

**2022**  
**INTEGRATED REPORT**

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# STRENGTH TO ADAPT

ARDIAN

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2022 Integrated Report

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**T**his year for the first time we are publishing **an Integrated Report**, which brings together in a single document the separate Activity and Sustainability Reports that we have produced up to now. Our aim in doing this is to give a more comprehensive and coherent understanding of how Ardian creates value for all our stakeholders: our investors, portfolio companies, business partners, employees and society at large. Our commitment to sustainability is an integral part of our strategy for value creation and is therefore an essential element of the account we present here.

By adopting the internationally recognized framework for integrated reporting, we aim to demonstrate how Ardian's strategy, governance, culture and way of doing business combine to deliver the financial benefits that our investors and business partners seek, as well as social and environmental outcomes that are consistent with our statement of purpose and our corporate values.

IN CONVERSATION

Understanding the trends that are shaping the world is critical for us all, and as a private investment house, our level of understanding and the way we respond are decisive factors. Recent geopolitical and economic shocks, notably the war in Ukraine, have tested the resilience of our economies and societies. But alongside risks, this complex and changing situation also brings opportunities. **Dominique Senequier**, President of Ardian, discusses the global context and outlook with **Thierry de Montbrial**, Founder & Executive Chairman of the Institut Français des Relations Internationales, the leading French international relations thinktank.



**DOMINIQUE SENEQUIER**  
President of Ardian



**THIERRY DE MONTBRIAL**  
Founder & Executive Chairman of  
the Institut Français des Relations Internationales

**What does Russia’s invasion of Ukraine mean for the political landscape in Europe and beyond?**

**Thierry de Montbrial** — It very much depends on how the war ends, of course, but I see a risk that the world moves towards three ‘blocs’. US leadership of the West will strengthen along with the expansion of NATO and the European Union might also enlarge further, which in some ways would weaken it politically. This ‘bloc’ also includes Japan, which is becoming more strategically ambitious, and Australia. The second ‘bloc’ will be China, Russia and countries such as Iran, with China the clear leader even though this will be painful for Russia. And the third ‘bloc’ is the rest, notably India and Brazil but also many African countries, who do not want to choose between China and the West. They will choose multi-alignment, as India calls it.

**Dominique Senequier** — We have not seen violence like this in Europe for decades. The old relationship between Russia and Europe is finished and that is a big challenge, especially for Germany. It also worries me that the institutions that were set up after the Second World War, like the UN Security Council and the International Court of Justice, seem powerless to do anything about the atrocities that are taking place. This must encourage young people to question their value.

**Do you think this war will accelerate deglobalization?**

**T.M.** — Deglobalization started with Covid-19 and the disruption of global supply chains that it caused. The real question to me is whether or not the globalization that came before this was an anomaly. My view is that

the period since the collapse of the Soviet Union was exceptional because the post-Soviet-era ideology was truly neo-liberal and one aspect of this was China’s accession to the World Trade Organization in 2001. That was the real turning point. Now things have changed and deglobalization will probably continue with states playing a much more important role in the economy. I think we must be prepared to be very flexible and to adjust very quickly, and for that it is essential to concentrate on the key strategic issues.

**D.S.** — Even partial deglobalization will reinforce the inflationary trend. A lot of the drivers of globalization were to seek the lowest manufacturing costs and if our priority now is security of supply and of our manufacturing base, that will mean higher prices. For our buyout teams, this trend means that input costs for our portfolio companies have risen a lot and we are monitoring them very closely to gauge how easily they can pass on rising costs to their customers. We concentrate on buying quality companies with high margins so they tend to have good pricing power and can maintain their profitability.

**Does the recent rise in interest rates signal the start of a new economic era?**

**D.S.** — The five-year US Treasury bond yield was at 1.66% at the beginning of 2022. As we sit here it is around 3.7% and one-month bills are above 4.5%. That is extraordinary. The yield curve is deeply inverted – short-term rates are well above long-term rates – and even if inflation does fall this year to 3% or 3.5%, I still do not see how long-term rates can stay as low as they are now. So, I expect short-term rates to stabilize or even decrease a little, and long-term rates to increase, which will drive up housing costs and hurt the economy. I have heard that the value of some



*“The US economy may slow but I believe it will rebound very strongly and that gives Ardian an excellent opportunity to expand in North America.”*

**DOMINIQUE SENEQUIER**  
President of Ardian



*“We must be prepared to be very flexible  
and to adjust very quickly, and for that it is essential  
to concentrate on the key strategic issues.”*

**THIERRY DE MONTBRIAL**  
Founder & Executive Chairman of the Institut Français  
des Relations Internationales

logistics funds fell 20% in the first quarter of this year, which is huge. At Ardian we invest exclusively in city-center real estate but in France we have already seen the owners of buildings in secondary locations hand the keys back to the banks. You can see the realization spreading that long-term rates are going up. For private equity firms, that changes the market for debt and it will create a sharper differentiation between companies that can generate very high growth and those with only moderate growth. Companies with the best growth and margins are still attracting good multiples, although the buyers will probably need to put more equity into the deals than they would have done a year ago.

**T.M.** — I agree completely with Dominique’s view of interest rates, but again I think that if you look at these things in a historical perspective, the past 15 years were an anomaly, and we are simply heading back to normality. The remarkable thing is that most young economists nowadays have spent so little time thinking about our history of inflation. Negative interest rates were totally unthinkable until recently.

**How is the rapid advance of climate change  
influencing the way you think about international  
relations and the business world?**

**T.M.** — Climate change will require massive investment, of course. But it also has an ideological dimension because adaptation to climate change has become an ideological issue in many countries. We need to pay attention to this because in Europe, for instance, we could harm our competitiveness if we become too ideological in our demands and make the wrong investments for ideological reasons.

**D.S.** — What has changed is the speed with which temperatures have increased. We have so little time to adapt. If you listen to most green philanthropists, like Mike Bloomberg, they say ‘for now let’s try

to replace fossil fuel energy with renewable energy one-for-one, and by 2030 let’s try to reach four renewables for one fossil fuel’. If we can do that it would be an incredible achievement. We cannot simply get rid of fossil fuels tomorrow. It is impossible. But we need to accelerate. This means huge state investments, which is why the US have adopted the Inflation Reduction Act. Everyone knows that Europe’s hydrogen plans need a lot of state support. If we are to have enough private investment alongside state subsidies, we must have intelligent regulation that allows us to move more quickly.

**As you look around today at all these challenges,  
what makes you feel optimistic about the  
environment in which Ardian will operate?**

**T.M.** — If you are a real optimist, you have to be pessimistic. It is not a paradox. It means that you have to be clear-minded and face realities – only by analyzing them clearly do we have a chance to overcome them. A lot depends on the two major actors of the coming decades, the US and China. Clearly, they’re competing for primacy, but the question is whether their thrust for this goal will be counterbalanced by the understanding that global governance is needed in many areas, such as climate change. If you look at the Ukraine war so far, in spite of all the turbulence the US and China have behaved relatively cautiously. So, my optimism could be based on the fact that so far, the biggest powers have not made any major and irreversible mistakes. But being optimistic does not mean being naive. We face huge challenges.

**D.S.** — Like Thierry, I am optimistic by nature. Because of the war in Ukraine, Germany realized that they were dreaming about modernizing their economy with cheap gas from their close friends. Now they have to rebuild, but risks always create opportunities – maybe to gain strength where you were weak and you did not realize it. The situation is



definitely complex now but for Ardian I can see big opportunities even so. The fundraising market has changed because many pension funds need to rebalance their portfolios, but high energy prices have brought a lot of liquidity to sovereign wealth funds. We have strong relationships with sovereign wealth funds in the Middle East and our new office in Abu Dhabi is going to be very important for us in the next few years. The US economy may slow but I also believe that it will rebound very strongly and that gives Ardian an excellent opportunity to expand our direct investment activities in North America, thanks to the strong foundations we have laid. When we look around, we can see that humanity has made huge technological progress; I just wish we would do the same in terms of violence and our appetite for war.



Thierry de Montbrial established the Institut Français des Relations Internationales in 1979. Based in Paris, IFRI was ranked the fifth most influential thinktank in the world in the University of Pennsylvania’s Global Think Tank Report for 2021. Ardian has partnered with IFRI to launch a training program on geopolitics for Ardian employees, entitled Ardian Global Conversations on Geopolitics & Economics.



**Watch an extract of the interview on  
our Integrated Report website**

SUPERVISORY COMMITTEE

How we have helped Ardian adapt to a much more uncertain world



PATRICK THOMAS  
Chairman of the Supervisory Committee

Which external factors had the biggest effect on your thinking over the past year?

**Patrick Thomas** — The environment became increasingly difficult during the course of 2022, largely due to very negative geopolitical developments. The Russian invasion of Ukraine and other geopolitical tensions have had a major impact on the global economy. As a result, energy and other commodity prices rose and

economic growth in most countries slowed significantly as the year progressed and, of course, inflation returned. Although it has slowed somewhat, interest rates are much higher now than they were a year ago and we think inflation could remain high for some time. The huge changes we saw last year happened very quickly and have required us to adapt our thinking. We are cautious about prospects for 2023 because of our belief that inflation will persist, and

that global demand driven from China is likely to be soft this year.

Given that background, how do you feel Ardian performed during 2022?

**P. T.** — The company achieved exceptional growth last year and the Supervisory Committee wants to place on record its gratitude to everyone at Ardian for their outstanding work. We raised \$27.5 billion

Geopolitical developments and their economic impacts during 2022 have made conditions more challenging for Ardian. The Supervisory Committee has reviewed the company's governance and risk management to ensure Ardian can prosper in this uncertain environment.

during 2022, which clearly demonstrates the trust that LPs continue to have in Ardian and also its success in attracting new investors. The tailored investment solutions that the company has been developing played a big part in this success. The share of Ardian's business derived from customized solutions has grown quickly and now represents a material percentage of the total.

International growth is also strengthening Ardian's position significantly. The opening of the Abu Dhabi office reflects a deepening commitment to an important growth engine for the company: the Middle East region. I must emphasize, however, that Ardian's exceptional growth brings challenges that the Supervisory Committee monitors very carefully. First, because Ardian's reputation depends on remaining selective as it invests very large sums of its LPs' money to generate consistent returns. And, second, because this success increases the pressure on us to ensure security and the protection of clients' confidential information.

What changes to Ardian's governance were introduced during 2022?

**P. T.** — We strengthened collaboration between the Supervisory Committee and the Executive Committee to support Ardian's medium-term strategy and supervise its execution. Within the Supervisory Committee, we have improved both our gender balance and diversity by appointing four women from different countries, including a second representative of the employee shareholders. Our other important step was to expand the role of our Governance, Nomination and Remuneration Committee to cover a wider set of responsibilities. This Committee will review

*“Ardian intends to accelerate its global expansion, especially in the Middle East region. But in a world that has grown much more uncertain, we must constantly reinforce the company’s governance and controls.”*

PATRICK THOMAS  
Chairman of the Supervisory Committee

proposals and make recommendations on all appointments to Ardian's top management, on succession planning and on the overall remuneration framework that applies throughout the company, including how the company manages employee shareholdings at all levels. Of course, the final decisions will rest with the President and the Executive Committee, but we have a formal process to make recommendations on behalf of the Supervisory Committee.

How is Ardian's risk management evolving to reflect changing conditions?

**P. T.** — Ardian has hugely strengthened the teams responsible for risk management, compliance, audit and security – out of 1,000 employees, at least 50 are involved

in these areas. That partly reflects how international Ardian's operations now are because every country has different regulations and laws. But Ardian has also strengthened the teams overseeing its funds because as the customized solutions business grows, the number of funds Ardian must create and manage for clients increases significantly as well. The company is investing very heavily in cybersecurity, which the Supervisory Committee regards as critical to safeguard Ardian's reputation. And then there are emerging areas of regulation such as sustainability compliance, where the company has started building a team of experts.

Are you concerned about sustainability-linked risks for Ardian?

**P. T.** — We are very aware of risks linked to “greenwashing” and we want the company to concentrate on making practical, concrete, measurable progress on sustainability, as it is doing. Decarbonization is obviously a critical part of its sustainability mission, but I was also very pleased that Ardian, as a company with many employee shareholders, signaled its commitment to expand employee share ownership at its portfolio companies by becoming the first European member of Ownership Works. This reflects our belief that it is essential to align interests among all stakeholders as closely as we can.

**Members of the Supervisory Committee:** Patrick Thomas - Chairman of the Supervisory Committee, Didier Deconinck - Vice-Chairman of the Supervisory Committee, Rawdha Al Rumaithi, Sabine Chalmers, Jennifer Ferrand, Nicolas Govillot, Hassina Harkati, Jean-Michel Verhaegen.





From left to right:

**Jan Philipp Schmitz**  
Head of Ardian Germany and Asia, Head of Investor Relations

**Mathias Burghardt**  
Head of Infrastructure

**Vladimir Colas**  
Co-Head of Ardian US

**Jérémie Delecourt**  
Chief Operating Officer

**Dominique Senequier**  
President of Ardian

**Mark Benedetti**  
Co-Head of Ardian US

**Philippe Poletti**  
Chairman of the Buyout Funds Investment Committee

**Nicolò Saidelli**  
Head of Ardian Italy and Co-Head of Buyout

EXECUTIVE COMMITTEE

Preparing for the next major steps in Ardian's growth

**The past year was one of momentous change.** After decades of declining inflation and interest rates across the developed world, we have entered a new chapter.

The economic impact of the return of war to Europe has been profound. Geopolitical tensions have intensified and the rapid increase in interest rates to combat inflation has even raised questions about the strength of the banking system.

All else equal, we would expect company valuations to fall. This has already happened in the public markets. However, its decline was far smaller than in the 2008-2009 financial crisis, and although our models assume earnings multiples for private companies will decrease, we have yet to see that in our secondary portfolio. Quality companies with strong growth and margins are still fetching attractive prices.

But the fundraising landscape has changed. Simultaneous falls in public equity and bond prices severely disrupted asset allocations, leaving investors overweight private assets. Buoyant energy prices, meanwhile, hugely increased the investment capacity of many sovereign wealth funds. Thanks to our diversified investment offering and the timing of our fundraising activities, the effects on Ardian last year were positive. Our latest Secondaries fund, ASF VIII Infrastructure, attracted strong demand from investors and enjoyed unprecedented deal flow as institutions sold private portfolios and discounts widened. Two other large fund offers, North America Infrastructure and Private Credit, both addressed investors' desire for inflation protection and enhanced yields, resulting in exceptional demand. And our direct portfolios, with their focus on high-quality, high-margin growth companies, delivered robust performances and some excellent exits.

We also believe the new environment brings strategic opportunities. The networks we have spent two decades building in the Middle East have now been reinforced with the opening of our office in Abu Dhabi. Our activities in this region will grow quickly. We are also well-placed to accelerate our growth in North America. We intend to scale up our Buyout and Infrastructure activities and are also examining ways to enter the US Real Estate and Private Credit markets in the near future.

Ten years after we began our journey as Ardian, the outlook is extremely uncertain but throughout our history we have proved our capacity to adapt and find opportunities in complex situations. We are sure that if we continue to focus on our clients' needs, we can make Ardian's second decade even more successful than its first.



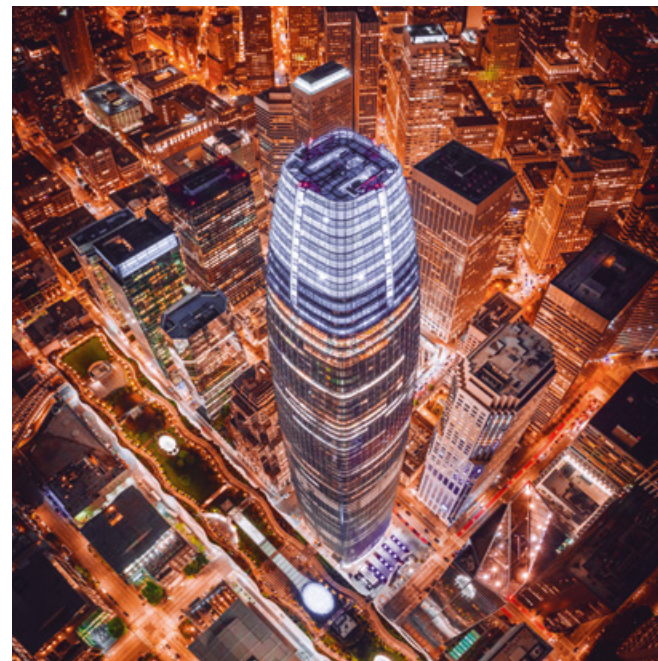


We have more than 1,000 employees working in our 16 offices, which span Europe, the Americas, Asia and now the Middle East. Our international reach has grown steadily since 1999, when we opened our first international hubs in London and New York.

## ARDIAN

# Around the world

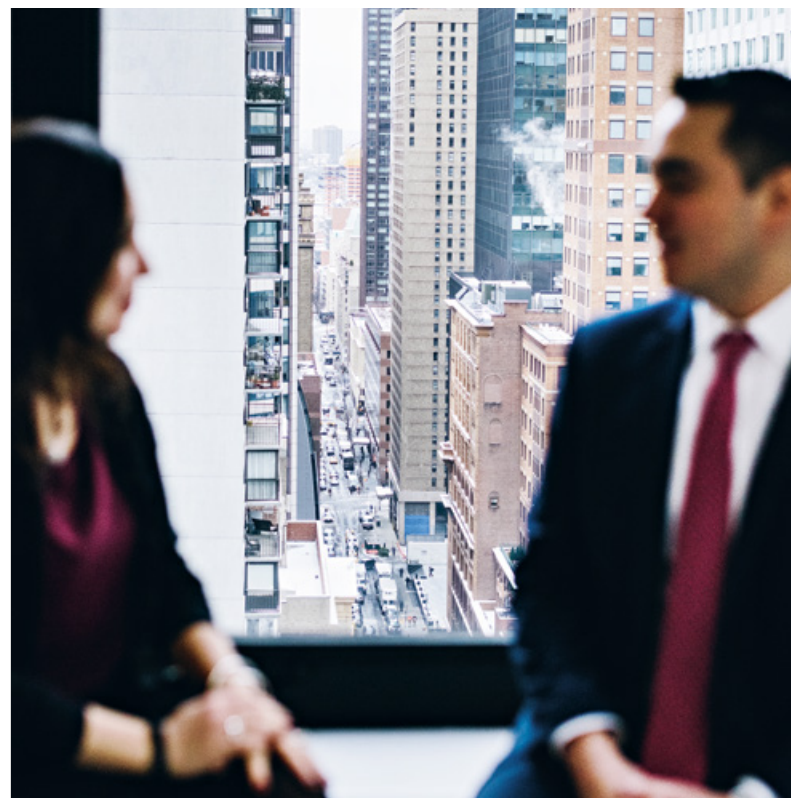
From the beginning, we have pursued a multilocal strategy. This allows us to stay close to our clients and business partners and connect our expert local teams to a powerful global network that is still expanding.



1. SAN FRANCISCO, UNITED STATES



3. SANTIAGO, CHILE



2. NEW YORK, UNITED STATES

## Americas

## EXPANDING OUR DIRECT INVESTMENT ACTIVITIES

**W**e opened our first US office in New York in 1999, initially to support the growth of our Secondaries & Primaries activity, which we also launched that year. Thanks in part to the relationships we developed with the leading US sponsors, over the next two decades Ardan became the world's leading investor in secondary fund transactions, specializing in the largest LP portfolios. We added our San Francisco office in 2015, enabling us to form closer links with our major West Coast LPs, and three years later we established a presence in Chile. We have progressively expanded our direct investment activities to the Americas in recent years and now have well-established Infrastructure, Buyout and Co-Investment teams based in New York, as well as our small cap North America Fund.





1. PARIS, FRANCE



2. LUXEMBOURG



3. FRANKFURT, GERMANY

Europe  
A GLOBAL INVESTMENT  
COMPANY, MADE IN  
EUROPE

**A**rdian was established by Dominique Senequier in Paris in 1996 as the private equity arm of the insurance company AXA. We are now the leading private investment house in the major Eurozone economies with a network of offices that spans Western Europe and supports our three broad asset classes: Private Equity, Real Assets and Credit. We launched our London office in 1999 and began our multilocal investment strategy in 2001 when we opened our office in Frankfurt. Six years later we expanded to Italy with a base in Milan, and we are now by far the country’s largest private markets player. Our European network expanded again in 2015 with the addition of our team based in Madrid. We also have operations in Jersey and Luxembourg and a growing team in Zurich, where Ardian Customized Solutions is based.



4. MILAN, ITALY



5. MADRID, SPAIN



6. ZURICH, SWITZERLAND



7. LONDON, UNITED KINGDOM



Middle East  
ABU DHABI OFFICE IS  
A REGIONAL GATEWAY

**A**rdian has been active in the Middle East for two decades and over that period has developed strong relationships with many of the region’s largest sovereign wealth funds, as well as private institutions and family offices. The opening of our sixteenth office in 2023, based at Abu Dhabi Global Market on Al Maryah Island, signals a deepening of our relationship with our clients across the region. We plan to create a large team that will include investor relations professionals to serve our Middle Eastern clients and investment professionals who will help our portfolio companies establish links with local partners and identify investment opportunities in these fast-growing markets. We are also exploring several green hydrogen projects in the Middle East.



1. ARDIAN ABU DHABI OFFICE  
OPENING CEREMONY -  
JANUARY 30, 2023

From left to right: Jérémie Delcourt (Chief Operating Officer, Ardian), François-Aïssa Touazi (Senior Managing Director and Chairman Ardian Limited Abu Dhabi), Hamad Al Dhaheri (Head of Private Equity Abu Dhabi Investment Authority), Bruno Le Maire (French Minister of the Economy and Finance), Dominique Senequier (President of Ardian), Khaldoon Khalifa Al Mubarak (MD and Group CEO of Mubadala Investment Company)



2. ABU DHABI, UNITED ARAB EMIRATES



3. ABU DHABI, UNITED ARAB EMIRATES



4. ARDIAN ABU DHABI OFFICE  
OPENING CEREMONY - JANUARY 30, 2023  
Dominique Senequier



1. TOKYO, JAPAN



2. BEIJING, CHINA



3. SEOUL, SOUTH KOREA



4. SINGAPORE

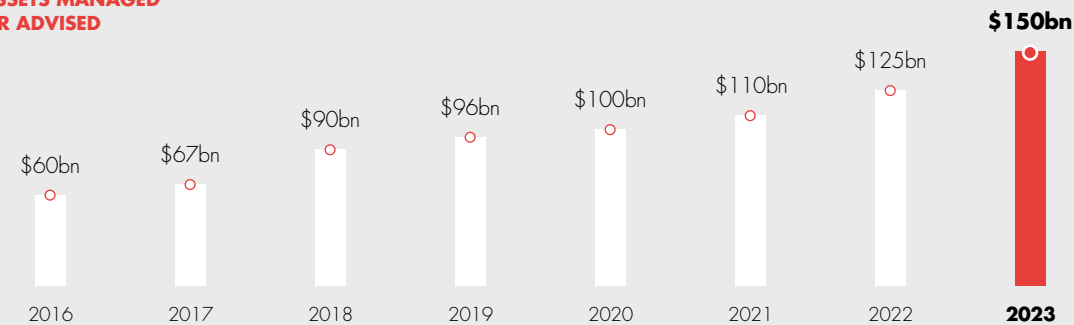
Asia  
REGION-WIDE PRESENCE IN  
MAJOR FINANCIAL HUBS

**W**e operate from four offices across the region that give us a presence in the major financial and political centers. Our local presence in Asia began in 2005 with the opening of our office in Singapore and increased in 2012 when Beijing became our second local hub. The appetite to invest in private markets is growing strongly among Asian sovereign wealth funds and private institutions and this has become an important region for our fundraising activities. Investors in this region have also become a growing source of primary and secondary fund transactions. In 2018, we expanded our network of Asian offices, adding local teams in Seoul and Tokyo. Although we currently have few direct investments in Asia, this is an area of growing interest for Ardian.

# Key Figures

As of December 31, 2022

## ASSETS MANAGED OR ADVISED



Ardian is one of the world's largest private investment houses, managing and advising \$150 billion of assets on behalf of more than 1,440 clients including governments, pension funds, insurers, endowment funds and private clients. We are an independent company, part-owned by its employees, with its roots in Europe and a global network that spans the Americas, the Middle East and Asia. We invest in three broad asset classes – Private Equity, Real Assets and Credit – guided by our founding values of Excellence, Loyalty and Entrepreneurship.

**1,440+**  
investors

**\$6.6bn**  
distributed to our investors  
in 2022

**\$27.5bn**  
raised in 2022

## ASSETS MANAGED OR ADVISED

### Private Equity

Secondaries & Primaries - Co-Investment - Buyout - Expansion - Growth - North America Fund

**\$114bn**

**96** transactions and  
**108** build-ups in 2022

### Real Assets

Infrastructure - Real Estate - Real Assets Debt

**\$26bn**

**10** transactions and  
**1** build-up in 2022

### Credit

Private Credit - NAV Financing

**\$10bn**

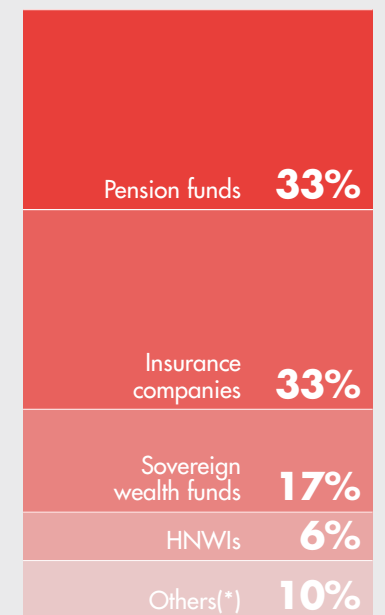
**21** transactions and  
**12** build-ups in 2022

## INVESTORS' LOCATION

**19%** Americas **53%** Europe **13%** Middle East **15%** Asia-Oceania



## INVESTORS' TYPE



(\*) Others include: fund of funds, endowments and foundations, government agencies, banks, other assets managers and corporate investors. Figures do not always add up to 100% due to rounding.

**\$21.9bn**  
invested in 2022

including \$9.3 billion of secondary deal volume, \$2.7 billion of primary commitments in 2022 and total amount arranged for Private Credit

**31,000+**  
employees

of 43 portfolio companies have benefited from value sharing at exit by Ardian since 2008, receiving the equivalent of 1 to 6 months salary



# A year of progress towards our long-term goals

*We have strengthened both our investment platform and our commitment to create positive environmental and social impacts.*



MARCH 2022  
**Corporate**  
**ARDIAN LAUNCHES ITS REAL ASSETS DEBT ACTIVITY**

The launch of our first Real Assets Debt strategy, Real Estate Debt, marks the beginning of a phased expansion of our lending activities. The Real Estate Debt team’s approach is closely aligned with our Real Estate strategy, focusing on Build-to-Green & Manage-to-Green projects in major European cities that have a strong commitment to sustainability and the climate transition. The strategy is certified under Article 8 of the EU’s Sustainable Finance Disclosure Regulation and closed its first transaction in July 2022 as part of a lending syndicate for a project in Porta Nuova, Milan. Real Estate Debt represents the first stage of our plans to expand into Real Assets Debt, with Infrastructure Debt to be added in due course.

## FUNDRAISINGS

JANUARY 2022  
**€1.2bn**

Ardian's Real Estate team raises €1.2 billion for its second fund, to be invested in “Green+” office projects.

APRIL 2022  
**\$5.25bn**

Ardian closes ASF VIII Infrastructure at \$5.25 billion, a world record for infrastructure secondaries funds.

SEPTEMBER 2022  
**\$2.1bn**

Second Americas Infrastructure fund raises \$2.1 billion, demonstrating our strength in mid-market assets.

NOVEMBER 2022  
**€5bn**

Private Credit team closes fifth-generation platform at €5 billion, well above the original target of €4 billion.



APRIL 2022  
**Climate**  
**DEBUT OPEN-ENDED CLEAN ENERGY FUND TARGETS €1 BILLION**

Ardian Infrastructure's first open-ended fund provides permanent capital for investment in renewable generation assets including wind, solar and hydroelectric, as well as emerging technologies such as biogas, biomass, storage and energy efficiency technologies. The fund will implement Opta, Ardian's proprietary data analysis tool for optimizing the performance of renewable projects to manage pricing risk and enhance value creation. It has AXA Group as its cornerstone investor and more than half the €1 billion fundraising target has already been invested in a portfolio of 12 wind and solar assets in Europe and the Americas, with total capacity of 1GW. The fund will invest up to €150 million per transaction.



JUNE 2022  
**Gender Equality**  
**CAMPAIGN TO IMPROVE GENDER BALANCE ADVANCES**

Ardian has been awarded the Economic Dividends for Gender Equality (EDGE) Move certification for its progress in promoting gender equality. EDGE Move is the second of three levels of certification. To reach this level, organizations must commit to “an impactful action plan, which documents how it will further accelerate its progress”. Further actions are planned as we work towards level 3 certification.





OCTOBER 2022

Energy transition

**CLEAN HYDROGEN TAKES CENTER STAGE AT ONE PLANET SOVEREIGN WEALTH FUNDS CEO SUMMIT**

**A**s a founding member of the One Planet Private Equity Fund initiative, Ardian participated in the 5th edition of the One Planet Sovereign Wealth Funds (OPSWF) CEO Summit that took place on October 5-6 in Abu Dhabi. Jérémie Delecourt, Chief Operating Officer, François-Aïssa Touazi, Senior Managing Director & Chairman Ardian Limited Abu Dhabi, and Candice Brenet, Head of Sustainability, were representing Ardian. The summit, organized by Abu Dhabi Investment Authority and Mubadala, was the opportunity for OPSWF members to meet in person with John Kerry, U.S. Special Presidential Envoy for Climate, and Mary Schapiro, Head of the FSB Task Force on Climate-related Financial Disclosures Secretariat, to discuss how to advance the financial community's contribution to achieving the goals of the Paris Agreement and how to strengthen cooperation between the members institutions in light of the current climate and energy supply challenges. French president Emmanuel Macron also addressed the summit virtually from the Elysée Palace. Over the past 12 months, Ardian, whose vision is to be an agent of a positive change, and is a pioneer in the private markets to invest in the energy transition, co-led with the Public Investment Fund of Saudi Arabia and Mubadala an initiative on clean hydrogen as this sector has become widely recognized as a key component of the energy transition. OPSWF released a publication outlining priority enablers to scale up massive investments in clean hydrogen globally. This work was also supported by Egypt and Greece sovereign wealth funds. Ardian is fully committed to expanding the collaboration with OPSWF members in order to build concrete investable clean hydrogen solutions at scale.



NOVEMBER 2022

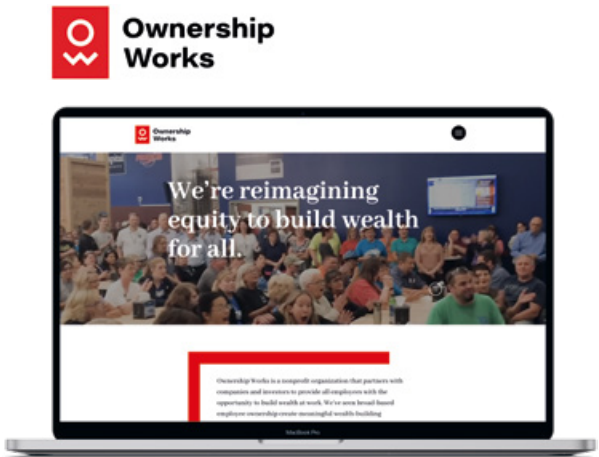
Net-zero transition

**TOWARDS A GLOBAL STRATEGY FOR NET-ZERO AVIATION**

**T**he Fight for a Net-Zero Aviation is the third study published by Ardian's Infrastructure team as part of its Augmented Infrastructure series. In this edition, we set out our blueprint for aviation's net-zero transition, combining changes in travel habits with the adoption of sustainable aviation fuels, improvements in aircraft technology and innovations that increase the "operational intelligence" of airports. As the owner of six Italian airports, we recognize that although they are responsible for only a tiny percentage of the overall carbon emissions generated by the aviation industry, airports have a crucial role to play in enabling the sector's transition to a sustainable operating model.



READ THE STUDY

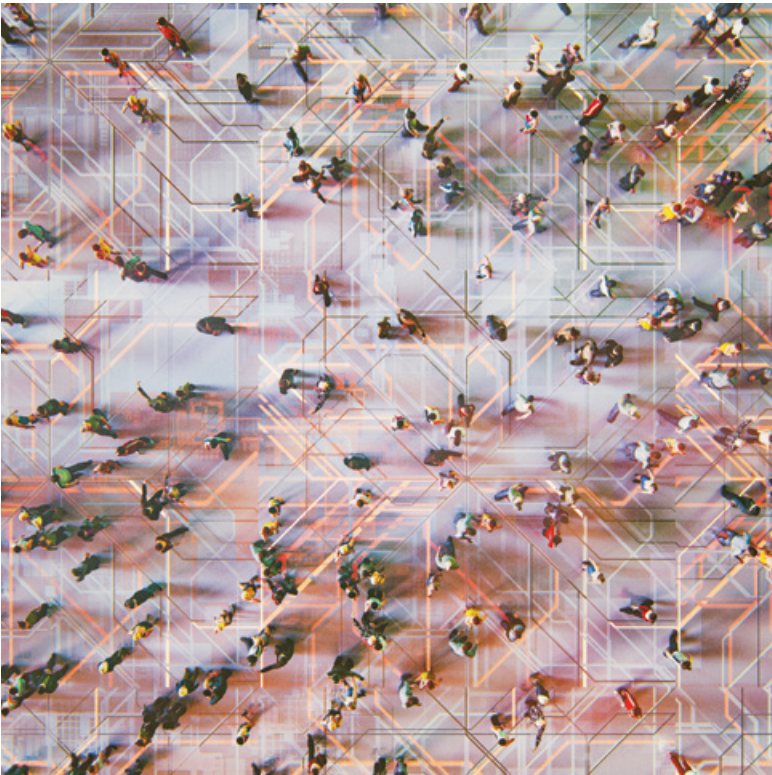


DECEMBER 2022

Value sharing

**ARDIAN IS THE FIRST EUROPEAN MEMBER OF OWNERSHIP WORKS**

**W**e expanded our longstanding commitment to value sharing by becoming the first European sponsor to join Ownership Works, a new US-based non-profit organization that promotes share ownership programs that are open to all employees. Ardian adopted its value-sharing charter in 2008, since when we have distributed a portion of the capital gains at exit to more than 31,000 employees at 43 portfolio companies. We encourage value sharing and equity ownership schemes at every company we invest in since we believe that if we are to transform a company's performance, we will need active support from everyone who works there and that therefore they should share in the value that they have helped to create.



DECEMBER 2022

Corporate

**ALL INVESTMENT TEAMS TO INCLUDE A DATA SCIENTIST**

**W**e originally established our data science team within Ardian Infrastructure, as part of our drive to apply data analysis to the way we manage infrastructure assets. We have now decided to expand our team of data scientists and to make this a cross-departmental function, with at least one member embedded with each of Ardian's investment teams. This will enable our investment teams to become much more deeply involved in helping to improve the day-to-day performance of our portfolio companies, using data analysis to highlight opportunities for value enhancement. The new team will be led by Pauline Thomson, Director in Ardian's Infrastructure team, in partnership with our IT department, which is building a company-wide data platform.





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We have always believed that finance can exert a powerful influence as a force for good in society. We are constantly improving our expertise and tools so that we can ensure each of our investments plays its role as an agent of the change we want to see.

## SUSTAINABILITY

# *How we help build a positive future*



Aligning our investment portfolios with Ardian’s sustainability goals in a world that is constantly moving requires us to implement changes at unprecedented speed. We are investing faster than ever to develop the skills, knowledge and tools that we need to achieve our ambitions.

We are ready  
to meet the  
**transformation  
challenge**

*“We are no longer in the phase of convincing people to act. The point is now to help our employees and portfolio companies to take concrete steps.”*

CANDICE BRENET  
Head of Sustainability

**What are you doing to ensure that Ardian can deliver on its vision of responsible investment across such a wide range of activities?**

**Candice Brenet** — We have significantly reinforced our internal resources and added specific expertise to our Sustainability team during 2022. The team now includes a climate expert, an agro-engineer and specialists in biodiversity and data. We are also increasing our ESG disclosures to meet our clients’ needs and have hired two compliance experts to focus on ESG regulations and our first team member in New York. Overall, we have doubled our team, which reflects the magnitude of the challenges we must address in transforming our investments. That also means that we need every Ardian employee to contribute to this transformation, which is why we have incorporated ESG objectives into the

appraisal process for all our staff in line with our sustainability priorities: the climate transition, a fairer society and creating measurable impact. We are notably offering people training to understand causes and consequences of climate change and its global impact. Our aim is to train a majority of Ardian’s employees by the end of 2023.

**How are you developing your work on value sharing as part of your fairer society pillar?**

**C.B.** — As a company with many employee shareholders, we have been strong advocates of value sharing in private equity for 15 years and it is great to see this idea gaining acceptance. We have recently become the first European member of Ownership Works, a US non-profit organization launched in March 2022 that advocates all-employee share ownership schemes and helps to educate employees on investment. Around 30% of our portfolio companies already have equity schemes open to some staff and we are taking steps to give many more employees a way to become shareholders in their company. We believe this is a powerful way to align interests between employees, companies and shareholders.

**You have talked about what you are doing to strengthen Ardian’s capabilities in ESG, but how are you helping your portfolio companies and GPs to do the same?**

**C.B.** — We have been engaging actively on sustainability with our portfolio companies

for many years, agreeing individual ESG roadmaps with them annually. But over the past year we have also tried to amplify the effectiveness of our engagement by expanding Ardian Circle. It is a program of workshops that brings together executives from our portfolio companies to find concrete solutions to the social and environmental challenges that they all face in making their companies more sustainable. It gives us a very efficient way to share the knowledge we have gained at Ardian and to spread ideas and best practices quickly throughout our portfolios. We see Ardian Circle as an important addition to the support we give our management teams – initiatives like this are how we believe real change happens. We have also been conducting our ESG monitoring program on the GPs in our Secondaries & Primaries portfolio for more than a decade, providing feedback on their performance at the investment process and corporate level. Over that time we have seen a dramatic increase in the number of GPs integrating ESG into their investment



processes and particularly in the proportion working to improve ESG performance during their holding period: this has risen from 66% in 2016 to 90% last year.

**You identify measurable impact as one of your sustainability pillars. What tools are you adopting to measure the change that your sustainability projects create?**

**C.B.** — There is huge appetite for sustainability data, and we have hired a data expert to lead our analysis and are redesigning our ESG data management systems. Over the past year we have extended our ESG data monitoring to a further 84 companies, so we now

cover 98% of Ardian’s assets under management globally, which is a big step forward. We have also added a specialist tool to monitor our Real Estate portfolio, which is essential for planning the decarbonization trajectory for each asset towards net-zero. All our work on data collection, structuring and analysis is an essential part of the overarching climate strategy that we started developing for Ardian during 2022. Once finalized, it will cover both Ardian itself and all our portfolio assets, and a lot of our sustainability activities, such as our staff training programs and the work of Ardian Circle, are feeding into and supporting this exercise.

**ABOUT THE ARDIAN CIRCLE INITIATIVE**

*During 2022 we held six Ardian Circle workshops: two on Inclusion & Diversity, one on measuring carbon footprint, two on ESG regulations and one on energy procurement. Since we started this initiative, these sessions attracted 244 participants from 64 portfolio companies.*

ARDIAN.CIRCLE  
THE FUTURE THINKING COMMUNITY

Ardian’s sustainability strategy is fully aligned with our corporate purpose – to invest all of ourselves in building companies that last. We want to generate returns, both financial and non-financial, that can be sustained over the long term.

Our sustainability strategy stands on three pillars

*“We believe that by prioritizing people and striving to create a fairer society and contribute to the climate transition, we can ensure that the companies we support are equipped to succeed now and in the future.”*

CANDICE BRENET  
Head of Sustainability

Diversity and equal opportunities

We run initiatives that address multiple aspects of diversity, both within Ardian and with our portfolio companies and the GPs in our Secondaries & Primaries portfolio. Ardian Women’s Club, which provides a mentoring and support network for female employees, now has branches in nine of Ardian’s offices, and during 2022 Ardian was awarded the second level of EDGE certification. We lifted the proportion of women in our investment teams to 24% – in line with the average from our 2022 survey of GPs in our Secondaries portfolio – and aim to reach 40% by 2030. We assess diversity and feelings of inclusion across our portfolio companies using metrics we developed with the specialist consultancy Diversio and have an overall target of increasing the share of women and minorities in management positions by 20% during our investment period.

A FAIRER SOCIETY VALUES EVERYONE’S CONTRIBUTION

Our efforts to promote fairer social outcomes encompass both our belief in sharing value with all those who contribute to its creation and our commitment to make Ardian and the companies we invest in more inclusive, diverse and equitable.

Sharing part of the capital gains realized at exit has been central to our sustainability approach since 2008. We extended our commitment last year, becoming the first European asset manager to join Ownership Works, a US non-profit organization that promotes equity ownership schemes covering all employees. As part of our membership of Ownership Works, we aim to establish broad-based share ownership plans at three portfolio companies by the end of 2024.

98%

of assets managed or advised covered by our 2023 ESG data collection campaign

244

participants, from 64 portfolio companies, at Ardian Circle sessions

The climate transition: a two-track approach

We are developing a comprehensive climate strategy on two main axes. First, we are working to build the long-term resilience of our own activities and those of our portfolio companies. We aim to protect long-term value by helping our portfolio companies manage climate-related risks, deploy energy efficiency solutions and implement transition plans. To better understand our impacts and scope for action we provide technical support to our majority-owned portfolio companies so that they can measure their carbon footprint: 95% did so in 2022. We are also supporting the GPs whose funds we invest in to manage climate risk. Within Ardian itself, we are developing our internal capabilities through our dedicated employee training program, the recruitment of a climate expert, and by collecting data to measure our progress and agree the most effective steps to reduce emissions further.

INVESTING IN THE ENERGY TRANSITION

Our second axis of climate action is to accelerate the energy transition through our investments and industry engagement. We have quadrupled the size of our renewable energy platform since 2016 and launched two dedicated funds: our hydrogen joint venture, Hy24, and our first open-ended vehicle dedicated to support the energy transition. We are also taking advantage of the wider opportunities associated with the transition, for instance by investing in energy-efficient renovations of office buildings through our latest Real Estate fund and by acquiring companies that install energy efficiency schemes such as GreenYellow, which joined our Infrastructure portfolio during 2022. We are leading a working group of investors and asset managers on green hydrogen initiatives for the One Planet Sovereign Wealth Funds forum.

Measurable impact underpins sustainable value

Creating concrete, measurable improvements in our portfolio companies’ sustainability performance is an important value creation lever. This involves collecting and analyzing large volumes of ESG data, which we do through a data management system that covers 98% of our assets under management. We assess our portfolio companies using a framework linked to the UN’s Sustainable Development Goals. This examines their full value chain, from upstream suppliers and inputs through to end-products, services and customers and sets targets at both company and fund level. Through Ardian Circle, we bring together executives from our portfolio companies to network and collaborate to find practical approaches to issues they all face in their business, including sustainability. We adapt our assessment framework to different asset classes and degrees of control and influence that we have, which range from direct majority ownership through to indirect influence on company managements via the LP interests held in our Secondaries portfolio.

ANNUAL GP MONITORING PROGRAM

We have been monitoring the sustainability performance of GPs in our Secondaries & Primaries portfolio since 2011 and give individual feedback to help them benchmark their progress, which has accelerated in recent years. As of 2022, 90% of GPs track ESG data during the ownership period (66% in 2016), and 98% now have a formal responsible investment policy (61% in 2015). If we are to create the impact we are seeking, the right training and incentives are essential. We now incorporate ESG targets into Ardian employees’ annual performance reviews and have instituted a program to train all our staff in climate issues by the end of 2023.

Our Buyout team acquired a majority stake in Staci, a specialist logistics provider, in 2019. Since then, we have worked with the board to set up an Impact Committee, agreed an ESG strategy that establishes targets for 2025 and incorporated ESG KPIs into the CEO’s incentive scheme.



CASE STUDY #1

How we helped Staci shape an **ambitious ESG strategy**



The sustainability roadmap Ardian drew up with Staci’s board identified four main issues: decarbonization, waste management, health & safety and diversity. Logistics and transport account for around 10% of global GHG emissions. At our suggestion, Staci calculated its carbon footprint for Scopes 1, 2 and 3 to provide a baseline for its subsequent actions, which included the definition of an indicator for carbon emissions per package. Thanks to Staci’s innovative logistics pooling solutions, its potential emissions are 23% lower compared to non-mutualized logistics flows. Staci’s target is to cut the carbon footprint of its deliveries by 20% against its baseline by 2025.

Logistics companies produce large volumes of waste, making this an important area for improvement. In 2021, the company managed to recycle 85% of the waste produced and put in place a policy of re-using packaging wherever possible. We intend to go further, and Staci is committed to buying all its packaging from environmentally certified sources by 2025. The company’s safety record has also improved. Accident risks are a significant issue for employees in warehouses and we are working towards a zero-accident goal for all the company’s premises. Between 2019 and 2021, following the introduction of the new safety policy and a staff training program, the accident frequency rate at Staci’s warehouses declined by 34%, putting the company below the sector average.

Inclusion & Diversity is central to our HR strategy both within Ardian and across all our portfolio companies because we believe it contributes to innovation and financial performance. In 2021, Staci’s workforce was 46% female and the company’s Gender Equality Index (GEI) had improved from 87/100 at acquisition to 93/100.

85%

of waste recycled in 2021

50%

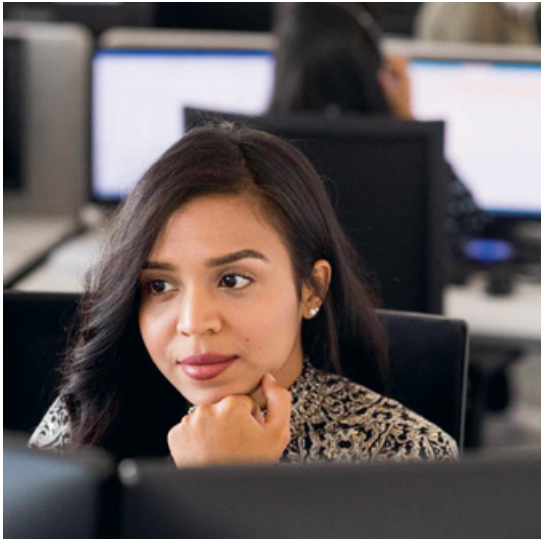
of the top management team are women

Opteven is a roadside assistance company and an insurance provider that has operations in France, Germany, Italy, Spain and the UK. The Expansion team acquired a majority stake in 2018 and identified access to talent and employee wellbeing as key sustainability issues for the company.



CASE STUDY #2

Developing **people policies** that boost success



As a services company that comes to the aid of people in stressful situations, the quality, happiness and wellbeing of Opteven’s frontline personnel are critical success factors for the business. With more than 850 employees, the company needed HR policies that would help it to attract and retain highly-skilled people. We supported the company in developing HR processes to recruit and onboard the right talent, and worked to create a strong employer brand that would support these efforts. Opteven also developed training and personal development programs to help retain employees, and drew up a diversity, equity and inclusion framework. During our ownership, from 2018 to 2021, Opteven consulted its employees regularly on a range of issues, both through staff surveys and by involving them in key company decisions, such as its new business strategy, Highway 25, and its choice of new headquarters building.

These initiatives produced some encouraging results. By the time we exited the company in 2021, employee turnover had fallen to 10% per year, compared with 13% when we invested. We also widened access for employees to the company’s value-sharing scheme: the number of people included rose by 28%, from 524 in 2019 to 670 in 2021. Opteven’s Gender Equality Index (GEI) remained at a high level during our period of ownership at 93/100. Opteven’s target is to increase its GEI to 95/100 during 2022. In 2021, the company was certified in the “Best Workplaces” category by Great Place to Work, the international authority on workplace culture.



*“We encourage all our portfolio companies to widen employee access and develop strong employee engagement as we believe this leads to talent attraction and retention and contributes to sustainable growth.”*

**APRIL TISSIER**  
Sustainability Senior Manager at Ardian



nevel  
CASE STUDY #3

# Targeting carbon neutrality in energy production by 2030

Since acquiring the district heating and integrated utilities company in January 2021, Ardian Infrastructure's team has supported Nevel to significantly reduce its annual carbon emissions from across the 130+ energy production sites and 40+ district heating networks that the company operates in Finland, Sweden and Estonia.

56%

reduction in Nevel's direct CO<sub>2</sub> emissions (scope 1) in the period 2020-2022

55%

increase of Nevel's EBITDA since January 2021

When Ardian acquired Nevel, around 45% of its energy was generated from peat and oil. Our value creation plan called for the phasing out of these fossil fuels and modernization of Nevel's heating plants. We are replacing peat with biofuels and using biomass from industrial plants, supporting local circular economies.

These actions have resulted in a 56% reduction in Nevel's direct CO<sub>2</sub> emissions (scope 1) in the period 2020-2022 on the basis of Nevel's existing assets, and, by the end of 2022, 80% of the company's energy production was from renewable sources. Nevel is committed to becoming carbon neutral in its own energy production by 2030. So far, as a result of Nevel's actions with the support of Ardian, the company's current emissions trajectory should see it come into alignment with the Paris Agreement's 1.5°C target by 2030. At the same time, Nevel's EBITDA has increased by 55% since January 2021.



ARDIAN FOUNDATION

# Supporting the youngest children



CAROLE BARNAY  
President of the Ardian Foundation

*“Around 200 employees give their time already and we are launching an employee engagement program to make it easy for more people to get involved.”*

The Ardian Foundation is to concentrate on measuring the impact of its recently adopted venture philanthropy approach to ensure its growing budget is spent as effectively as possible. Alongside this program, our priority is to encourage more employees to donate their time and expertise to support the Foundation's partner charities.

Our decision in 2021 to focus on charities that help very young children and their families has put our venture philanthropy strategy center-stage. Early childhood charities are under-developed and receive limited funding in every country we have examined. Our challenge, therefore, is to identify those that

are developing effective interventions and help them grow – which means providing money and practical support to build their organization as well as funding the services they provide.

Measuring impact is critical. We are working with external specialists to assess both the benefits that our partner charities deliver to their beneficiaries and our effectiveness in strengthening their organization. This will help us understand what support to provide, which programs deliver the greatest benefits and how to measure outcomes.

Alongside financial support, venture philanthropy means providing practical expertise across multiple areas that Ardian can offer, including legal, marketing, communications, human resources and IT. We are planning a campaign to encourage many more Ardian employees to share their business expertise.

In 2022, we deployed €3.2 million across ten countries to support 49 charities that promote social mobility for children and young people, including 14 that focus on early childhood. Our budget will rise to €3.7 million in 2023 and we plan to increase the share devoted to the youngest children.

26

employee-nominated projects supported in 2022







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We believe that investors' appetite for private market assets will remain strong. We intend to meet that demand by focusing constantly on understanding our clients' needs and staying true to our cautious investment approach that prioritizes quality and long-term resilience.

#### ANALYSIS

# ***How we will ensure growth over the next ten years***



'At Ardian, we invest all of ourselves in building companies that last.'

Our resources



**FINANCIAL** / We manage or advise approximately **\$150 billion of assets that are invested in private markets on behalf of our clients**, who include government agencies, pension funds, insurers, banks, endowment funds, family offices and high-net-worth individuals.



**HUMAN** / We have more than **1,000 employees in 16 offices worldwide** and believe that welcoming people from different social and educational backgrounds strengthens our collective intelligence. We encourage our talented people to stay and develop their career with us.



**ENVIRONMENT** / Our activities and those of our portfolio companies **depend on the availability of energy, natural resources and the long-term health of the environment**. We are working intensively to mitigate the negative environmental impacts of Ardian and its portfolio companies.



**PROPRIETARY TECHNOLOGIES** / We have developed **databases and analytical tools** that support our investment offering. For example, Ardian Air Carbon models emissions from our airports and Opta maximizes the efficiency of our wind farms.



**INFORMATION SYSTEM** / Our **IT systems, cybersecurity measures and ISO-accredited business continuity plans** are critical elements of our global organization. We store and transmit funds and sensitive information in large volumes and therefore prioritize confidentiality and security.



**NETWORK** / Our many relationships with **GPs, corporate advisors, entrepreneurs, talented managers and industry experts** are a vital source of potential transactions and the knowledge and expertise required to execute transformational growth strategies.

Our ecosystem

**The key participants in our business ecosystem** are our clients, the companies we invest in, the other partners we work with and our regulators.

**We help each client find the best way to achieve** their investment objectives using private market assets. We do this by combining our own wide range of funds with our privileged access to funds managed by other leading sponsors.

**Through our own funds we partner with outstanding entrepreneurs and management teams** to help their companies grow and achieve long-term success. We also acquire infrastructure and real estate assets that offer compelling value creation opportunities. We encourage knowledge sharing and build resilient businesses with sustainable competitive advantages.

**We work closely with many other partners** as a primary investor, an owner of secondary interests in their funds, a credit provider, a co-sponsor and a co-investor in their transactions. We monitor the sustainability performance of the sponsors in our secondary portfolio annually and share individual feedback and best practices.

We are a private investment house that specializes in three broad asset classes: Private Equity, Real Assets and Credit.

ARDIAN

We provide a wide range of investment opportunities as well as tailored investment solutions that allow our clients to choose the blend of Ardian and third-party funds that best meet their needs.

Our value creation

**PORTFOLIO COMPANIES** / Our network of local investment teams forms long-term partnerships with entrepreneurs, managers and advisers. We support our **250+ portfolio companies** to accelerate their sustainable growth and international reach through targeted investments and buy-and-build strategies.

**CLIENTS** / We provide a wide investment offering to **meet our 1,440+ clients' needs**, coupled with tailor-made customer service rooted in the strong personal relationships we build with our clients.

**EMPLOYEES** / We offer a work environment in which talented people are encouraged to assume responsibility early on, gain skills and develop their career. **More than 85% of Ardian employees enjoy their quality of working life\***.

**SOCIETY AT LARGE** / Throughout our portfolio companies, we promote value sharing and employee share ownership and have **created 14,000 jobs since 2014**. Since 2010, the Ardian Foundation has promoted social mobility through education, starting in early childhood.

**PLANET** / We are working to **reduce Ardian's greenhouse gas emissions and developing climate transition roadmaps** for our direct investments, in line with the Paris Agreement targets. We contribute directly to the energy transition through our wind and solar power assets and Hy24, our hydrogen infrastructure joint venture.

\*Ardian internal wellbeing survey, June 2022.



Ardian is a cautious, long-term investor. We invest in companies and acquire real assets, and then use our expertise to help them improve their operational performance and become more resilient by identifying concrete actions that will deliver more sustainable profitability.



*“Our entire approach is about long-term success: for our companies, our investors and stakeholders, and for Ardian itself. These goals are totally dependent on each other.”*

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

**O**ur approach as an investor is rooted in Ardian’s corporate purpose: ‘At Ardian, we invest all of ourselves in building companies that last.’ Our role as a responsible investor is the same across all the investments we make on behalf of our clients: to ensure that the companies and assets we own have resilient, future-proofed business models that enable them to achieve long-term success and navigate environmental and social changes.

We invest cautiously and strive to anticipate and manage risks of all sorts. We use leverage conservatively and do not see this as our principal means of value creation. Instead, we enhance business value by strengthening our management teams, improving operational performance and aligning the interests of owners, management and employees through value-sharing mechanisms. In our direct investments, our strategy is to support our companies’ international expansion, both via M&A and organically, to help them grow, diversify their risks and benefit from long-term trends.

Sustainability is central to our investment approach, both as a way to manage risk and as a lever for value creation. We believe that companies with strong sustainability metrics will be more resilient, perform better financially and ultimately prove more valuable.

We agree individual roadmaps with our management teams to address the most material sustainability risks facing their business and measure our progress every year. Climate change and threats to biodiversity are systematically analyzed in every investment and

our roadmaps include regular assessments of each business’s carbon footprint that feed into plans to ensure their long-term resilience. Our climate strategy has three major objectives: to invest in the energy transition, strengthen our portfolio companies’ resilience and increase the resource-efficiency of their supply chain. Data collection and analysis are critical to this effort, and we are investing heavily in Ardian’s data tools and in recruiting data scientists.

We also apply our sustainability assessment to the value chain of our majority-owned private equity investments to manage risks and identify value creation opportunities from upstream inputs and suppliers through to end-customers.

Through our Secondaries & Primaries activity, we are the world’s biggest buyer of portfolios of LP fund interests on the secondary market. We are also a major source of primary commitments to private equity and infrastructure funds globally through Ardian Customized Solutions. Thanks to these factors, we have close links with many of the world’s leading sponsors. These bring important benefits that support other Ardian activities including Co-Investment and Private Credit, both of which enjoy high-quality deal flow thanks to our network of sponsor relationships.

We support the GPs we work with on their sustainability journey by carrying out an annual monitoring analysis that offers feedback on how sponsors can improve performance at the corporate and portfolio level, based on the unique, industry-wide overview our survey gives us.

156+

individualized roadmaps for portfolio companies since 2009 (direct funds)

290+

GPs reviewed since 2011 (Secondaries & Primaries)

c.70%

NAV of portfolio composed of good and top performers in 2022 (Secondaries & Primaries)



As an entrepreneurial company part-owned by its employees, we know from experience that value sharing is a powerful way to align interests and unite people in pursuit of common goals. We have been applying the same principle within our portfolio companies for 15 years.

FOCUS

# We are expanding our commitment to value sharing



Value sharing became a formal part of our investment approach in 2008, when we first distributed a portion of our capital gains on exit to all employees of Photonis, an optical electronics manufacturer. In the 15 years since then, we have made similar distributions to more than 31,000 employees at 43 companies from our Buyout, Expansion and Infrastructure portfolios. These payments, triggered when fund performance targets are met, represent between one and six months' salary.

Over the past decade, Ardian's commitment to value sharing has become broader, both internally and in our approach as an investor. We have increased employee share ownership within Ardian – which now stands at c.50% – and introduced a value-sharing scheme covering all employees. We have seen how popular and effective these measures can be and our goal is to offer the same opportunities to the people who work in our portfolio companies.

Value sharing for us encompasses regular value-sharing mechanisms, employee share ownership schemes and distributions of capital gains to all employees when we sell an investment. Our goal is to see as many of our portfolio companies as possible share value with their employees, ideally through all of the

routes we encourage. Already, our Buyout and Expansion teams have committed to expand value sharing to all companies in their portfolios.

We emphasize value sharing for two major reasons. First, because we know it is a powerful way to align the interests of employees, companies and external investors and focus everyone on the company's long-term success. And second, because we believe it directly supports our vision of a fairer society in which people's contributions to a successful outcome are properly recognized and rewarded.

By the end of 2022, 50 of the 72 portfolio companies in our Buyout, Expansion and Infrastructure portfolios had value-sharing schemes in place, which on average included 22% of their employees. Twenty-two of these companies had an employee share ownership scheme, although these covered only 5% of their staff.

Our aim is to accompany our portfolio companies and wherever possible to ensure everyone has the opportunity to take part. It was our determination to expand value sharing in our portfolio that lay behind our decision last year to join Ownership Works, a US non-profit organization that campaigns for share ownership schemes that are open to everyone. We are the first European company to become a member.



## Ardian backs new employee ownership group

We are pleased that Ardian has become the first European-company to join Ownership Works, a US non-profit organization that partners with companies and investors to provide all employees with the opportunity to build wealth at work, and which counts more than 60 partner organizations (PE firms, pension schemes, labor associations and foundations). Its mission aligns with our ambition to see value-sharing mechanisms in our portfolio companies become accessible for everyone.

On joining, soon after Ownership Works launched in March 2022, we set an initial target for Ardian to establish all-employee share ownership schemes at three of our portfolio companies by the end of 2024. Our commitment covers companies in our Buyout, Expansion, Growth and Co-Investment portfolios.

Ownership Works encourages company owners to make a large proportion of the equity capital available for employee ownership. It will support our program to broaden employee share ownership at our portfolio companies by providing advice on how they should structure their schemes, help with employee outreach, and educational materials to ensure people understand the principles of investment and share ownership.

Ownership Works' mission is to create "at least \$20 billion of wealth for lower-income and diverse workers over the next decade".



FOCUS ON TRUSTTEAM

# How Ardian introduced value sharing at Trustteam

The Belgian IT services company tripled in size under Ardian’s ownership, thanks to a successful M&A strategy, and exceeded its business plan. We made sure employees shared in the gains.

**A**rdian Expansion team bought a majority stake in Trustteam in 2018 with the intention of helping the company’s founder, Stijn Vandeputte, to expand into France through a series of bolt-on acquisitions. For IT services companies such as Trustteam, which specializes in serving smaller companies, M&A is a key engine of growth since the market remains highly fragmented and so offers attractive opportunities for consolidators.

Trustteam had already acquired numerous smaller companies in its native Belgium but with our support it was in a position to make bigger, cross-border acquisitions that would accelerate its growth significantly. As part of this strategy, our investment team agreed with Stijn Vandeputte that the company should find a way to ensure the management teams at the companies they planned to buy would be fully aligned with the growth plan Trustteam was pursuing.

They therefore worked on an equity investment scheme that would enable the

managers who joined Trustteam to buy shares in the company and so feel more committed to its long-term success.

Between 2018 and 2022, when we exited our investment in Trustteam, the company completed five acquisitions, two in Eastern France and three in Belgium, that between them transformed the size and product offering of the company. By the time we sold our shareholding, Trustteam had trebled in size and its revenues from the French market were as large as its total revenues had been when we invested. As a result of the new equity scheme we helped to introduce, 14 additional managers became shareholders in Trustteam during this period.

The company performed very strongly throughout the period of Ardian’s ownership and exceeded its original business plan by a wide margin. In recognition of the efforts made, Ardian shared part of its realized gains through the payment of an exceptional bonus to all 254 employees.



**Trustteam**

*“Before we partnered with Ardian, we did not have a scheme that allowed other members to take a stake in the group. That was an important change.”*

**STIJN VANDEPUTTE**  
Founder and CEO, Trustteam



# Our multilocal network reaches a global client base

Ardian's roots are in the main Eurozone economies, but our mindset is global. We believe private market assets have an important role to play for investors all over the world, so our strategy is to be close to them and understand their needs, wherever they are.

In the decade since Ardian became an independent company, our strategy has been to build on our strength and reputation in Europe to create a global private investment house. We believe this approach will give our clients a wider set of opportunities and will diversify our risks more effectively. Today we are present on four continents with a network of 16 offices. Globalizing our activities in this way has naturally required us to diversify our investment offer as well so that we can meet the needs of investors on every continent, from the largest institutions to high-net-worth private clients.

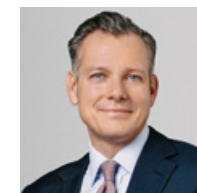
In 2013, when we became Ardian, we had \$36 billion of client money under management or advice, two-thirds of which originated from clients based in Europe. Today, our assets managed or advised have grown fourfold to \$150 billion but the share raised from European clients has fallen to just over half as our investor base has become steadily more global. The balance is split between the Americas, which account for a fifth, and Asia and the Middle East, with about 14% each. Our growth in the Middle East has been particularly notable. In 2017 we had \$3 billion under management from the region; by the end of last year that had risen to \$18 billion.

So, thanks to our growing success in attracting clients beyond our traditional European markets, we now have a well-balanced global spread of investors. We expect the proportion of our assets managed or advised from LPs in the Americas, Asia and the Middle East to continue growing as investors in these regions make up a growing share of the new money we raise. We remain firmly rooted in Europe, but we are convinced that

while our investors value our European heritage, they no longer regard us as a purely European player.

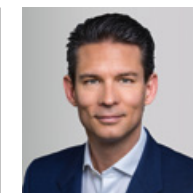
We attribute our success in diversifying our client base to our strong culture of service backed by excellent technology, best-in-class investment products, and our decentralized, multilocal structure. 'Boots on the ground' are fundamental to our strategy: we believe the best way to win and retain investors over the long run is to have a local presence that includes people who speak their language and share a cultural affinity with them. The recent opening of our office in Abu Dhabi further extends this approach and over the next few years we expect it to lead to many new relationships and investment opportunities across the Middle East.

We will continue to expand our network and bring Ardian closer to our clients wherever they are. And in parallel, we will continue to refine our proposition so that we can give every investor the mix of private market assets they need to achieve their objectives. Our solutions-based approach is key. We are expanding our Customized Solutions team and developing ways to give clients more flexible access to our strategies, for example by complementing our leading position in Infrastructure with infrastructure secondaries so that investors can increase their allocations to this sought-after asset class more rapidly. We are building innovative ways to open up new investment opportunities for private clients. And we have ambitious plans to scale up and add new strategies in North America, the world's largest and most active market for private investments. More than ever, we see Ardian as a global private investment house that was made in Europe.



*"In the past year we raised close to \$28 billion, which is a great achievement. I believe we can double or treble in size over the coming decade."*

**JAN PHILIPP SCHMITZ**  
Head of Investor Relations and Member of the Executive Committee



*"We have extended the range of investment solutions that we can offer so that we can provide an answer, whatever our clients require."*

**FLORIAN KLUGE**  
Co-Head of Investor Relations Europe and Managing Director



François-Aïssa Touazi, Chairman Ardian Limited Abu Dhabi, discusses Ardian’s achievements in the Middle East, from our record of building leading-edge partnerships with key strategic players, to our long-term ambitions for the firm in the region.

# Our office in Abu Dhabi is a gateway between Ardian’s largest US and EU operations



*“Opening our office in Abu Dhabi is a cornerstone in the development of Ardian. This region has tremendous economic ambitions.”*

**FRANÇOIS-AÏSSA TOUAZI**  
Senior Managing Director and  
Chairman Ardian Limited Abu Dhabi

**For how long have you been leading Ardian’s efforts in the Middle East?**

**François-Aïssa Touazi** — I joined Ardian in 2008, at that time we were managing around \$200 million from Middle Eastern clients. Today we are managing close to \$20 billion of assets for around 65 clients in the region and we have established ourselves as clear strategic partners for the largest and most sophisticated sovereign wealth funds, governmental bodies and institutions. Ardian’s reach in the region is not that of a stand-alone general partner, as our competitive advantage lies also in our capacity to act as a leading liquidity provider in the world by acquiring portfolios on the secondary market, often from the same clients that are investing in our platform. On the industrial side, our co-investment program offers direct exposure to EU and US companies for our largest partners. Many of our portfolio companies will also seek to expand their activities in the region, and to benefit from the

sizable opportunities offered by the local diversification programs. We are very proud to have such strong relationships.

**Why did you decide on Abu Dhabi for Ardian’s first Middle Eastern office?**

**F.T.** — Our historical clients in the Gulf are in Abu Dhabi. Also, there is a concentration of high-quality financial institutions in the United Arab Emirates and particularly in Abu Dhabi. Our partnership with ADIA, the Abu Dhabi Investment Authority, has grown to become today a model for the industry as a whole. Ardian also has a longstanding relationship with institutions with diverse focuses such as the Emirates Investment Authority (EIA), which is focused on returns, as well as others such as Mubadala that are looking to participate actively in the transformation of their country through industrial transformation. By investing abroad in parallel to supporting the vision of the UAE’s leaders, these institutions reshape the economy

and prepare it for a new era. Getting closer to our partners was a conviction carried by Ardian leadership. Our office in the heart of Abu Dhabi financial district at Abu Dhabi Global Market on Al Maryah Island is the natural translation of decades of shared trust between Ardian and its local partners.

**Does this mean Ardian intends to invest in the Middle East as well as raising funds there?**

**F.T.** — Definitely. COP28 will take place in Dubai this year and all eyes will be focused on the energy transition challenges in the Middle East. We want to play a major role in this enterprise and through Hy24 we already manage the largest clean hydrogen infrastructure fund in the world. We strongly believe this strengthens our position as a natural partner for institutions in the Middle East that want to invest in green hydrogen. We know that Saudi Arabia, Oman and the UAE want to be leaders in hydrogen, and we are already working on several projects. We are also very excited that a lot of Ardian’s European portfolio companies are very interested in investing in the MENA region. Governments in the Middle East want to transform their economies and there are many opportunities in sectors such as healthcare, technology, entertainment, tourism and logistics. Our base in Abu Dhabi will be a gateway between the US, Europe and the UAE and will include working space for our portfolio companies who want to expand in the region.



Abu Dhabi Global Market square - Abu Dhabi, United Arab Emirates

**How many people will be working in the Abu Dhabi office initially?**

**F.T.** — We have reached a team of ten people. In order to develop stronger ties with more Middle Eastern clients and provide a higher level of service, this will comprise investment professionals from our Secondaries & Primaries team and members of our Investor Relations team. Additionally, we plan to have Abu Dhabi-based direct investment specialists, particularly from the clean hydrogen fund team. With up to 25 employees there over the next two years, Abu Dhabi is expected to soon grow to be one of the largest locations in our global network. For us, quickly expanding our ground presence is crucial.

**How would you describe the expectations of your Middle Eastern clients?**

**F.T.** — They are very sophisticated investors who seek performance, but they are also concerned with long-term partnerships and place a high emphasis on personal interaction. We are fortunate in that we have already established strong working relationships between our Ardian teams and the teams from the sovereign wealth funds, financial institutions and family offices. Having a strong local presence will strengthen and deepen those partnerships, as well as help us expand the Ardian franchise with other institutional players, private banks, and family offices. These investors are expanding their allocation to alternative investments, and we believe Ardian offers the solutions and expertise to satisfy their requirements.

**we  
grow  
with  
you**

ARDIAN



Join a world-leading private investment house  
that will release your potential.

Private Equity  
Real Assets  
Credit

**OFFICES:**  
Europe  
Middle East  
Americas  
Asia

[ardian.com/talent](https://ardian.com/talent)  
in @Ardian

*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 investment approach remains the same: our local teams in each market form long-term partnerships with entrepreneurial managers and work with them to build resilient, high-quality businesses that are fit to face the future.*

## Investment Solutions & Activities

ASSETS MANAGED OR ADVISED

Figures as of December 31, 2022

\$114bn

Private Equity

SECONDARIES & PRIMARIES - CO-INVESTMENT - BUYOUT -  
EXPANSION - GROWTH - NORTH AMERICA FUND  
pp.54-67

\$26bn

Real Assets

INFRASTRUCTURE - REAL ESTATE - REAL ASSETS DEBT  
pp.68-75

\$10bn

Credit

PRIVATE CREDIT - NAV FINANCING  
pp.76-81



## ARDIAN CUSTOMIZED SOLUTIONS

# A record fundraising year

Ardian Customized Solutions had its most successful year of fundraising yet and expanded to new markets in Asia, Latin America and the Middle East, which offer great long-term potential.

**\$6bn**

ACS commitments confirmed in 2022

**>40%**

of fundraising from Latin America and the Middle East in 2022

**c.80%**

of fundraising from new ACS clients in 2022

**A**rdian Customized Solutions had by far its most successful year to date, confirming a record \$6 billion of new investor commitments during 2022. This success saw our total number of customized solutions increase to more than 50. A significant proportion of the commitments came from existing clients – both ACS clients topping up their customized solutions and investors in our commingled funds adding tailored portfolios – which confirms our investors’ trust in our services. At the same time, we continued to win new clients, proving the strength of our brand in the market.

Customized solutions have become a key route for clients to access private markets. For institutions that are beginning to allocate to private markets but do not have in-house expertise in these assets, a customized solution offers a way to achieve tailored exposure with structuring that meets their requirements and a level of support that adapts to their needs. Customized solutions also attract institutions that are experienced private market investors but are seeking greater flexibility in how they allocate to different markets and sub-asset classes, including those they may have difficulty accessing independently.

The growth that we achieved in 2022 was the result of continuing strength in our core European markets combined with the fruits of our long-term investment in expanding our geographic reach. We achieved important client wins particularly in Asia, Latin America, and the Middle East.

These successes open a further source of growth for us and illustrate the potential to export Ardian Customized Solutions’ expertise to other new markets. We continue to pursue opportunities for



*“Confirming more than \$6 billion of commitments last year represents a major achievement and shows how important customized solutions are becoming for Ardian’s growth strategy.”*

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

example in the Gulf, as well as targeting the large North American market, and believe our growing network of offices will enhance our customized solution activities in the year ahead.

Enabling clients to specify the allocation they are seeking in terms of asset classes, underlying strategies, geographical exposure and their preferred pace of investment, is essential to our proposition. Ardian Customized Solutions leverages Ardian’s full investment offering, including our own direct and secondary investment activities and a vast pool of third-party funds and co-investments through our Secondaries & Primaries platform and our Co-Investment expertise.

We have also invested significantly over several years to strengthen the operational functions that underpin our growing customized solutions business, including our dedicated set-up and fund finance teams, so that we can provide the flexibility and efficiency that customized solutions clients are looking for.

The exceptional demand for infrastructure experienced in 2021 established this asset class firmly as a key customized offering alongside private equity in 2022. Other Ardian asset classes are following, showcased by recent customized private credit solutions and early indications of demand for tailored real estate portfolios.

Across all asset classes, sustainability is assuming greater importance for investors that engage with Ardian Customized Solutions. With its established expertise in sustainability, Ardian can offer investors a sound ESG approach, construct compliant portfolios and provide investor services that meet exacting standards.

## FOCUS

# How we became a leading provider of tailored private-market solutions

**A**rdian Customized Solutions (ACS) aims to offer each client the mix of private market exposure that best meets their needs, combined with their chosen structuring and range of support services. This has proved an increasingly popular offer, both for clients that want focused exposure to specific types of investment and for investors that want a broad private markets allocation but do not have in-house specialists to manage it day to day.

We have been offering tailored portfolios for more than 25 years, which gives us long experience and the knowledge to offer excellent service.

### 1997

ACS is launched with various AXA Group companies. Over the next few years, Ardian takes over several large private market portfolios and begins to build its ACS offering.

### 2005

ACS is opened to selected strategic clients outside AXA, including a large European family office with a global private equity portfolio. This portfolio is still advised by Ardian and has made commitments of more than \$1 billion.

### 2013

Following the spin-off from AXA, Ardian identifies customized solutions as an important future growth area. It invests in dedicated resources and tools to serve its fast-growing ACS client base.

### 2014

First customized solution for a non-European client, aiming to complement the investor’s existing portfolio with focused exposure to North American small and mid-cap segment.

### 2017

First pure infrastructure solution starts investing. Originally focused on primaries and secondaries, Ardian has since added dedicated exposure to renewables and energy transition and direct co-investments to the portfolio.

### 2022

Following a record fundraising year, the number of customized solutions exceeds 50, totaling more than \$40 billion of assets managed or advised.



*“We have a strong brand in Europe that we are extending to other markets. We won several new clients last year in Latin America, for example.”*

**MARTIN KESSI**  
Head of Ardian Switzerland and  
Senior Managing Director

## PRIVATE WEALTH SOLUTIONS

## Demand for private market opportunities surges

We have launched our first evergreen private wealth solution and have a range of further solutions in development to give private investors wider access to private market assets.

**\$9.1bn**  
of assets managed or advised  
as of Q4 2022

**+21.2%**  
of assets managed or  
advised in 2022

**c.\$1.8bn**  
raised in 2022

**T**he year 2022 was one of rapid scale-up for Ardian's Private Wealth Solutions team, culminating in the launch of our first dedicated evergreen solution. We developed this new unit-linked fund, Ardian Access Solution\*, for the French market and launched it in partnership with BNP Paribas Private Bank and French insurer BNP Paribas Cardif. It enables BNP Paribas' clients to invest in Ardian's secondary and direct private equity strategies for the first time. It aims to offer immediate well-diversified exposure to mid- and large-cap private companies and will invest globally with a focus on Europe and North America. Recognizing the desire of private investors for options to access their money if their circumstances change, our life insurance partner offers a certain degree of liquidity.



*“Developing private market solutions for individual investors is an area of huge opportunity for Ardian. Our wide range of strategies puts us in an ideal position to meet their needs.”*

**ERWAN PAUGAM**  
Head of Private Wealth Solutions

We developed Ardian Access Solution during 2022 in partnership with BNP Paribas and marketed it exclusively to their clients for an initial period, before opening to clients of other institutions in the spring of 2023. Demand from BNP Paribas' clients significantly exceeded our expectations, and we quickly surpassed our initial fundraising target, highlighting the strong appetite that exists among private investors to diversify their portfolios into private markets. We are exploring further solutions of this kind with a range of international private banks.

We have also formed a partnership with an online intermediary firm that gives all wealth managers an efficient, standardized way to offer their clients access to our strategies. Using external partners to address and onboard private investors allows us to reduce the execution risks inherent with this segment of investors, as well as simplifying the process for the fund distributors. This considerably expands the size of the market we can address through Private Wealth Solutions. By the end of Q1 2023, we had onboarded 15 wealth managers through this route, with many more relationships under discussion.

Alongside our work in developing evergreen solutions for the high-net-worth segment of the private wealth market, we raised significant sums last year through our existing feeder funds for Ardian's Secondary and Co-Investment activities in Europe and in the US.

We are in advanced discussions to expand our cooperation with some of the most prestigious wealth managers globally on our ninth-generation Secondaries fund.

In parallel, our relationships with the world's wealthiest private investors continued to multiply last year as we welcomed a significant number of single-family offices based in Europe, Asia and the Middle East. These clients have the same flexible access to our strategies as our institutional LPs via our commingled funds and Ardian Customized Solutions.

Interest in private markets among private investors is becoming a global phenomenon that is steadily reshaping the wealth management offering. Over the past three years we have seen a large number of firms that did not previously offer clients private market strategies begin to do so. Already in France most private banks have developed an offering and we see the same trends playing out in local markets globally with buoyant demand from private clients leading to multiple product launches.

We aim to address this fast-developing segment of the market by building a global team of Private Wealth Solutions professionals. During 2022, we recruited team members in Europe, the US and Asia and we are working closely with the broader investor relations team.

The strength of the Ardian brand in our core European and US markets has given us a strong start in building our Private Wealth Solutions business. We intend to increase our prominence with targeted communication campaigns to address private investors, alongside our ambitious product development and launch plans for 2023 and beyond.

\*The information provided is not an offer or investment recommendation. Investing in Ardian Access Solution Fond Commun de Placement à Risques (FCPR) carries a risk of total or partial loss of capital. It is advisable to refer to the Key Investor Information Document and the prospectus of the FCPR before any investment decision.

## INTERVIEW

## How Ardian and BNP Paribas crafted a differentiated solution for private clients



**CLAIRE ROBOREL DE CLIMENS**  
Global Head of Private and Alternative Investments, BNP Paribas Wealth Management

## Why was this an attractive offer for your clients?

**C.R.C.** — Our clients were attracted to the fund because it uses Ardian's Secondaries and Co-Investment strategies to give them international exposure to unlisted companies, which is hard to find for a private client. Indeed, they liked the fact that these strategies gave them a new kind of geographical, sectorial and vintages diversification as well, in terms of GPs. These factors gave us a very well differentiated offering, which made it attractive for BNP Paribas Wealth Management's French clients.

## Were you surprised by the strength of demand?

**C.R.C.** — We had tested the concept with our commercial team so we knew it would meet our clients' needs and Ardian gave us very strong support for the marketing campaign with our clients. But even so we were surprised by the speed of the fundraising given the tough economic environment. Initially we had planned three to four months of fundraising, but in the end, we raised 2.5 times our target in only six weeks. It was the right product at the right time.

**2.5x**

amounts raised vs.  
initial objective

**6 weeks**

fundraising period vs.  
3-4 months planned



## PRIVATE EQUITY

# High-quality private companies generate consistent capital gains

We manage a broad suite of investment products that offer diversified exposure to high quality private companies. These offer clients a choice of risk/return profiles to suit their differing priorities.

## Private Equity

Ardian invests across the private equity spectrum from LP fund portfolios to leveraged buyouts and growth capital

SECONDARIES & PRIMARIES  
*pp.56-57*

CO-INVESTMENT  
*pp.58-59*

BUYOUT  
*pp.60-61*

EXPANSION  
*pp.62-63*

GROWTH  
*pp.64-65*

NORTH AMERICA FUND  
*pp. 66-67*

**P**rivate Equity offers investors capital gains that are delivered both at exit and during the life of the investment through refinancings that allow early distributions of cash as dividends. Performance is measured through the internal rate of return (IRR) and as a multiple of invested capital (MOIC).

Our Private Equity strategies have a record of sourcing attractive investment opportunities and delivering long-term value for investors. They offer different ways to access returns from high quality private companies. Secondary portfolios contain hundreds of companies, offering huge diversification by sector, geography and sponsor, without requiring the investor to select individual funds. Because we purchase stakes in mature funds, the historic performance of the underlying

companies is well known and our ability to buy at significant discounts to NAV generates the potential for strong returns as exits are achieved. Our direct strategies – Buyout, Expansion, Growth – acquire controlling or minority stakes in European large cap, mid cap and growth-stage companies and our Buyout team now also invests in North America. These strategies offer more concentrated portfolios and have performed consistently through successive generations for more than two decades.

Finally, our Co-Investment team allows clients to invest alongside leading third-party sponsors and gain direct exposure to a portfolio of buyouts well diversified by size, sector, geography and sponsor, through a single fund commitment.

Secondaries & Primaries

The leading global investor in secondary fund deals

The secondary market again saw very strong deal flow during 2022, with around \$111 billion of transactions, driven by portfolio rebalancing among large investors due to steep falls in the value of their listed holdings. Their need to trim private market allocations produced an unprecedented opportunity for us to select portfolios of the highest-quality private companies at double-digit discounts to NAV on exceptionally favorable terms. Our position was further reinforced by the relative lack of competition to acquire the largest, multi-billion-dollar portfolios and our extremely high coverage of

the best-performing private equity funds, most of which are already represented in Ardian's secondary portfolio. The strong rebalancing dynamic that dominated the secondary market last year drove a powerful resurgence in the LP deals that we specialize in, after a period when GP-led transactions had surged.

Our focus on the highest-quality portfolios ensured that, in spite of economic headwinds, these companies continued to grow quickly and generate significant cash flows, allowing us to achieve large gains over carrying values at exit.

As of the end of 2022, Ardian Secondary Fund VIII was 85% committed and during this year we did our first deals in our latest fund. In addition, we closed Ardian Secondary Fund VIII Infrastructure in April 2022 at \$5.25 billion, after just nine months of fundraising. This is the world's largest secondary infrastructure fund, more than three times the size of the previous generation.

\$9.3bn

secondary deal volume in 16 transactions in 2022

\$2.7bn

primary commitments in 58 funds in 2022

\$2.1bn

The team's largest secondary transaction in 2022

Highlight

COUNTERPARTY: MUBADALA CAPITAL

DATE: DECEMBER 2022

MUBADALA CAPITAL

We deepened our longstanding relationship with Abu Dhabi-based Mubadala Capital, the asset management arm of Mubadala Investment Company, through a \$2.1 billion partnership comprising two transactions. In the first, Ardian's Secondaries team acquired a portfolio of ten LP interests and six direct investments from Mubadala Capital. The fund interests are with top-tier GPs mainly located in North America and Europe and were transferred to Mubadala Capital's balance sheet during its spin-off from Mubadala Investment Company in 2021. Alongside this deal, we will make a primary commitment to private equity funds managed by Mubadala Capital, with a focus on the highest-quality portfolios managed by blue chip GPs.



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, Head of  
Investor Relations and Ardian Customized Solutions  
and Member of the Executive Committee

Secondaries & Primaries Transactions & Commitments

The tables below show selected transactions and commitments from our Secondaries & Primaries activity

Selected Secondary transactions

Name	Invest. date (MM/YY)	Size
INFRASTRUCTURE SECONDARY		
Peace II	10/22	\$678m
Rialto	08/22	\$370m
Cleveland	01/22	\$27m
EARLY SECONDARY		
Warriors	07/22	\$60m
Dalloway	06/22	\$32m
Glacier	03/22	\$22m
SECONDARY		
Parsnip	12/22	\$2.2bn
Magnolia	09/22	\$2.1bn
Grain	10/22	\$826m
Tower	09/22	\$808m
Sandman	08/22	\$730m
Camellia II	06/22	\$536m
Pineberry	09/22	\$515m
Pottinger	09/22	\$378m

Selected Primary commitments

Name	Date
GLOBAL FUNDS	
Mubadala Capital Partners IV	10/22
Apax XI_EUR	06/22
Advent GPE X	04/22
Warburg Pincus Global Growth XIV	01/22
NORTH AMERICA FUNDS	
Harvest IX	09/22
Vista Flagship VIII	02/22
EUROPE FUNDS	
EQT X	05/22
Carlyle Europe Technology Partners V	03/22
Permira VIII	02/22
ASIA FUNDS	
J-Star 5	02/22
Baring Asia VIII	01/22

“We strongly believe that we are in the early stages of what will prove to be a historic buying opportunity in secondaries.”

THE ASF MANAGEMENT COMMITTEE

Ardian Secondaries & Primaries is led by Dominique Senequier, President of Ardian, with the support of the ASF Management Committee, whose members are: Mark Benedetti, Vladimir Colas, Marie-Victoire Rozé and Jan Philipp Schmitz.



Co-Investment  
An uncompromising  
focus on quality

Ardian reached the end of the investment period for Co-Investment Fund V in the first quarter of 2022, completing its deployment with two transactions. We took part in the acquisition of the pharma intelligence division of Norstella, a UK-based business information group. This was followed by an investment in Starmex, the first transaction for our new Beijing-based investment team.

Although Asia remains a small component of Ardian’s Co-Investment activity, accounting for around 5% of Fund V, our two investment professionals in Beijing are generating a wide range of opportunities.

With market conditions becoming increasingly uncertain as the year progressed, we moved cautiously, avoiding cyclical companies and paying particular attention to their inflation resilience and proposed debt structures. The team completed a further six transactions committing \$375 million. This total – only around half the number in a typical year – included three deals each in Europe and the US, one in each region alongside new sponsors.

We have also seen a number of co-investment opportunities in infrastructure recently. We underwrite global infrastructure co-investments on behalf of Ardian Customized Solutions, having completed two over the last 12 months. This trend signals infrastructure’s growing maturity as an asset class and is a development we will continue to actively pursue.



ALEXANDRE MOTTE  
Head of Co-Investment

“We focus exclusively on high-quality companies that are market leaders and can ride out a period of economic turbulence.”



PATRICK KOCSI  
Head of US Co-Investments

€500m  
deployed each year

30  
investment professionals

€10m to €200m  
invested in each transaction

Highlights

COMPANY: **NORSTELLA** (FORMERLY INFORMA PHARMA INTELLIGENCE) /  
COUNTRY: **UNITED STATES** / SPONSOR: **WARBURG PINCUS** /  
SECTOR: **HEALTHCARE SERVICES** / INVESTMENT DATE: **JUNE 2022**



Ardian Co-Investment team invested in Norstella, a group of five market-leading pharmaceutical data and information providers (Citeline, MMIT, Evaluate, Panalgo, and the Dedham Group) that help life sciences companies to prioritize and enhance the performance of their drug development programs. The company is growing strongly, thanks to a series of successful value creation initiatives.

COMPANY: **WATERLOGIC** /  
COUNTRY: **UNITED KINGDOM** / SPONSOR: **CASTIK CAPITAL** /  
SECTOR: **PURIFIED WATER DISPENSERS** / INVESTMENT DATE: **MAY 2021**



Six months after the buyout of Waterlogic, the company agreed to merge with Culligan, its closest competitor, creating the clear leader in their market with complementary footprints across products, geographies and customers. Post-merger integration and cost saving programs are progressing well and the combined company now operates under the Culligan name.

Co-Investment Portfolio

The table below shows a selection from our Co-Investment portfolio

DISCOVER THE FULL PORTFOLIO  
ON OUR WEBSITE



Company		Invest. date (MM/YY)	Activity	Country
BUSINESS SERVICES				
Renta	NEW	02/22	Construction & renovation equipment rental company	Finland
IQ-EQ		12/21	Investor service provider	Luxembourg
Diot-Siaci		11/21	Insurance consulting and brokerage group	France
Evans		08/21 02/17	Business process outsourcing services for the US freight industry	United States
Trinity Consultants		07/21	EHS (Environmental, Health and Safety), engineering, and science consulting firm	United States
Galway Insurance		12/20	Property & casualty (P&C) insurance and employee benefits brokerage platform in the US	United States
Insight Global		09/19	Staffing & employment solutions provider	United States
Cast & Crew		04/19	Professional employment organization (PEO) for the entertainment production industry	United States
Lindfast Solutions Group		04/19	Master distributor of specialty fasteners	United States
Sedgwick		12/18	Third-party claims management and property loss adjusting services	United States
ProService Hawaii		12/17	Professional employment organization (PEO)	United States
CONSUMER GOODS & SERVICES				
Solina		07/21	Food ingredient mixes	France
Action		01/20	Non-food discount retailer	Netherlands
MEDTECH / HEALTHCARE				
Norstella	NEW	06/22	Leading healthcare information services data provider	United Kingdom, United States
Schwind	NEW	02/22	Manufacturer of eye lasers for refractive surgery	Germany
Palex		12/21 01/20	Distributor of medical devices to hospitals	Spain
Elsan		12/20	Private hospitals operator	France
Galderma		09/19	Pure-play dermatology company	Switzerland
TECHNOLOGY				
Marlink		09/21	Independent provider of communications services and solutions in remote areas	France Sweden
Imagine Learning		02/21	American provider of digital curriculum solutions to K-12 grade students	United States
Infoblox		11/20	Provider of mission-critical network services	United States
Trade Me		04/19	Classifieds website & generalist marketplace	New Zealand
Allegro		01/17	E-commerce platform	Poland
VALUE-ADDED INDUSTRIALS				
Chamberlain	NEW	02/22	Garage door opener and access control solutions provider	United States
Alvest		01/18	Manufacturer of airport ground support equipment	France

Buyout  
Agility and  
focused strategy  
deliver premium  
returns

The environment for buyouts deteriorated sharply last year. Inflation and supply chain disruptions squeezed margins, while rising interest rates reduced the supply of debt finance and doubled its cost. In spite of these challenges, we delivered two exits in France and Italy from Fund VI at strong multiples (c.2.8x) that together realized €1.3 billion.

Sector-specific operational expertise combined with strong local presence is becoming a key source of value creation in private equity.

We are well placed to benefit from this trend thanks to our strategic focus on four key sectors – Health & Wellness, the Food Value Chain, Technology and Services – and we are bringing more industrial and operational expertise into the team. We have also recruited a seasoned debt capital markets specialist to help us adapt to the changing finance market.

We acquired four new platforms in Fund VII (Odealim, Biofarma, Aire Networks and our reinvestment in Neopharmed Gentili), mostly via proprietary processes and at entry multiples below their respective peers. In addition, we completed 62 build-up acquisitions for our portfolio companies. Although we are cautious about conditions in 2023, the Fund VII portfolio continues to perform strongly, with revenues up 15% organically versus last year and 24% overall, and average EBITDA margins steady at 27%. This resilience in an unusually challenging environment is the result of our determination to acquire top quality companies in target sectors at the best possible prices.



THIBAUT BASQUIN  
Co-Head of Buyout and Executive Board  
Member of Ardian US LLC

“North America will be a strong engine of world growth over the next few years. The base we have built there is going to prove hugely valuable.”



NICOLÒ SAIDELLI  
Head of Ardian Italy  
Co-Head of Buyout and Member of  
the Executive Committee

62

build-ups executed  
in 2022

€1bn

invested in 4 companies  
in 2022

€1.3bn

realized in 2 exits in 2022

Highlight

COMPANY: AD EDUCATION / SECTOR: EDUCATION /

INVESTMENT DATE: MARCH 2021 / BUILD-UPS DATE: 2022



We made two large acquisitions to build and diversify AD Education, our 17-strong network of schools across Europe (primarily in France, Italy, Germany and Spain) that offer training in creative sectors, notably the design, communication and audiovisual fields. Through our purchase of the European operations of SAE Institute, we added six new countries and reinforced the group’s audiovisual offer, while Oktogone, an online provider, brought strong digital capabilities. We are diversifying AD Education’s geographic exposure, program offering and delivery channels to strengthen its position as the largest specialist creative arts player in Europe.

Buyout Portfolio

The table below shows a selection from our Buyout portfolio

DISCOVER THE FULL PORTFOLIO  
ON OUR WEBSITE



Company	Invest. date (MM/YY)	Activity	Country
HEALTH & WELLNESS			
Neopharmed Gentili	<div>NEW</div> 11/22 11/18	Pharmaceutical company specialized in primary care	Italy
Biofarma Group	<div>NEW</div> 01/22	European nutraceuticals CDMO	Italy
Inovie Group	03/21	Independent medical diagnostic provider	France
Santé Cie	04/20	Healthcare / home medical assistance provider	France
Inula	12/18	Specialized in natural medical products	Belgium
FOOD VALUE CHAIN			
Florida Food Products	09/21	Formulator and producer of clean label ingredients	United States
Frulact	05/20	Innovative producer of natural fruit-based and plant-based specialty ingredients	Portugal
Cerelia	03/20	Manufacturer of fresh, ready-to-bake dough solutions	France
Monbake	02/18	Frozen bread and bakery products manufacturer and distributor	Spain
Prosol	04/17	Fresh food specialty retail	France
SERVICES			
Odealim	<div>NEW</div> 06/22	Real estate insurance and credit brokerage	France
GBA Group	04/21	Bio-analytical laboratory services provider	Germany
AD Education	03/21	European pure player in creative arts higher education	France
Staci	10/19	Specialty niche third party logistics	France
Expleo	09/17	Engineering services provider	France
TECHNOLOGY			
Aire Networks	<div>NEW</div> 06/22	Provider of converged communication services	Spain
Jakala	07/21	Leader in the outsourcing of marketing services	Italy
Advancion (formerly ANGUS Chemicals)	11/20	Global producer of specialty ingredients for Life Sciences, Personal Care and other essential markets	United States
Audiotonix	03/20	Designer and manufacturer of professional audio mixing consoles	United Kingdom
Dedalus	07/16	Healthcare software	Italy



Expansion  
Pricing power  
proves decisive as  
inflation jumps

Faced with surging costs and a slowing economy, Ardian Expansion team’s portfolio companies produced a robust performance across the board in 2022. EBITDA increased 9% organically on average and 15% after acquisitions, maintaining margins and demonstrating the pricing power and operating leverage that we prioritize in every deal. We made three new investments last year in our key sectors (Healthcare, IT & Technologies, Business Services and Value-added Industrials) along with 21 build-ups to expand our portfolio companies’ international footprint. These

transactions maintained our investment tempo in Expansion Fund V, leaving it 75% committed by the year-end.

The re-emergence of cost and wage inflation, rising interest rates and continuing supply chain disruptions required us to work more closely than ever with our management teams and to scrutinize the cost base in greater depth. We supported them with a range of operational challenges including energy supply deals and structuring salary increases and sales incentive packages. The addition of the HR consultancy Alixio to our portfolio during 2022 proved a big advantage in these efforts.

We also capitalized on the attractive prices that high-quality companies continue to command by exiting two portfolio companies: the SME-focused ICT consultancy Trustteam and Opteven, the roadside assistance and insurance company, both of which we acquired in 2018. The two exits produced outstanding returns for investors in Expansion Fund IV.



FRANÇOIS JERPAGNON  
Head of Expansion

“The ability to pass on price increase has always been one of our key investment criteria. That has proved very useful in the current inflationary environment.”

3 investments in 2022

2 exits in 2022

21 build-ups in 2022

Highlights

COMPANY: SERMA GROUP / COUNTRY: FRANCE  
SECTOR: ELECTRONIC ENGINEERING / INVESTMENT DATE: JULY 2022



We acquired a majority stake alongside the management in SERMA Group, a French provider of embedded electronic systems for use in extreme environments. The company has many high-profile clients and we had previously been a shareholder from 2015 to 2018. We are supporting SERMA’s plans to consolidate its sector in France and other European countries.



COMPANY: TECHNOLOGY & STRATEGY / COUNTRY: FRANCE  
SECTOR: TECHNOLOGY CONSULTING / INVESTMENT DATE: JANUARY 2019

During 2022 we accelerated Technology & Strategy’s buy-and-build strategy with three acquisitions. In April, we bought Intys, a Belgian management consulting company, and in October we added SEITech, which gives T&S a near-shoring platform in Egypt for its engineering activities. The company has also acquired Lisbon Nearshore, to bring additional digital expertise to the group.

Expansion Portfolio

The table below shows a selection from our Expansion portfolio

DISCOVER THE FULL PORTFOLIO  
ON OUR WEBSITE



Company	Invest. date (MM/YY)	Activity	Country
IT & TECHNOLOGIES			
SERMA Group	NEW 07/22	Consulting and services in electronic technologies, embedded systems and information systems	France
Berlin Brands Group	10/21	Pan-European D2C e-commerce player	Germany
Artefact	09/21	End-to-end data services company	France
YT Industries	08/21	Global high-performance mountain bike brand	Germany
Swissbit	06/20	Manufacturer of storage and embedded IoT solutions	Switzerland
Saal Digital	11/19	Online platform and manufacturer of premium photo products	Germany
Technology & Strategy	01/19	Specialist in new technology consulting	France
BUSINESS SERVICES			
Assist Digital	NEW 01/23	Leader in digital CRM services and technologies	France
Alixio	NEW 05/22	Strategic consulting and operational services in human resources	France
Groupe RG	12/21	Specialist distributor of personal protective equipment	France
NetCo	07/21	Maintenance of conveyor systems	France
Syclef	11/20	Installation and maintenance of refrigeration systems	France
Finaxy	09/20	Multi-specialist insurance broker	France
F2A	02/16	Business process outsourcing (HR/Finance)	Italy
VALUE-ADDED INDUSTRIALS			
Deli Home	07/21	Market leading producer and distributor of made-to-measure, do-it-yourself and building supplies	Netherlands
Impact Group	03/20	Manufacturer of packaging for the food industry	France
Corob	08/18	Tinting systems for decorative paint	Italy
Algo Group	06/15	Automotive aftermarket components manufacturer	Italy
HEALTHCARE			
Simago	NEW 07/22	Medical imaging and radiology centers	France
Imes-Icore	09/17	Manufacturer of machine systems for the dental and manufacturing industries	Germany
Synerlab	12/13	Pharmaceutical Contract Development Manufacturing Organization (CDMO)	France

Growth  
Digitization  
and automation  
trends fuel  
revenue gains

Aradian’s Growth team made its final two investments in Fund II during the first half of 2022, acquiring a minority stake in Taxually, a fast-growing enterprise software provider that has created a fully automated tool for tax filing and compliance. We also re-invested in Up-too, a French digital recruitment company providing hiring, consulting and training services for B2B salesforces.

The Growth portfolio performed well in 2022 with strong average revenue growth

and several companies delivering exceptional increases. For instance, Argon & Co, the management consultancy we backed in 2020, has already achieved its four-year business plan after two years, while earnings at Translated, the digital translation platform, have almost doubled since we invested in mid-2021.

During the past year, we recruited our first New York-based investment professional to help more of our portfolio companies capitalize on the US market’s growth opportunities. We have a successful record of helping European founders make the transition to the US and accelerate their growth there, having supported our portfolio companies Ivalua and Planisware as they grew to significant scale in this market.



ALEXIS SAADA  
Head of Growth

“These are times when providing unwavering support to our entrepreneurs as they build their companies can make a huge difference and significantly shorten their route to success, especially when it comes to making acquisitions and growing internationally. We are totally committed to helping them reach their goals.”

100+

profitable growth investments

c.100%

revenue and headcount growth blueprint

90%+

of our portfolio companies supported in their international market openings

Highlights

COMPANY: TAXUALLY / COUNTRY: HUNGARY

SECTOR: BUSINESS SERVICES / INVESTMENT DATE: MAY 2022



Taxually has created the world’s first fully automated tool to manage the entire VAT compliance process, from registration in multiple jurisdictions right through to filing returns. The company provides VAT services to merchants using major online marketplaces. We acquired a minority stake alongside Taxually’s founders to support their ambitious growth plans.

COMPANY: ARGON & CO / COUNTRY: FRANCE

SECTOR: MANAGEMENT CONSULTANCY / INVESTMENT DATE: MAY 2020

BUILD-UPS DATE: 2022



Argon & Co is an international consultancy that specializes in operations strategy and digital transformation projects. During 2022 we completed three build-ups that greatly expanded its presence in Australia and New Zealand, acquiring Pollen Consulting Group, Intent Group and Fuzzy LogX. These transactions brought the total number since we invested to four.

Growth Portfolio

The table below shows a selection from our Growth portfolio

DISCOVER THE FULL PORTFOLIO  
ON OUR WEBSITE



Company	Invest. date (MM/YY)	Activity	Country
SOFTWARE			
Taxually	<span>NEW</span> 05/22	Leading provider of tax compliance software solutions	France
easiware	12/21	Omnichannel SaaS customer relationship management software platform	France
Translated	06/21	Leading artificial intelligence-enabled professional translation and localization platform	Italy
Logalty	04/21	Provider of services for generating proof by interposition in online transactions	Spain
Elée	11/20	Software & Cloud Asset Management platform	France
IWD	09/18	Retail merchandising software publisher	France
Planisware	08/18	Project portfolio management software	France
Sociabble	02/16	Employee Communications & Brand Advocacy SaaS platform	France
Ariane Systems	05/15	Self-check-in/check-out solutions for hotels	France
Ivalua	04/11	International leading editor of e-procurement software	France
BUSINESS SERVICES			
Uptoo	<span>NEW</span> 07/22 04/19	Sales executive hiring, training & consulting B2B platform	France
Digital Value	12/21	Leader in data analytics for business	France
Nova Reperta	07/21	Management consulting company specialized in back and front-stage transformations	Belgium
Argon & Co	05/20	Global management consultancy in operations strategy and transformation	France
Alsatis	12/19	Specialist Internet / telecom operator & services provider	France
SQORUS	12/19	HR and Finance consulting & integration services	France
Optimind	01/19	Actuarial & risk management services for insurance, banking and corporates	France
Mobius Group	07/18	Mobility platform dedicated to fleet maintenance	Spain
WEB BUSINESS			
Nutripure	<span>NEW</span> 05/22	Sports nutrition and food supplements	France
Strategie Media Conseil	11/21	Luxury real estate classifieds platform	France
Jakala	05/21	European leader for loyalty, advisory & marketing tech (martech) services	France
Kapten & Son	02/21	Direct-to-Consumer digital native brand focused on premium fashion accessories	Germany
Euro 4x4 parts	04/20	Omnichannel distribution of spare parts, equipment and accessories for off-road vehicles	France
HEALTH & WELLNESS			
Proteor	12/20	Production, distribution and fitting of external orthopedic devices	France
H2 Pharma	10/20	Manufacture of non-sterile OTC and generic liquid pharmaceutical products	France



# North America Fund

## Bolstering industrials and service portfolio despite a challenging market

The Ardian North America Fund team remained cautious on new investment opportunities in 2022 as the business environment became more difficult and concentrated on strengthening its portfolio of small-cap industrial and service companies to better withstand the challenging market. Important changes included the appointment of a new CEO and CFO at Acousti Engineering, a key step to improve the internal processes at the Florida-based interiors contractor to keep up with the recent organic growth and position the company to start making acquisitions.

Soteria, the manufacturer of flexible plastic packaging, traded well throughout the year, adding new capacity and completing two bolt-on acquisitions (with a third in negotiation) to accelerate its geographic expansion. At PRGX, the tech-enabled spend management specialist, new hires brought additional skills to the management team and focused the company more firmly on revenue growth initiatives. Revere Plastics, the specialty injection molding platform, made a good recovery from supply chain problems and won significant new business during the year. Finally, HDT, the manufacture of tubular assemblies for the automotive market won its first significant business supplying HVAC components to an electric vehicle platform, a market HDT has been developing for some time.

The operational work carried out across the portfolio put our companies in a strong position to grow in 2023 despite potential economic uncertainty. This has underpinned the value that we expect to realize from our portfolio of niche industrial and service players in 2023 and beyond.



VINCENT FANDOZZI  
Head of North America Fund

“The portfolio has improved steadily and we have seen strong organic growth at almost all our companies. We are well positioned for 2023.”

7  
investment professionals

5  
portfolio companies

2  
main sectors: Industrials and Services

### Highlight

COMPANY: **SOTERIA FLEXIBLES** / SECTOR: **PLASTIC PACKAGING**  
INVESTMENT DATE: **SEPTEMBER 2019** / BUILD-UPS DATE: **2022**



We completed two acquisitions for Soteria Flexibles during the past year and are negotiating a third. We bought the assets of Phoenix Plastics, which further boosted production capacity at our Chicago and Seattle plants. We also acquired Continental Products for \$11 million, strengthening Soteria’s offering in the food service market. The acquisitions have been fully integrated and substantial cost and purchasing synergies realized. Soteria had record order intake and backlogs in 2022 and has successfully passed higher resin costs on to customers. As resin costs have normalized, the business has returned to higher levels of profitability. Key hires during 2022 included a new CFO and Heads of Sales and Production.

# North America Fund Portfolio

The table below shows our North America Fund portfolio

DISCOVER THE FULL PORTFOLIO ON OUR WEBSITE



Company	Invest. date (MM/YY)	Activity	Country
BUSINESS SERVICES			
PRGX	04/21	Tech-enabled recovery audit, contract compliance and advanced analytics services	United States
Acousti Engineering	10/20	Specialty interior finish solutions for institutional, infrastructure and commercial end market	United States
VALUE-ADDED INDUSTRIALS			
Soteria Flexibles	09/19	Manufacturer of flexible plastic packaging	United States
Revere Plastics Systems	12/17	Designer and manufacturer of plastic injection molded parts	United States
HDT	07/17	Global supplier of tubular components for the automotive industry	United States



### Highlight

COMPANY: **PRGX** / SECTOR: **FINANCIAL SERVICES**  
INVESTMENT DATE: **APRIL 2021** / BUILD-UPS DATE: **2022**

PRGX consolidated its Retail and Commercial Recovery Audit businesses into a single unit last year to spread best practices from Retail to the Commercial division and accelerate its growth. The company also carried out a detailed analysis of growth opportunities across each of its business lines, with particular focus on Commercial Recovery Audit and Advanced Analytics services. During the year, we strengthened PRGX’s senior management team with two important hires, a Chief Technology Officer and a Chief Revenue Officer, who bring additional experience in developing and expanding SaaS-based businesses. The company has reduced its leverage from 3.7x to 3.0x EBITDA since the acquisition closed.





## REAL ASSETS

## Real Assets offer alternative sources of capital growth

Infrastructure and real estate can provide capital appreciation and, in the case of infrastructure, a regular cash yield. Long-term shortages of quality assets in many markets also helps to support capital values.

**A**rdian's Real Assets investment teams have achieved leading positions in the highly competitive market for infrastructure and real estate assets and are consistently able to source the best opportunities thanks to their extensive industry networks.

Our Infrastructure strategy acquires transport, renewable energy and communications assets that play an essential role in the economy and are therefore resilient against economic slowdowns. Investors typically receive both capital gains at exit and an annual portfolio yield of 6%-7% once the portfolio matures, thanks to road tolls and airport landing fees, access charges for communications networks and income from sales of renewable electricity. More than 85% of the revenues of our infrastructure assets are indexed to

inflation and the funds have a 15-year life, offering the potential for income over a longer horizon.

Ardian Real Estate targets capital growth by refurbishing buildings (Build-to-Green+) in core Eurozone cities to create international-quality office and mixed-use properties with industry-leading energy efficiency and sustainability performance. There is a structural shortage of premium office space in our target markets that ensures strong rental demand among top-tier tenants and robust investment appetite among potential buyers.

Sustainability is central to our value creation thesis for Real Assets. Our strategies support the climate transition by prioritising the use of clean energy and resource efficiency, which in turn enhances their defensive characteristics.

### Real Assets

Ardian's Real Assets pillar comprises equity and debt investments in essential economic infrastructure and environmentally sustainable office buildings.

INFRASTRUCTURE  
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REAL ESTATE  
pp.72-73

REAL ASSETS DEBT  
pp.74-75



Infrastructure  
Industrial  
value creation  
strengthened by  
a unique data  
analytics capability

Ardian’s Infrastructure team celebrated a series of fund closes during 2022 that confirmed its position as one of the world’s leading infrastructure specialists. We closed our latest Americas fund at \$2.1 billion, exceeding the target and almost tripling the size of the previous generation. In addition, we launched our first open-ended vehicle to support the energy transition and closed our first hydrogen infrastructure fund at \$2 billion. This is a joint venture with FiveT Hydrogen that was backed by a group

of the world’s leading industrial companies as well as financial investors.

During the year we acquired GreenYellow, which installs small-scale solar projects and energy efficiency measures for corporate customers. We believe the distributed renewable installations that GreenYellow specializes in have become a key way to accelerate the growth of renewable capacity across Europe. Utility scale renewable projects face long permitting delays and significant local opposition in many countries, which places an inevitable drag on the speed of the energy transition.

Operational expertise is the foundation of our approach to managing infrastructure assets and we strengthened this during 2022 by hiring people with purely industrial backgrounds, as well as expanding our data science team. The data tools we have developed, including Opta for our renewable assets and Ardian Air Carbon for our airports, are giving us and our portfolio companies powerful new ways to optimize operations, manage risk and foster the returns we generate for investors.



MATHIAS BURGHARDT  
Head of Infrastructure and Member of  
the Executive Committee

“For the last two decades  
Ardian has been delivering  
consistently superior financial  
performance based on our  
industrial and operational  
expertise combined with  
unrivalled data analytics  
capabilities. This strategy has  
proven its resilience through  
economic cycles and financial  
market volatility.”

€3.8bn

Capex in 2022

33%

EBITDA growth in 2022  
vs. 2021

€3.6bn

committed capital in 2022

Highlight

COMPANY: GREENYELLOW / SECTOR: RENEWABLE ENERGY

INVESTMENT DATE: OCTOBER 2022



The acquisition of GreenYellow adds a new dimension to our renewable energy portfolio. The company, founded in 2007, designs and installs energy efficiency solutions for companies and enables them to generate clean electricity with no capital investment by installing photovoltaic solar panels on their roofs, car parks or spare land. These decentralized schemes help companies to decarbonize while avoiding the permitting problems that large renewable projects face. As a result, they can be up and running in just 18 months. We intend to expand GreenYellow’s operations in Europe and build a much bigger portfolio of decentralized solar assets.

Infrastructure Portfolio

The table below shows a selection from  
our Infrastructure portfolio

DISCOVER THE FULL PORTFOLIO  
ON OUR WEBSITE



Company		Invest. date (MM/YY)	Activity	Country
ENERGY & UTILITIES				
GreenYellow	NEW	10/22	Energy transition solutions for companies	France
Project Revival - ICQ	NEW	07/22	Wind energy	Italy
Nevel		01/21	District heating and industrial energy solutions	Finland
Maple Leaf		08/20	Battery storage portfolio composed of ten asset locations	Canada
EWE AG		02/20	Utilities	Germany
ASR		08/19	Wind platform	Spain
Hill Top Energy Center		07/19	Electricity and energy	United States
Andberg Vind		02/19	Wind energy	Sweden
Giralda (La Isla)		02/19	Solar energy	Spain
Ausines		07/18	Wind energy	Spain
Skyline Renewables		01/18	Wind energy	United States
LBC Tank Terminals		09/17	Oil and petrochemical storage	United States Europe
Falcon II (Pampul)		09/16	Solar energy	Peru
Hamnefjell Vindkraft (Nordkap)		01/16	Wind energy	Norway
Géosel		12/15	Strategic oil storage	France
2i Rete Gas		09/09	Gas distribution	Italy
DIGITAL INFRASTRUCTURE				
Unison		11/21	Wireless and fiber-based infrastructure company	United States
Milá		10/21	Telecom infrastructure company	Iceland
Adamo		10/21	Open access rural FTTH platform	Spain
Inwit		10/20	Telecom infrastructure business	Italy
TRANSPORTATION				
ASTM		02/21 09/18	Toll roads	Italy
Vespucio Norte Express and Tunel San Cristóbal		02/20	Urban express highway	Chile
Ascendi		02/16	Toll roads	Portugal
2i Aeroporti		04/15	Airports	Italy
Lisea		06/11	Rail	France

Real Estate

Our sustainability approach delivers resilient returns

Aradian’s Real Estate team demonstrated the resilience of its asset management strategy by agreeing two high-profile sales of refurbished assets from Fund I during 2022, in spite of challenging macro conditions and a lack of market liquidity. Our exits from Project Rio in Paris’s central business district and Via Veneto in Rome – one of the city’s largest-ever transactions – achieved returns well above their plans, thanks to the quality of our modernization programs and the tenants we attracted, as well as the multiple ESG certifications we obtained for these buildings.

\$2bn

of assets managed

22

deals since inception, including ongoing/signed transactions

c.337,290 sqm

of lettable space under management across 5 cities including ongoing/signed transactions



Highlight

PROPERTY: VIA MELZI D’ERIL, MILAN / COUNTRY: ITALY

EXIT: AUGUST 2022

At Via Melzi d’Eril, we created a green office campus located in the heart of Milan with 360-degree rooftop views of the city. The project, now fully let, offers an excellent example of our strategy of updating historic landmark assets to create contemporary workspaces that prioritize top-level sustainability performance and tenant wellbeing. Our plan included the addition of two floors using wooden construction, which increased the lettable area by 40%, and resulted in a technology-driven smart building, fully aligned with the Paris Agreement 2050 net-zero goal. It is one of the few projects to achieve four ESG certifications: Leed Platinum, BREEAM Very good, Well Silver and Wired Score.



STÉPHANIE BENSIMON  
Head of Real Estate

“Demand from tenants and investors is constantly increasing for the kind of well-located, premium-quality, sustainable buildings that we produce.”



RODOLFO PETROSINO  
Senior Managing Director  
Real Estate



BERND HAGGENMÜLLER  
Senior Managing Director  
Real Estate

Real Estate Portfolio

The table below shows a selection from our Real Estate portfolio

DISCOVER THE FULL PORTFOLIO ON OUR WEBSITE



Building Name		Invest. date (MM/YY)	Type of asset	City	Projected area (in sqm)
FRANCE					
GOAT	NEW	07/22	Office / Mixed-use	Boulogne-Billancourt	50,487
Temple		07/20	Office	Paris	7,537
Renaissance		05/18	Office / Mixed-use	Paris	9,213
ITALY					
Vespucci	NEW	12/22	Office	Milan	9,315
MPS Portfolio		11/20	Office / Mixed-use	Various	61,214
Fidia		12/19	Office / Mixed-use	Milan	8,450
Roncaglia		07/19	Office / Mixed-use	Milan	7,664
Veneto		03/17	Office / Mixed-use	Rome	19,168
Assago		03/17	Office	Assago	18,232
GERMANY					
Prince	NEW	05/22	Office	Berlin	12,188
Q21		11/21	Office / Mixed-use	Hamburg	19,252
Westend		06/21	Office / Mixed-use	Frankfurt	30,762
Elisa		05/19	Office	Berlin	17,812
Carl		11/18	Office / Data Center	Berlin	29,962
SPAIN					
Tower		12/21	Office	Madrid	13,600
Cocktail		07/21	Office	Madrid	9,342



## Real Assets Debt

### Providing enhanced yields combined with good capital preservation

**R**eal Assets Debt is Ardian's newest activity, launched in April 2022. Started with real estate lending, it is to expand later into infrastructure debt. Our real estate debt strategy closely complements that of Ardian's Real Estate team. It provides a unique yield-enhancing strategy for credit portfolios, offering attractive risk/returns with a major real estate focus.

Our first fund provides senior lending for Build-to-Green & Manage-to-Green projects in major European cities. Because of the growing demand for assets with strong environmental credentials, sustainability improvements are at the heart of all business plans that we

finance. The experience of our Real Estate Debt team over the past year demonstrates clearly that real estate projects that prioritize sustainability improvements have strong defensive characteristics and deliver a blend of good risk-adjusted returns and capital preservation.

We signed our first transaction, Porta Nuova, in July 2022, in a syndicate with established lenders. The loan financed a diversified property portfolio sponsored by a leading local player, including offices, residential assets and a hotel in the center of Milan. A large part of the portfolio is to be managed to improve energy efficiency and ESG features. The remainder is income producing and stabilized.

We believe that the real estate debt market is evolving in a similar way to private credit. Banks' lending capacity is increasingly limited, especially for Build-to-Green projects, and as a result sponsors that previously considered only bank finance are forming partnerships with private debt funds.



**ARNAUD CHALÉAC**  
Head of Real Assets Debt and  
Co-Head of Group Finance

*“We are convinced that by extending our activities into real assets debt we are bringing the right products to the European market at exactly the right time.”*



**SANDRINE AMSILI**  
Real Estate Debt Managing Director

*“Our strategy in real estate debt relies on offering strong capital protection in the current macro environment couple with an attractive yield. This is the result of our strategic positioning and floating-rate loans.”*

# 100%

of office projects will target the highest ESG certification on completion

# 4

European countries with local expertise

### Highlight

PROJECT: PORTA NUOVA PORTFOLIO / CITY: MILAN (ITALY)

DATE: JULY 2022

**W**e participated in a syndicate of lenders to provide debt finance to a highly regarded Italian sponsor that is refurbishing a mixed-use portfolio in Porta Nuova, part of Milan's central business district. The portfolio is mainly composed of Manage-to-Green office and residential properties that require light refurbishment. The project is in line with Ardian's focus on sustainability: the sponsor aims to create “zero fossil fuel” buildings with ESG certifications from LEED and WELL. Once finished, we expect the portfolio's score under our Ardian Real Sustain ESG framework to improve from 4.19 at closing to 7.06/10.







## CREDIT

## We target quality borrowers and manage credit risk cautiously

Our Private Credit strategies prioritize financially robust borrowers with strong cash flow that can provide a consistent source of yield for investors wishing to protect their capital.

**P**rivate Credit is a yield strategy that attracts investors such as European insurance companies and pension funds that need income streams to match their long-term liabilities. Many of these investors use alternative credit to augment their traditional fixed-income exposure, where yields have been severely compressed by low benchmark rates.

We offer access to an attractive sub-set of the high-yield market, with floating rate loans to strong borrowers that capture the effects of rising base rates and are priced to achieve an annual cash yield of 6%-7% on the funds deployed. Our investors prioritize capital protection and a conservative approach to risk management. We therefore target opportunities that combine a deal sponsor we know well, modest leverage

and a robust ratio of cashflow to interest payments. Overall, we proceed with fewer than 5% of the deal proposals we receive. The majority of our loans are fully secured, giving our investors a high level of protection, as illustrated by our historic loss rate of 0% on first lien lending. In addition, we have a record of securing excellent recoveries on defaulted loans, thanks to the team's careful approach and expertise in working with borrowers to restructure facilities.

In NAV Financing, spreads over the benchmark rate are tighter, reflecting the shorter duration and lower risk profile of the loans, but returns are augmented by rapid recycling of the fund into new deals, which generates repeated arrangement fees.

### Credit

Access to credit is essential for companies seeking to invest in growth. We are one of Europe's leading providers of non-bank credit for small and medium-sized companies, with the majority of our loans used to finance buyouts and add-on acquisitions.

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NAV FINANCING  
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Private Credit  
Confirming our  
place among  
Europe’s leading  
lenders

Ardian’s Private Credit team significantly expanded its platform with the close in September 2022 of the fifth generation fund at c.€5 billion, including commitments from separate accounts managed by Ardian Customized Solutions. This was well above the original target platform of €4 billion and a healthy increase from our €3 billion fourth generation. This achievement confirms our place among the largest private credit managers in Europe.

Our investment teams in Paris, Frankfurt and London saw very strong deal flow, particularly during the first half, and

completed 27 transactions by the year-end including 12 add-ons.

Although private equity M&A volumes – a key driver of demand for private credit – declined last year, this coincided with a sharp reduction in the supply of bank lending to the LBO market. As a result, we and other private credit providers claimed a larger share of the market.

We specialize in well-covenanted, floating-rate unitranche and stretch-senior loans to midcap companies. But as banks continue to retrench, we have started seeing approaches from larger companies that would previously have taken syndicated bank debt. It is too early to say whether this trend will persist, but it is one that we will watch closely.

Although economic headwinds and rising interest rates have increased the pressure on companies everywhere, our portfolio continued to perform robustly last year, thanks to our focus on borrowers with strong and highly predictable cash flows.



MARK BRENKE  
Head of Private Credit

“It is at times like these,  
when the external environment  
is uncertain, that we can  
find particularly attractive  
opportunities, so we are very  
optimistic.”



GUILLAUME CHINARDET  
Deputy Head of Private Credit,  
Senior Managing Director

€3.5bn+

arranged in the last eighteen months

c.€12bn

Private Credit funds raised since inception

154

transactions since inception (excluding add-on financing)

Highlights

COMPANY: CONCENTRA / COUNTRIES: SPAIN & PORTUGAL

SECTOR: INSURANCE / INVESTMENT DATE: NOVEMBER 2022



Concentra Group is an independent broker operating in Spain and Portugal, offering a wide range of insurance products that ensure diversified revenue streams. BlackFin acquired a 70% interest in the group in September 2022 in an all-equity deal and agreed a unitranche facility with Ardian Private Credit team that will fund Concentra’s buy-and-build strategy including its first deal in Spain.



Audensiel is a digital transformation consultancy serving customers in France, Benelux and Switzerland. To support its growth plans, Audensiel completed a capital reorganization during 2022 that saw Sagard acquire a minority stake, with Ardian Private Credit team providing a financing package to support the transaction.

Private Credit Portfolio

The table below shows a selection from our Private Credit portfolio

Company	Invest. date (MM/YY)	Activity	Country
FINANCIAL SERVICES			
Concentra	NEW 11/22	Insurance brokerage platform	Spain
Quintes	10/20	Independent insurance broker	Netherlands
BUSINESS SERVICES			
Audensiel	NEW 11/22	Provider of digital transformation consulting services	France
IG&H	NEW 08/22	Provider of digital transformation consulting services	Netherlands
Reconomy	NEW 07/22	Waste management outsourced services	United Kingdom
IT & SOFTWARE			
Babble	NEW 06/22	Telecommunication solutions for businesses	United Kingdom
Conet	12/21	IT consulting provider for SAP, infrastructure, communications and software solutions	Germany
HEALTHCARE			
Lagarigue	07/21	Orthopedic equipment	France
Vivalto Vie	03/20	Operator of nursing homes	France

NAV Financing  
Providing liquidity for buyers of mature secondary fund portfolios

Ardian’s NAV Financing team lends against large, well-diversified portfolios of private equity and infrastructure fund investments. Our borrowers are fund of funds sponsors that typically purchase fund portfolios in the secondary market. Working in partnership with arranging banks, we provide facilities between \$200 million and \$1 billion+.

NAV Financing is a yield strategy relying on floating rate quarterly coupon payments

and arrangement fees for each transaction. As the secondary portfolios that we finance are mature and exits are relatively frequent, our strategy enables relatively rapid recycling of the capital, which boosts returns for LPs. Since inception in 2018, we have raised \$2.4 billion for the strategy and made loans totaling \$4.2 billion. During 2022, we lent \$1.2 billion, at an average spread of 3.0 basis points over Libor/relevant benchmark.

To support our activity, we have built our own fund database which is updated on a quarterly basis and currently covers over 500 funds and 2,000 underlying companies. This allows us to monitor the performance of the portfolios closely and model future cash flows.

NAV Financing transactions are considered relatively low risk, since the assets securing them are mature and well-diversified and the loans tend to be repaid quickly as exits occur.



OLIVIER BERMENT  
Head of NAV Financing

“Ardian is a leading private debt provider in Europe and the global leader in Secondaries. NAV Financing was a natural extension of our activities at the intersection of these activities.”

\$1bn+  
invested in 2022

\$4bn+  
invested since inception

250+  
Private Equity and Infrastructure GPs in portfolio



Newsroom article

The NAV Financing market has developed rapidly over the past few years as secondary sales of LP portfolios and GP-led deals have proliferated, with global banks, debt funds, insurance companies and large pension funds acting as lenders. “The market size is estimated to be around \$100 billion and is expected to continue growing quickly”, says Alexis Szejnman, Managing Director, Head of Sales for France, Belux & Switzerland, EMEA Co-Head of Equity Solutions & SIDM Sales at J.P. Morgan. “The bank has been involved in some of the largest NAV Financing transactions over the past decade, attracted by the quality and diversification of the underlying private assets, which have performed well through the cycle”, he adds.



READ THE FULL ARTICLE ON OUR NEWS & INSIGHTS SECTION

NAV Financing Portfolio

The table below shows a selection from our NAV Financing portfolio

	Inves. date (MM/YY)	Underlying Funds	Underlying Companies	Invested	Amortized*	Amortized %	Deleveraging %
BUYOUT							
NEW	12/22	c.90	1,000+	198	0	0	
NEW	11/22	3	c.20	47	0	0	
NEW	09/22	c.40	100+	210	0	0	
NEW	03/22	c.15	c.130	325	79	24	
	11/21	c.20	c.280	390	50	13	
	06/21	1	c.10	31	11	35	
	03/21	2	c.40	89	exit	100	exit
	02/21	c.10	c.70	68	46	68	
	02/21	c.150	c.600	274	145	53	
	02/21	c.40	c.390	89	50	56	
	11/20	c.200	1,000+	128	exit	100	exit
	06/20	c.15	c.280	197	122	62	
	01/20	2	c.140	249	132	53	
	12/19	c.40	c.380	267	210	79	
	04/19	c.20	c.130	130	exit	100	exit
	02/19	c.10	c.230	286	277	97	
	06/18	c.40	c.420	179	exit	100	exit
INFRASTRUCTURE							
NEW	12/22	c.40	c.310	283	0	0	
NEW	11/22	8	c.50	107	0	0	
	10/21	c.40	c.300	284	exit	100	exit
	07/19	4	c.20	112	73	65	
	07/18	1	c.10	139	72	52	

\*Extrapolation of AGDF to the whole platform, ignoring differences in currency, investment timing and hedging strategy. Source: Ardian, as of November 2022.





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Ardian is a company fuelled by talent. As we grow, we are constantly re-examining the way we attract and manage talented people to ensure our approach is delivering the kind of working environment that they want to join and where they feel they can realize their potential.

**INSIDE**

# ***How we support the development of our employees***



**ELIMANE NDOYE**  
Director, Compliance

**Elimane Ndoye** joined Ardian’s Compliance team at 27 in 2013, having studied economics and management at Panthéon-Sorbonne University in Paris and worked initially as an auditor. He now has global responsibilities within the Compliance team and directly manages a team of eight in Paris.

**A**rdian’s Compliance team is the company’s “Swiss Army Knife”, according to Elimane Ndoye. His role means he must work closely with people in every part of the company on almost every aspect of Ardian’s activities, which are subject to multiple layers of regulation in different jurisdictions around the world. From accepting investments into a fund to obtaining the correct permits to open an office on another continent, Elimane and his colleagues are always involved.

He says that he was given responsibility early and encouraged to show initiative. This frequently involved dealing with much more senior colleagues and responding to challenges from every department. However,

compliance professionals are also key to Ardian’s ability to innovate and develop new products.

His proudest achievement, he says, was helping Ardian respond to a routine check by the Autorité des Marchés Financiers, France’s financial regulator, in 2021 that saw the company receive a clean bill of health for its compliance.

**“Ardian is a company with excellence at its core. This means looking beyond your particular role every day and coming up with ideas about how things could be improved.”**



**JANINE PAUSTIAN**  
Analyst, Expansion

**Having joined Ardian in 2019** as an intern, Janine Paustian is now an Analyst in the Expansion team, based in Frankfurt, focusing on mid-sized companies in Germany, Austria, Switzerland and the Netherlands. She grew up near Cologne and completed her master’s in Finance & Investments at the Rotterdam School of Management.

**W**orking at the heart of Ardian’s business – the investment process – means learning something new every day and gaining expertise in multiple industries. Janine’s role involves analyzing potential acquisition targets, building financial models, carrying out due diligence and preparing documents for the Investment Committee. Once a deal is closed, the deal team works together with the management on executing the value creation plan and achieving the company’s strategic goals.

She likes the fact that many colleagues also joined Ardian as interns and benefited from the trust and support they were shown, which encourages people to

stay and develop a long-term career with the firm. Janine is actively involved in the Ardian Women’s Club initiatives and believes that private equity is rapidly becoming a more diverse and inclusive industry.

**“Ardian recognized early on that diverse teams are very important and now the whole industry is picking up on it.”**



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**SARA HUANG**  
Managing Director,  
Secondaries & Primaries

**Sara Huang joined the  
Secondaries & Primaries  
team in New York in 2010,**  
having previously worked as an  
Investment Banking Analyst at  
Bank of America Merrill Lynch.  
She was born in Ningbo, China,  
and attended Cornell University  
in the US, studying Electrical and  
Computer Engineering.

**W**hen Sara Huang started as an Analyst at Ardian, the Secondaries & Primaries team in New York was much smaller and, she recalls, she was able to do “a bit of everything”. The entrepreneurial spirit of the office reinforced a lesson she says has shaped her career from the start: “Take every opportunity life throws at you – and learn. Always keep learning”. Thirteen years later, Sara is Managing Director in the Secondaries & Primaries team in New York. In this role she has a great overview of the private equity industry and talks frequently with private equity managers in Ardian’s portfolio while leading a variety of investment opportunities in North America. Sara has helped lead multiple initiatives focused on empowering women at Ardian with leadership and development opportunities. Sara co-founded the

America’s chapter of the Ardian Women’s Club, which has enabled many young women to follow in her footsteps: “I believe it is essential that they can see women rise to key positions, co-ordinate their personal and professional lives, and achieve ambitious goals,” she says. When asked to share any advice to new applicants, Sara stated “Don’t feel reluctant to help shape the future of Private Equity. Lean into the strong momentum and sponsorship that exists at Ardian to help drive the private equity industry forward”.

***“We want to make good investments –  
not just because they yield good profits,  
but also to have positive impacts for our  
investors and for society as a whole.”***

Inclusion & diversity are key strategic issues that can help us sustain our growth and cultural cohesion as Ardian becomes an increasingly global company. A range of initiatives is under way to attract more diverse talent and strengthen feelings of inclusion among our employees.

This must be  
a great place to  
work **no matter  
where you  
come from.**



**Ardian is going through a period of very rapid expansion. How quickly is your headcount growing?**

**Jérémie Delecourt** — We reached 1,000 employees last year, as well as increasing our assets under management by \$25 billion and opening our office in Abu Dhabi. It has been an extraordinary chapter: our headcount has grown by 50% just since the beginning of 2020. In human terms it's a huge transformation for the company and the human element is the most important of all. We are a people business so we cannot just grow, we must focus constantly on quality – finding the most talented people and convincing them that they can have an exciting, fulfilling career at Ardian. So we have to work continually on making our HR and recruitment processes better and creating a working environment where people from a wide range of backgrounds and cultures can feel able to be themselves. When you are growing like this, you have the biggest incentive and the biggest opportunity to become more diverse. If we are going to attract and retain the talent the company needs, we have to reach out to a wider range of people.

**Recruitment is obviously critical, but what are you doing to make sure Ardian is a place where people will want to stay?**

**J.D.** — We have to measure in order to make progress. We did our first employee

survey on inclusion and diversity at the end of 2021 and the results were encouraging. Carrying out this survey was an important step for Ardian which we will repeat in 2023 to check our progress. I know this will be a long journey, but we have made a strong commitment and we are going to deliver on it. For me, it also says something important about Ardian that we were one of the first companies in France to do a survey like this. Now our industry body, France Invest, has taken up the idea and has launched a similar questionnaire for all private equity firms in France. I am also pleased that we are making progress in recruiting more women to our investment teams. We have a target of reaching 40% by 2030 and I am confident we are going to get there. The young people we want to attract expect companies to address inclusion and diversity issues, but that is not the only reason we are taking steps like these – we genuinely believe that doing this will make Ardian more successful and boost our profitability.

**How hard is it to maintain Ardian's distinctive culture when the company has grown so much?**

**J.D.** — This is one of our most important challenges. We have built our own culture at Ardian, based on excellent service, transparency and meeting the needs of our clients but as we grow and become more international, we have to work hard to ensure everyone who joins us understands

our values and embraces the Ardian way of doing things. Entrepreneurship is one of our founding values and this year, for the first time, we decided to award free shares in Ardian to everyone in the company who had been with us for one year – almost 900 people at that time. We want everyone to have a personal interest in Ardian's long-term success, to feel they are part of our journey and that we recognize and care about their contribution. It is essential that we find ways like this to unite people and work towards common goals, exactly as we try to do with our value-sharing strategy in our portfolio companies. Trust is everything for Ardian – the trust our clients have in us and the trust we have in each other. Laws and regulations are essential, but the most important thing is

to have a culture that attracts and rewards trustworthy people.

**As you approach Ardian's 10th anniversary, what ambitions do you have for the company's second decade?**

**J.D.** — I want to achieve our ambition to become a more diverse company that searches for talent in places we maybe did not look in the past and that attracts people who believe this is the way companies should be. I want young people to come here and have long, successful and fulfilling careers with Ardian. And I want to make sure that the culture we had when we began our journey is just as strong and well understood when we are much bigger than we are today.



*“Ardian has to be an exemplary partner for everyone we work with. I want to make sure that we achieve the same things for the people in our portfolio companies that we are trying to achieve here.”*

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



Our employer brand and distinctive culture enable us to attract talented people from diverse backgrounds and help them thrive in an inclusive working environment. This is how our Human Resources team fulfills its purpose: to be trusted partners with a strong and fair voice to support Ardian’s growth.

How we create  
a workplace  
where talent  
thrives

*“We are a people business so we cannot just grow, we must focus constantly on quality – finding the most talented people and convincing them that they can have an exciting, fulfilling career at Ardian.”*

JÉRÉMIE DELECOURT  
Chief Operating Officer and Member  
of the Executive Committee

A strong Employer Brand  
to attract talent

Having developed our communications around Ardian’s employer brand during 2021, we are now using this messaging successfully to support our various outreach programs. The Human Resources team prioritizes Ardian’s university relationship program and actively engages with students from diverse backgrounds to encourage them to pursue a career in the finance industry and to inform them about internship opportunities. To do so, Ardian has signed structured partnerships with universities and has expanded the number where we give information sessions and attend careers fairs, resulting in a marked increase in the number of applications received. This is an important way to bring more diversity to our internship programs, a key route for people to join Ardian. The results so far are encouraging: our first French all-employee Inclusion & Diversity survey showed an increased proportion of interns from diverse backgrounds at the firm.



*“Our work to develop a strong and appealing employer brand for Ardian has started to deliver the benefits we hoped for, in terms of engagement from diverse talent.”*

MARIA STASSE  
Co-Head of Human Resources

42%

Percentage of women recruited in investment functions in 2022

24%

Percentage of women in investment functions as of end of 2022

15+

career fairs attended with various schools and universities

Our journey toward greater  
Inclusion & Diversity

Our Inclusion & Diversity programs took an important step forward last year following our first I&D survey. This exercise allowed us to understand feelings of inclusion of our workforce and to develop initiatives based on the results, including steps to make I&D a more explicit strategic priority for Ardian. Another major focus in 2022 was our project to bring more women into Ardian’s investment teams. Women accounted for more than 40% of new hires to our investment teams during 2022 and 24% of our investment professionals were female by the end of last year, up eight percentage points in three years. We intend to reach 40% by 2030.

To increase diversity, we regularly review our recruitment processes. We engaged intensively with our headhunting firms to ensure their staff have received I&D training and that they have robust policies in place. We also continued outreach initiatives such as our Voxpopuli program to recruit interns from socially disadvantaged backgrounds and our Generation Women events to recruit more female interns in investment functions. We run a sponsorship program to support Ardian’s female investment professionals and are considering similar programs to reinforce other diversity initiatives.

Our Human Resources processes are audited regularly and in 2022, Ardian obtained level two EDGE certification in recognition of our work to improve gender balance across the company.



*“Inclusion & Diversity programs are central to our talent strategy for Ardian, and we can now start to see tangible progress against our main objectives.”*

FLAVIE JEAN  
Co-Head of Human Resources

We make sure everyone’s  
voice can be heard

We want to ensure all employees can speak up and be heard and use surveys and focus groups so that people can voice any concerns they might have. Ardian Women’s Club, established in Paris in 2018, is an important part of this effort. Its purpose is to give a greater voice to women at all levels within the company and offer a mutual support network to help them develop their career. The club has attracted many new members over the past year, especially among Ardian’s younger employees, and now has groups in ten offices. As well as helping women to further their career at Ardian, the club is building its public profile through channels such as LinkedIn to strengthen Ardian’s employer brand among potential female employees. It has forged links with other financial firms that prioritize diversity and during 2022 it held two breakfasts with Goldman Sachs to discuss ways to increase the number of women appointed to Supervisory Boards.

As part of this outreach, the club is sponsoring the Booster Program run by Force Femmes, a French non-profit association founded by the businesswoman Véronique Morali. This program helps women aged 45-plus to launch their own businesses, with members of Ardian Women’s Club providing coaching and support. Ardian has also launched a €1 million Booster Fund in partnership with Eight Advisory to provide finance for their businesses.



*“Our numbers are growing very well and we have even heard about women who decided to join Ardian partly because we have this club that supports women in our company.”*

STÉPHANIE GRACE  
Global Head of Brand & Communications and  
President of Ardian Women’s Club





MILLENNIAL EXECUTIVE COMMITTEE

Reflecting  
our **diversity**  
**ambitions**

**A**rdian’s Millennial Executive Committee aims to gather and utilize fresh perspectives from younger employees to generate innovative projects that reflect their priorities and will contribute to the company’s long-term success. The committee’s membership expanded to 18 in June 2022, when the new generation took over, and in line with Ardian’s goal of becoming more diverse, it now has equal numbers of women and men. The members, all aged 35 or under, are drawn from six offices and 15 departments, better reflecting Ardian’s geographic reach and range of functions. They elected to split the committee’s leadership and appoint female and male co-chairs.

The new Millennial Executive Committee is working on a number of projects based on its priority topics: ESG and impact, attracting and retaining talent, and business efficiency. The three most advanced projects are intended to help the company remain cohesive and well-integrated as the number of employees passes 1,000 and the office network grows.

Under the ESG heading, committee members are drawing up a sustainable purchasing policy to standardize procurement practices across the company’s global office network. The talent initiative, Ardian Discovery, aims to expand the integration program for new joiners, allowing them to spend time in departments other than the one they are joining, to strengthen links between different teams. Under the business efficiency banner, the committee is working on ways to help Ardian’s investment teams create value by finding synergies and opportunities for companies in different portfolios to collaborate.

When complete, each of the projects will be presented to Executive Committee members and, if approved, will then be handed to the relevant department so that it can be implemented.

From left to right:  
Ursule-Anne Michel-de Cazotte; Célia Benchimol; Camill Salomon; Claire Lehericy;  
Olivia Genereux; Clément Perrin; Julien Centofanti; Matthias Hübener; Roberto Curletti;  
Grace Lloyd; Claire Chavaillard; Charles Adjakpa; Sara Lucia Diaz Roa; Thomas Grétéré;  
Tamara Krzisch; Matthias Straessle (members missing from the photo: Saam Serajian-  
Esfahan; Lisi She)





We are creating a specialist company-wide team that will make data science a much more integral part of the way we work with portfolio companies. By collecting and analyzing more non-financial data, we believe we can find new ways to improve performance.

## TECHNOLOGY

# ***Data – the next dimension of value creation***

**D**ata analysis is a fundamental skill in asset management. It always has been. But its role in our business is undergoing a huge shift, because both the volume of data we can access has increased so dramatically and the computing power available to analyze it has multiplied so fast. Along with the other leaders in

our sector, we have reached the point where we must industrialize the way we deploy data in our business. This means we need new skills, new technology infrastructure and the willingness to consider new ways of creating value.

We have already seen how big data can transform our activities. In a series of

projects over the past few years, we have built bespoke data tools such as Opta, which allows us to monitor and optimize the performance of our renewable energy assets in real time, predict component failures, plan maintenance, and manage our merchant risk from changing prices in the electricity spot market. Redpoint gathers data on thousands



of private companies, entrepreneurs, investors and advisors, giving our Growth team a far more powerful way to identify potential deals and visualize networks of business relationships. Trustview Ardian, our online investors platform, has hugely improved the service we offer our clients by giving them far better information and tools to monitor their investments.

The success of these projects has convinced us that we must go much further. We are therefore expanding the data science team that currently sits within Infrastructure so that it can provide analysis for all our investment activities. Our goal is to create a company-wide data science team with at least one member sitting within each of our investment teams.

Embedding data science more deeply in the way Ardian operates also means that we need new IT infrastructure. We are building a data platform that will assemble, structure and manage our data in one place, creating a central, fully compliant resource that everyone can draw upon. Our data engineering team will work closely with our data scientists and the teams they support to create tools to analyze this data and unlock its value for Ardian, our clients and our portfolio companies.

Vincent Joly, Head of IT, and Pauline Thomson, Head of our new Data Science team, discuss the opportunities to add value to portfolio companies and help Ardian operate more efficiently.

DISCUSSION

## Data science can be a game-changer

How long have you been using data science within Ardian?

**Pauline Thomson** — We have known for several years that data science is a very strategic way to create value, as we have seen with our infrastructure assets. We started hiring data scientists in 2019 and our first project was Ardian Air Carbon, a tool that creates dynamic models of the carbon emissions from our airports using real-time data so we can monitor changes and test ideas to reduce emissions. Then came Opta for our renewable assets and Ardian Car Carbon for our toll roads. Today we have four data scientists in Infrastructure, and we are hiring more who will work with our other investment teams. It will be a hybrid organization – they will be part of the data science team and follow common processes,

but everyone will be fully integrated into an investment team.

Why do you need a new technology platform to support your data strategy?

**Vincent Joly** — If we really want to put data science at the heart of what we do, we need a new technology architecture. Today, the data we use is effectively embedded within the tools that we have built to analyze it. We need to create a central platform that manages all our data and is separate from our existing applications. This way, we can make the data available to everyone in the company, so that it becomes a central resource. Then we can build the tools that our teams need to analyze it. The ambition is to have a global data platform in which anything will be possible.

How will data science change the way Ardian invests?

**P.T.** — I can see two main ways. The first is that it will help us improve our portfolio companies’ performance by allowing us to monitor non-financial KPIs – things that private equity firms would not have looked at in the past. This will give us a more granular view of the company’s operational performance and help us find new levers for value creation, which is exactly what Opta is doing in the renewables sector. What is interesting for me, however, is that this also creates a new kind of relationship with our portfolio companies because we are more deeply involved in their operations. It changes the value proposition we bring and means we are working alongside them in a deeper way to help them create value. The other big change I see is that data science will bring efficiency gains for our teams by giving them easier access to better information for day-to-day decision making and additional insights on the market. Once we have our new data platform, so that we can make sure all our data is clean, structured and stored properly, I think we will really see the impact that data science can have for Ardian.

**V.J.** — Launching our data science strategy also reinforces another trend that we think is very healthy. We are doing more and more projects now in agile, where IT and business teams

combine to build the tools the business needs. All our data science projects from Ardian Air Carbon onwards were done as agile projects and our new data strategy takes that further. True collaboration between the different teams, the data scientists that sit with them and our data engineers in the IT department, will be critical to the success of this project.

What lessons have you learned from your data projects so far?

**P.T.** — I would say that there are three major success factors. First, you need access to enough data to make the analysis worthwhile and it has to be properly stored, clean and ready to use. You also need strong buy-in from the business side, meaning both the investment teams within Ardian and the management teams at the portfolio companies. And you need to work iteratively and be ready to drop a project or switch direction if the impact is not as big as you hoped.



*“The ambition is to have a global data platform in which anything will be possible.”*

VINCENT JOLY  
Head of IT

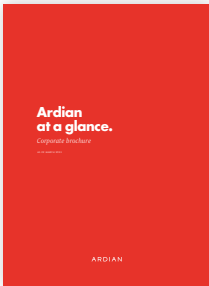


*“Data science will help to monitor non-financial KPIs that private equity firms would not have looked at in the past.”*

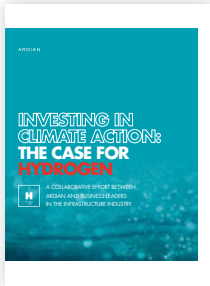
PAULINE THOMSON  
Director, Infrastructure and Head of Data Science team



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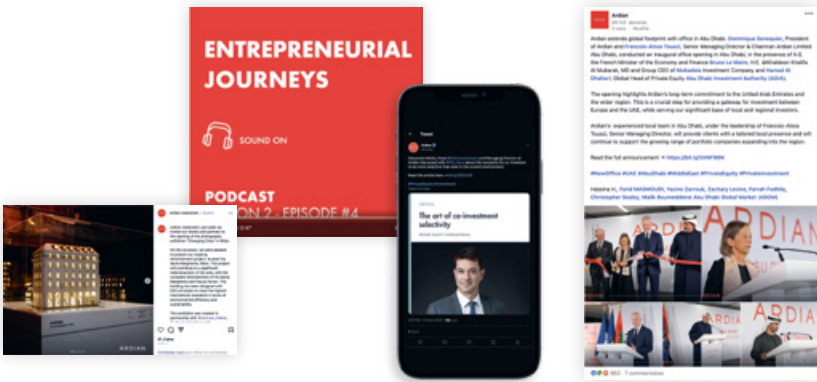
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# Ardian Group’s risk appetite statement

**A**rdian 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.

# Artists



**I**cinori is the name of the artistic duo Mayumi Otero and Raphaël Urwiller, based just outside Paris. Often oneiric or fantastic, their work draws on folklore and Japanese culture, and encompasses drawing, illustration, printmaking, writing, and publishing.



**W**u He Ping is a Chinese illustrator based in Beijing who creates images for major publications and brands in China as well as in Europe and the US. The soft lines and warm colors of his work combine to create zen atmospheres.



**J**érôme Masi is a French illustrator and art director based in Annecy, France. His work is characterized by bold compositions and strong color spaces.



**R**une Fisker is a Danish artist based in Copenhagen whose work is marked by energy, shifts in perspective, and scenes in which dreams and reality collide, often through the prism of technology.

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