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
<b>Hirpinia</b>	12/21	Wind energy	Italy	26
 mila	10/21	Telecom infrastructure company	Iceland	63
<b>qdamo</b>	10/21	Open access rural FTTH platform	Spain	76
 ASTM	02/21 09/18	Toll roads	Italy	2,287
<b>nevel</b>	01/21	District heating and industrial energy solutions	Finland	106
<b>INWI</b>	10/20	Telecoms infrastructure business	Italy	785
<b>Maple Leaf</b>	08/20	Battery storage portfolio composed of ten asset locations	Canada	12
<b>EWE</b>	02/20	Utilities	Germany	6,698
 vespucio norte	02/20	Urban express highway	Chile	101
<b>ASR</b>	08/19	Wind platform	Spain	81
 HILL TOP ENERGY SERVICES	07/19	Electricity and energy	United States	87
 4new	07/19	Wind platform and solar energy	Italy, Spain	49
<b>Andberg Vind</b>	02/19	Wind energy	Sweden	7
<b>Giralda (La Isla)</b>	02/19	Solar energy	Spain	35
<b>Ausines</b>	07/18	Wind energy	Spain	9
 Autovia Padana	05/18	Toll roads	Italy	64
<b>Parrot (Veciana)</b>	02/18	Wind energy	Spain	5
 SKYLINE RENEWABLES	01/18	Wind energy	United States	132
 LBC	09/17	Oil and petrochemical storage	United States, Europe	218
<b>SPMR</b>	06/17	Oil transportation	France	79

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 Tolvo Windfarms Holding	06/17	Wind energy	Italy	11
<b>Falcon I (Ataca)</b>	09/16	Solar energy	Chile	8
<b>Falcon II (Pampul)</b>	09/16	Solar energy	Peru	6
<b>Lyrestad (Beaufort)</b>	06/16	Wind energy	Sweden	9
<b>CGE PALEA ARSA</b>	03/16	Solar energy	Italy	2
 ascendi	02/16	Toll roads	Portugal	578
<b>Hamnefjell Vindkraft</b>	01/16	Wind energy	Norway	8
 géosel	12/15	Oil storage	France	94
 2i Aeroporti	04/15	Airports	Italy	464
 3new	07/11	Renewable energy	Italy	40
 Lisea	06/11	Rail	France	224
 <small>AUTOPISTA</small> TRADOS 45	01/11	Toll roads	Spain	35
 2i Rete Gas <small>Gruppo PSI Rete Italia</small>	09/09	Gas distribution	Italy	1,026
 Kallista Energy	07/09	Wind energy	France	76
 88 ALICORNE	06/09	Toll roads	France	19
 3 NEW & PARTNERS	02/09	Renewable energy	Italy	76
 Hisi	10/07	Hospitals	Italy	11
 DAUNIA CALVELLO	05/07	Energy	Italy	30

# REAL ESTATE

*Creating offices  
for the cities of the future*



**21**  
DEALS SINCE  
INCEPTION

**\$2.3**BN  
OF ASSETS UNDER MANAGEMENT  
ACROSS FRANCE, GERMANY, ITALY  
AND SPAIN

**c.290,000**SQM  
LETTABLE SPACE UNDER MANAGEMENT ACROSS  
FRANCE, GERMANY, ITALY AND SPAIN

Rio, an iconic and highly visible Haussmann style building in Paris, France

**Since the beginning, we have pursued a 'Build-to-Green+' strategy to meet the growing demand for sustainable, flexible and service-oriented spaces.**



**STÉPHANIE BENSIMON**  
*Head of Real Estate  
Ardian*



**RODOLFO PETROSINO**  
*Senior Managing Director  
Real Estate  
Ardian*



**BERND HAGGENMÜLLER**  
*Senior Managing Director  
Real Estate  
Ardian*

Growing demand from both tenants and investors for modern, well-located office space in key European cities provided the momentum for Ardian Real Estate's strategy in 2021.

On the investment side, we acquired two office buildings in Germany, including our first acquisition in Hamburg, Project Q21, along with our first two Spanish acquisitions: Projects Cocktail and Tower, both located in Madrid. The year finished strongly with the final close of Ardian Real Estate European Fund II at €1.2 billion, an increase of more than 60% compared to our first generation. To date, we have acquired eleven assets in Fund II and exited one.

Tenants in our city markets are increasingly looking for what we call 'Green+' buildings – high-quality, welcoming, flexible and energy-efficient office spaces. These assets are also regarded as attractive opportunities by investors, partly because they offer very limited leasing risk, given the lack of buildings that match prospective tenants' exacting requirements.

Although it is true that remote working is a disruptive force in our industry, this trend also presents opportunities because companies still need to bring their people together to ensure effective collaboration and team-building. At Ardian, we constantly strive to imagine the future of offices, and this has helped us anticipate and take advantage of these disruptions.

The rise of remote working has also accelerated the 'hotelification' of office buildings – repositioning work spaces for an increasingly mobile population – a trend we identified early. As far back as 2018, we commissioned interior designer Tristan

Auer, known for his work on high-end properties such as Paris's Hôtel de Crillon, to design a hotel-influenced business center at the heart of our Renaissance office/retail project. During 2021, this paid dividends as we pre-let 100% of the office space at Renaissance to the international law firm Allen & Overy.

Similarly, our Temple asset, also in Paris, illustrates how even a leading cryptocurrency player such as Ledger, which many would see as more inclined to embrace remote working, still requires a prestigious headquarters for both effective day-to-day operations and its brand profile. We pre-let Temple in its entirety 20 months before delivery to the fintech unicorn for its new global headquarters.

Our leasing performance in Germany and Italy was equally strong. Notable deals include the signing of a 15-year agreement with the renowned German research institution Forschungszentrum Jülich for Project Elisa in Berlin and an agreement with Deloitte on our Via Vittorio Veneto asset in Rome – the city's largest deal of 2021.

Sustainability is a defining element of our strategy. From the very start, we have focused on improving the energy performance of our properties, embedding ESG considerations into every stage of the asset lifecycle and seeking the highest possible green certifications for our projects. Having a long-term vision is critical when the carbon footprint does not immediately offset, requiring investors to include ESG concepts systematically in their investment strategy. Our 'Build-to-Green+' approach will help us create buildings that not only meet the changing needs of tenants but also make our cities more sustainable.

## FOCUS ON TEMPLE BUILDING

### *Fashioning a futuristic corporate HQ for a tech leader*



**RÉDA NAFAA**  
*Global Head of  
Workplace &  
Facilities, Ledger*



**LOÏC HENRIOT**  
*Senior Investment  
Manager  
Real Estate  
Ardian*

**Ardian Real Estate acquired 106 Rue du Temple in July 2020 and pre-leased the 7,500sqm building to Ledger in July 2021, 20 months before the refurbishment project is due to finish.**

**What makes 106 rue du Temple such an exciting proposition for both of you?**

**Loïc Henriot:** We were immediately struck by the amazing potential of this building and its location in Le Marais, in the heart of Paris. It is a former telephone exchange built in 1927, which gives it unique characteristics that you don't usually see in conventional offices – very high ceilings, incredible natural light and large open floor spaces with no pillars. There is an outstanding 360-degree view from the roof, which we will turn into a terrace that can accommodate up to 200 people.

**Réda Nafaa:** Once we saw this building there was no more discussion of other options. We want to attract talented people to Ledger and our idea is to create a kind of work environment that they have never seen before. This building has incredible potential and a great location, which is very inspiring for the creative people who work at Ledger. Le Marais is pedestrianized and has great restaurants, bars and places to socialize. It is a great way to physically represent our brand.

**What are the major challenges of converting this building into a modern, Grade A office space?**

**LH:** Our main challenge was to design a project that would fully realize the possibilities of this building while respecting its history. The façade on rue du Temple is listed and so had to be preserved and we also needed to change the building's classification from high-rise to low-rise, which required a lot of discussion with city authorities and representatives of the French Ministry of Culture. In line with our ESG policies, we targeted the top environmental and technical certifications for the project such as BREEAM, HQE, Effinergie and Wiredscore, which had major implications because the building had not been refurbished in nearly 100 years.

**RN:** For us the major challenge is that our headcount is growing fast, and the building will not be delivered until the end of Q1 next year. Today we are around 600 people with a target for 2022 of reaching around 800 employees in France and 1,200 globally. We are expanding very quickly and there are already questions about how many people we will have in 2023.

## LEDGER

LEDGER IS A FRENCH TECHNOLOGY COMPANY SPECIALIZING IN HARDWARE TO SECURE DIGITAL ASSETS INCLUDING CRYPTOCURRENCIES AND NON-FUNGIBLE TOKENS.

### KEY FIGURES FOR TEMPLE BUILDING

7,500<sup>SQM</sup>  
OF OFFICE SPACE

1,000<sup>SQM</sup>  
OF ACCESSIBLE OUTDOOR SPACE

370<sup>SQM</sup>  
OF ROOFTOP WITH PANORAMIC VIEWS

4

CERTIFICATIONS TARGETED (BREEAM, HQE, EFFINERGIE AND WIREScore)



I Temple building, located in Paris, France

### What does this project tell us about the future of offices and city centers?

**RN:** Covid-19 has changed the way people want to work, which we cannot ignore, but we must bring them together to enable innovation and fresh ideas to happen. I have no intention of dictating to people how much they should be in the office – when they walk in to this building, we want them to be wowed from start to finish so that they choose to be there. Our vision is to create a virtuous environment that is safe and secure but also uses biophilic design that fosters natural light and the wellbeing of our employees.

**LH:** Le Marais is not a traditional CBD location, but it is a trendy district that is very central and accessible. We believe city centers are going to become more mixed and that this will create better living and working environments.

# 2021 HIGHLIGHTS

## Investments



### PROJECT TOWER

Ardian closed its second real estate investment in Spain with the acquisition of a c. 13,200sqm office building in Madrid. The building is located in Mendez Alvaro, a mixed residential, commercial and office area within the M-30, Madrid's inner ring road, with excellent public transport connections. The property was 37% occupied by two tenants at acquisition.

INVESTMENT DATE *December 2021*

COUNTRY *Spain*

### PROJECT ELISA

Ardian completed the acquisition of Elisa, an office development of c. 17,800sqm located in one of Berlin's most sought-after office districts. The property was vacant at acquisition. The asset purchase agreement signed in May 2019 was structured as a forward deal. Since then, Ardian Real Estate has actively managed the lease-up of the building and signed with two renowned office tenants, Sanofi Aventis and Forschungszentrum Jülich, for the entire office space.

INVESTMENT DATE *October 2021*

COUNTRY *Germany*



### PROJECT Q21

Ardian's first real estate investment in Hamburg was the acquisition of Quartier 21 Offices, an office complex covering c. 19,300sqm. Quartier 21 is centrally located in the up-and-coming district of Barmbek in Hamburg Nord. The property was 100% occupied by nine tenants at acquisition.

INVESTMENT DATE *October 2021*

COUNTRY *Germany*

## Exits



### PROJECT COCKTAIL

Ardian made its first real estate investment in Spain with the acquisition of a c.9,300sqm office building located in a central urban area near AZCA, Madrid's main financial district, and within the M-30 inner ring road. The building was 100% occupied by a single tenant at acquisition.

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INVESTMENT DATE *July 2021*

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COUNTRY *Spain*

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### GUSTAV

Ardian finalized the sale of Gustav, a c.16,150sqm office building in Munich, located in Neuperlach, a dynamic district of the city. The property was acquired in February 2018 and underwent a full refurbishment program. The building occupancy rate went from about 80% at the time of acquisition to around 93% at exit.

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INVESTMENT DATE *February 2018*

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EXIT DATE *June 2021*

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COUNTRY *Germany*

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### BITRITTO

Ardian completed the sale of Bitritto, a c.11,872sqm office building located in the city of Bari in Italy. The property was acquired in March 2017 and has been renovated. The building occupancy rate went from c.82% at the time of acquisition to c.93% at exit.

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INVESTMENT DATE *March 2017*

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EXIT DATE *May 2021*

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COUNTRY *Italy*

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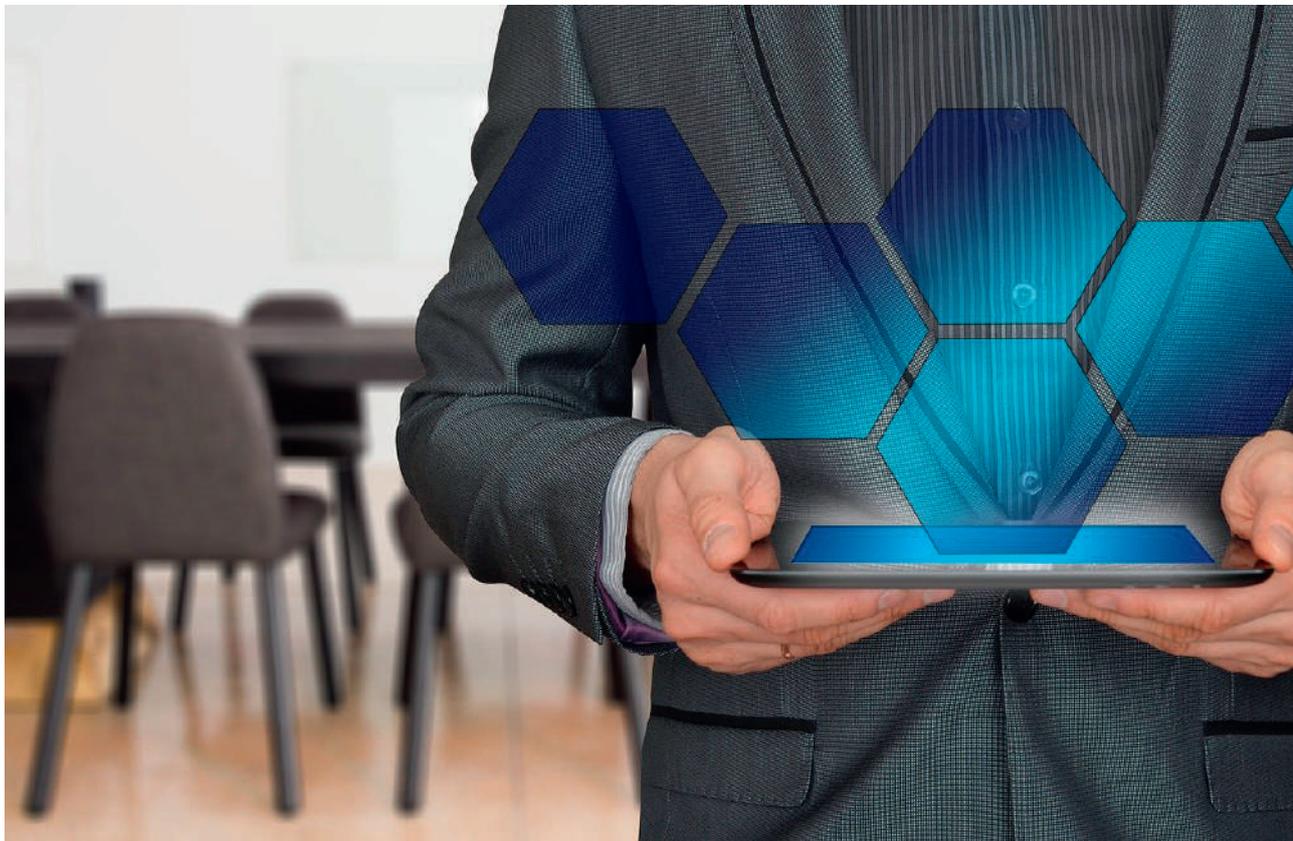
## REAL ESTATE PORTFOLIO

Company	Invest. date	Type of assets	Country	City	Projected area (in sqm)
<b>Corso 518-520</b>	02/22	Office complex	Italy	Rome	4,912
<b>Project Tower</b>	12/21	Office complex	Spain	Madrid	13,389
<b>Q21</b>	10/21	Office / Retail complex	Germany	Hamburg	19,252
<b>Project Cocktail</b>	07/21	Office complex	Spain	Madrid	9,342
<b>Westend</b>	06/21	Office complex	Germany	Frankfurt	30,762
<b>Sassetti</b>	03/21	Residential / Retail complex	Italy	Florence	1,903
<b>Santa Margherita</b>	11/20	Office / Retail complex	Italy	Milan	4,334
<b>Corso 232</b>	11/20	Office / Retail complex	Italy	Rome	6,831
<b>Secondary Assets</b> (MPS Portfolio)	11/20	Office complex	Italy	Various	51,440
<b>Temple</b>	07/20	Office complex	France	Paris	7,482
<b>Fidia</b>	12/19	Office complex	Italy	Milan	8,412
<b>Roncaglia</b>	07/19	Office complex	Italy	Milan	7,664
<b>Elisa</b>	05/19	Office complex	Germany	Berlin	17,812
<b>Villa Emiliani</b>	12/18	Office complex	Italy	Rome	2,652
<b>Carl</b>	11/18	Office complex	Germany	Berlin	29,962
<b>Melzi d'Eril</b>	11/18	Office complex	Italy	Milan	5,672

Company	Invest. date	Type of assets	Country	City	Projected area (in sqm)
<b>Store</b>	09/18	Office complex	Germany	Berlin	13,303
<b>RENAISSANCE</b> <small>FRANCE</small>	05/18	Office / Retail complex	France	Paris	9,241
<b>RIE</b> <small>RETAIL INVESTMENT</small>	05/18	Office complex	France	Paris	8,676
<b>Veneto</b>	03/17	Office complex	Italy	Rome	19,168
<b>78 910 PALAZZO A</b>	03/17	Office complex	Italy	Assago	18,232

# PRIVATE DEBT

*Meeting Europe's growing demand for private credit*



**€1.5BN+**  
ARRANGED IN THE LAST  
12 MONTHS

**140+**  
DEALS EXECUTED BY THE TEAM  
SINCE 2005 AND 115+ EXITS

**22**  
INVESTMENT  
PROFESSIONALS

Conet  
Germany |

**Our powerful sourcing advantages and broad geographic reach mean that we can scale up our lending while remaining extremely selective.**



**MARK BRENKE**  
*Head of Private Debt  
Ardian*



**GUILLAUME CHINARDET**  
*Chairman of the  
Private Debt  
Investment Committee,  
Senior Managing  
Director Private Debt  
Ardian*

Ardian Private Debt maintained a high tempo of activity throughout 2021, signing 14 deals and completing the deployment of the €3 billion we raised for our fourth-generation fund. Towards the end of the year, we made our first transactions from our fifth-generation fund.

Our portfolio performance has been uniformly strong, thanks to our long-term preference for lending to European midcap companies with extremely resilient business models. Many of our borrowers are in sectors such as software services, IT and business services, and healthcare, which have high levels of contracted, repeat revenues and therefore provide excellent visibility of cash flows. We have seen little evidence of the supply-side problems common in many other sectors. Performance has been further strengthened by our highly selective approach: just one in 20 of the opportunities we see will progress to completion.

Ardian Private Debt focuses on well-covenanted deals that offer us significant control. We are the sole lender in 90% of our transactions, obtaining either board observer or enhanced information rights together with monthly reporting, which allows us to monitor our borrowers' underlying business performance very closely. Our concentration on high-control deals also enables Ardian Private Debt to exert meaningful influence over ESG developments at portfolio companies. Our fifth-generation fund is one of only a small number

in Europe with an Article 8 classification under the Sustainable Finance Disclosure Regulation. This indicates that the fund has integrated ESG factors into its investment processes and regularly monitors a range of ESG performance indicators, as our LPs increasingly expect.

We see excellent growth potential in the market for private credit among European midcap companies. On the demand side, extremely low interest rates naturally increase demand for the strong risk-adjusted returns we provide, while on the supply side ongoing retrenchment among European banks increases our access to high-quality lending opportunities.

We believe we are uniquely well-placed to take advantage of these conditions. Unlike many of our competitors, we have investment teams on the ground in Paris, Frankfurt and London, and we complement this with our unique access to a huge network of relationships with LBO sponsors through Ardian's \$60 billion Secondaries & Primaries platform.

Opportunities in Europe's private credit market are increasingly flowing to players with scale and reach. Our team, which expanded from 24 to 30 investment and fund finance professionals during 2021, is growing to meet the size of the opportunity we see.

## FOCUS ON I-TRACING

### *Ardian builds sustainability criteria into LBO funding package*



**THÉODORE-MICHEL VRANGOS**  
*President of I-TRACING*



**LAURENT CHARVÉRIAT**  
*CEO of I-TRACING*



**GRÉGORY PERNOT**  
*Managing Director Private Debt Ardian*

**Ardian Private Debt's financing agreement with cybersecurity company I-TRACING was one of its first to include financial incentives for the borrower to meet specific ESG performance criteria.**

**Why did you decide to work together on the secondary buyout of I-TRACING?**

**Théodore-Michel Vrangos:** We knew Ardian as a major player in the French market, so we felt they were a very good name for I-TRACING to work with. They also knew our market very well and asked all the right questions, which made the whole process so much easier. Thanks to that, we were able to move quickly and agree a €60 million unitranche facility for the transaction, including a €20 million acquisition funding line to support our external growth plans.

**Grégory Pernot:** I-TRACING is exactly the type of company that fits our investment strategy. Cybersecurity affects every area of the economy and the market has grown quickly over the past few years. The company has committed leadership from its two founders, who have rolled a large portion of their investment into this

transaction. And finally, it is a high-quality business based on long-term contracts with loyal customers. It has excellent visibility on its revenues and converts a very high percentage of EBITDA into cash. All in all, it's an excellent proposition for us as a lender.

**How did you incorporate sustainability considerations into the way this transaction is structured?**

**GP:** First of all, we believe that I-TRACING, by strengthening the IT operations of its clients and improving the security of their systems, contributes actively to building a more resilient and sustainable future. This is also one of the first transactions in which we have granted an ESG ratchet mechanism. This provides an incentive for the company to meet certain ESG performance criteria by granting a reduction in the interest rate.

**Laurent Charvériat:** There are five criteria that are assessed every year, including measuring our greenhouse gas emissions and publishing an annual CSR report. If we meet three or four of these criteria, I-TRACING is eligible for a five-basis point reduction in the interest rate. If we meet all five, the reduction is ten basis points. Incorporating an ESG dimension into the

## I-TRACING

I-TRACING, FOUNDED IN 2005 BY THÉODORE-MICHEL VRANGOS AND LAURENT CHARVÉRIAT, IS A LEADING FRENCH PURE-PLAY PROVIDER OF CYBERSECURITY SERVICES

€75M

TURNOVER IN 2021 (30%+ ORGANIC GROWTH PER YEAR HISTORICALLY)

17

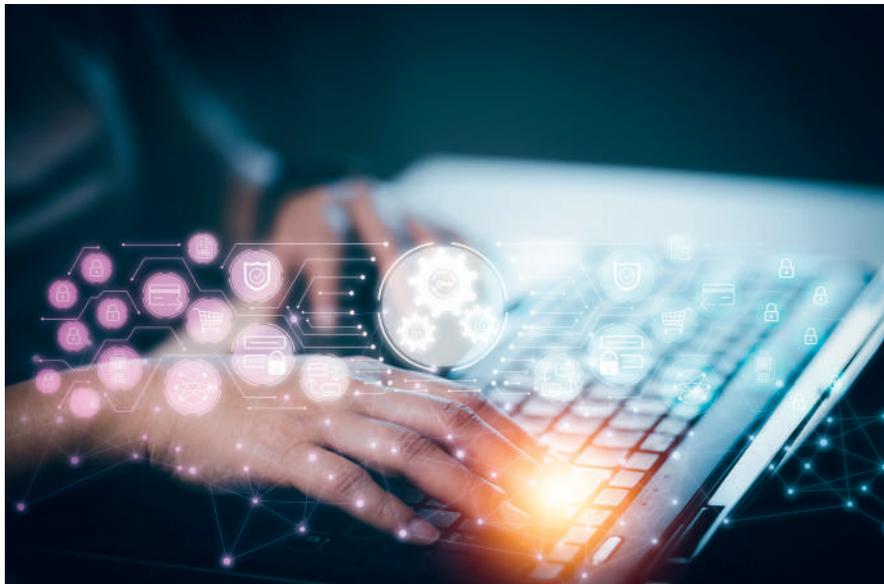
YEARS' EXPERIENCE OF HANDLING CYBER THREATS AND OFFERING SECURITY SOLUTIONS

300+

ACTIVE CLIENTS (55 NEW CUSTOMERS IN 2021)

300+

EMPLOYEES IN 3 GEOGRAPHIES (FRANCE, CANADA AND HONG KONG)



I-TRACING

financing agreement was a plus point for us and it definitely contributed to our choice of Ardian as our debt provider for this transaction. It's a win-win approach for everyone. We can achieve a lower cost of borrowing and Ardian improves its credit risk at the same time.

### How has Ardian helped to support your growth strategy since the transaction closed?

**T-MV:** We have worked together closely since the transaction was signed in June 2021. Ardian has helped us with ideas and information about companies we can look at, and they have also helped with additional visibility in the market

through active communication around the transaction. We are very happy with the relationship because we always knew they bring more to the table than just debt.

**GP:** We are trying to support I-TRACING's growth plans wherever we can. For example, we have helped to open doors with several potential partners and clients. We aim to be a real partner in the company's growth and not just a debt investor.

# 2021 HIGHLIGHTS

## Investments

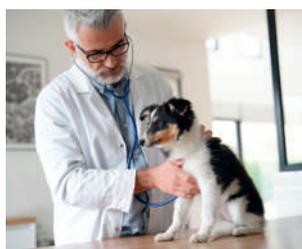
### CONET

Conet is a leading IT provider offering comprehensive consulting and managed services, along with end-to-end software and communications solutions for the public, defense and private sectors. Conet differentiates itself with its strong public sector focus, high proportion of security-cleared personnel and in-depth knowledge of SAP. The company operates in eleven locations across Germany, Austria and Croatia.

INVESTMENT DATE *December 2021*

SECTOR *Business services*

COUNTRY *Germany*



### SEVETYS

SEVETYS is one of France's leading operators of veterinary clinics with approximately 100 clinics. Organized as a hub-and-spoke model, the group provides complete veterinary services from generalist care and vaccination to more complex surgical procedures. SEVETYS is known for its high-quality offering, thanks to its skilled practitioners and high-grade equipment.

INVESTMENT DATE *December 2021*

SECTOR *Healthcare and Life Sciences*

COUNTRY *France*

### ECS II

The ECS Group is a world-leading general sales and services agent, dealing with the marketing and commercialization of air cargo capacity on behalf of airlines. Founded in 1998 and headquartered in Roissy (France), the company has developed longstanding relationships with over 180 airlines, conducting business through more than 1,000 independent contracts.

INVESTMENT DATE *December 2021*

SECTOR *Business services*

COUNTRY *France*

### BELLROCK II

Bellrock is a leading UK provider of property and facilities management services for sophisticated and complex estates. Focused on building long-term relationships, it has a blue chip customer base across the public and private sectors.

INVESTMENT DATE *November 2021*

SECTOR *Business services*

COUNTRY *United Kingdom*



## ORBIS

Orbis is a leading provider of vacant property services to the social and commercial sectors. Its services support site owners to prevent unlawful access and/or damage to their properties, thereby reducing periods of asset vacancy and improving overall asset utilization rates. The company's business model is underpinned by a full spectrum of site protection services, including security guards, CCTV and security products.

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INVESTMENT DATE *July 2021*

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SECTOR *Security services*

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COUNTRY *United Kingdom*

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## LAGARRIGUE

—

Lagarrigue is a Toulouse headquartered, global specialist in external orthopedic devices, designing and manufacturing large-scale devices for the treatment of disabilities. The company has developed a unique model of disability support, combining its expertise in designing and manufacturing innovative orthopedic equipment with local proximity to its patients.

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INVESTMENT DATE *July 2021*

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SECTOR *Healthcare and Life Sciences*

---

COUNTRY *France*

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## I-TRACING

—

I-TRACING is a leading French provider of cybersecurity products and services, recognized for its in-depth expertise in handling the types of threats that have emerged over the past 15 years. It is France's leading independent pure-play provider of cybersecurity services, covering all requirements in this field: cyber-defense, consultancy and solution engineering/integration, support and managed services.

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INVESTMENT DATE *June 2021*

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SECTOR *Cybersecurity*

---

COUNTRY *France*

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## EMVIA LIVING II

—

EMVIA Living is one of the ten largest care home operators in Germany, with some 3,400 employees and a total capacity of around 5,900 beds. The core business of in-home care is complemented by a number of local ambulatory care service businesses.

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INVESTMENT DATE *April 2021*

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SECTOR *Healthcare and Life Sciences*

---

COUNTRY *Germany*

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## PRIVATE DEBT PORTFOLIO

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
 CONET	12/21	IT consulting provider for SAP, infrastructure, communications and software solutions	Germany	195
 ECS GROUP	12/21	General sales and services agent	France	165
 bellrock	11/21	Property & facilities management services	United Kingdom	130
 SEVETYS	11/21	Veterinary clinics	France	50
 orbis	07/21	Provider of vacant property services to the social and commercial sectors	United Kingdom	50
 LAGARRIGUE	07/21	Orthopedic equipment	France	160
 I-TRACING	06/21	Leading French provider of cybersecurity products and services	France	70
 EMVIA LIVING	04/21	Nursing home operator	Germany	240
 GÖSSLER, GOBERT & WOLTERS GRUPPE seit 1758	11/20	Insurance brokerage platform	Germany	50
 Quintes	10/20	Independent insurance broker	Netherlands	35
 City & County Healthcare Group	09/20	Provider of social care	United Kingdom	360
 VIVALTO VIE	03/20	Operator of nursing homes	France	65
 CYRUS conseil	03/20	Independent financial advisor	France	50
 CEVAO	03/20	Veterinary pharmaceuticals	France	1,220

Company	Invest. date	Activity	Country	2021 estimated revenues (€M)
<b>TERTIANUM</b>	02/20	Private care homes and assisted living	Switzerland	500
 <b>MedEuropa</b>	01/20	Cancer care company with a strong focus on radiotherapy	Switzerland	30
 <b>SER</b> GROUP	02/19	ECM software development and consulting services	Germany	80
 <b>iRelation</b>	09/18	Supplier of managed IT services to SMEs	Denmark	90
 <b>MadameTulle</b> <b>DESSERTS</b> <small>LES LÈVRES SONT PAS SEULEMENT POUR RIEN FAIRE</small>	07/18	Frozen pastries	France	230
 <b>MEDIFOX</b> <small>SOFTWARE FOR PATIENT CARE</small>	05/18	Developer of software solutions for patient care service providers	Germany	50
 <b>alpega</b>	08/17	Transport & logistics software	Belgium	40
 <b>cenexi</b>	08/15	Pharmaceutical contract manufacturing	France	125
 <b>maxeda</b> BY Group	03/10	Do-It-Yourself retail	Benelux	1,385

EXPLORING OUR UNIVERSE

# Discover our latest publications and announcements

## 2021 SUSTAINABILITY REPORT

Invested in Change, our 2021 Sustainability Report, sets out Ardian's approach to Responsible Investment and highlights the year's key achievements.



## ARDIAN FOUNDATION

Ardian Foundation supports projects that increase social mobility for disadvantaged children. Learn more about its programs in its Activity Report.

## NEWS & INSIGHTS

The latest news about our investment activities and sustainability initiatives, as well as market insights and case studies.



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# *Ardian's group risk appetite statement*

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Ardian Group's mission is 'to invest responsibly and sustainably in order to create lasting value, outstanding returns and shared outcomes for our investors and partners, for our portfolio companies and their employees and for our own people'. We have a conservative long-term approach to creating value that emphasizes industrial growth and strategic or operational excellence over excessive leverage and financial engineering.

Overall, we have a moderate appetite for risk. We operate in fast-moving and highly competitive markets, but aim to do so in a prudent, considered manner consistent with our mission and core values. Our external investors are predominantly institutions and qualified professionals, meaning we have limited exposure to certain legal and regulatory risks.

At fund level, we avoid investment strategies that rely on significant leverage or complex financial instruments. Our use of derivatives is restricted largely to hedging foreign-exchange and interest-rate exposures linked to the long-term nature of some fund cashflows. Our funds operate within strict guidelines that set various diversification and other limits agreed with our investors. We accept the risks that come from our ability to identify and close transactions quickly because this is one of our competitive advantages. As we expand into new asset classes and pursue new investment opportunities, we fully intend to maintain the disciplines that have led to our investment success. Wherever possible we will monitor our approach to ensure that we understand key and emerging risk trends, such as the growing importance of digital technologies.

At Group level, we accept significant exposures to macro-economic risks related to the fact that most of our products are spread across several regions and industrial sectors. However, we believe that management of these inter-connected risks is our essential core competence. We generate stable returns in part because we benefit from diversification, via our different types of funds and the selected portfolio investments within them, and from our ability to manage our assets flexibly across unpredictable economic and financial cycles.

We aim at all times to maintain prudent cash balances and reserves to meet expected and unexpected demands and/or regulatory capital requirements in specific jurisdictions.

We have a particularly low appetite for risks that could threaten our reputation and we vigorously pursue the monitoring and mitigation of these risks. We continually assess our governance, our internal processes and procedures, the conduct of our directors and employees, as well as our awareness of unavoidable exposure to the actions and activities of third parties, including our fund administrators.

We accept operational risks associated with core IT systems, with data privacy and cyber security and with business continuity, but seek ways to mitigate these risks, including by making effective use of insurance. We are strongly committed to building and maintaining a strong compliance and risk culture, in the belief that this will considerably reduce our overall risk exposure. Our people and all those with whom we transact are vital to the good conduct of our business and we seek at all times a proper combination of fairness, incentives and vigilance.

Ardian is a fast-growing company measured by assets under management, by client and staff numbers and by geographical coverage. As we continue to expand, some of the risks we face are expected to evolve and new risks will continue to appear. We are committed to ensuring that we have the appropriate management and systems in place to manage these so that by embracing growth we can achieve the next phase of our strategic goals.



