FREQUENTLY ASKED QUESTIONS

ELTIF Regulation 2.0

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EFAMA

January 2024

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FOREWORD

The review of the European Long Term Investment Fund (ELTIF) Regulation has fundamentally transformed the basic features of the ELTIF product, with particularly beneficial improvements to encourage demand from retail investors. It now has the potential to become an attractive "go-to" fund structure for long-term investments, provided that the still-to-be-adopted technical standards are properly calibrated.

The recent changes to the ELTIF Regulation have sparked increasing interest among asset managers who are keen on taking advantage of the new regulatory framework to channel capital into sectors such as infrastructure, SMEs, and real estate, among others.

As the new rules entered into force on 10 January 2024, EFAMA has leveraged the expertise of the law firm Arendt & Medernach to answer some frequently asked questions (FAQs) on the revised regime*. We would like to thank them for being so generous with their deep knowledge on the topic.

EFAMA is committed to continuing its support of asset managers and other stakeholders in better understanding the key features of the ELTIF regime and its practical implications. As we intend to update and complement these FAQs on a regular basis, readers are hereby encouraged to send any comments or additional questions they may have to info@efama.org.

TANGUY VAN DE WERVE
EFAMA Director General

*While our intention is to provide asset managers and other stakeholders with helpful information on the basic features of the new ELTIF, the responses herein have not been approved by our governing body and do not therefore constitute an EFAMA position or advice.

INTRODUCTION

The purpose of this FAQ is to give practical guidance on the ELTIF framework and more especially on the rules recently introduced by the amended ELTIF Regulation (Regulation (EU) 2023/606). Based on Arendt's experience in the setting up of ELTIFs, as well as in assisting with the day-to-day management of ELTIFs, we came across several questions (e.g., what is an ELTIF; what are the basic product rules; are there any leverage limits; is it possible to grant redemptions; is there a dedicated tax regime available). This FAQ aims to clarify some ELTIF rules from a practical point of view. The FAQ is addressed to asset managers with experience with ELTIFs, as well as those who have never dealt with an ELTIF but are interested to learn more about this topic.

The amended ELTIF Regulation will make the ELTIF label much more attractive to asset managers who are targeting also non-professional investors for their alternative investment products. We are very optimistic that ELTIFs have a huge potential as pan-European quality label which will receive more and more attention, also outside of the EU, and that eventually ELTIFs will become the new standard in the private market segment.

STEFAN STAEDTER
Partner, Investment Management
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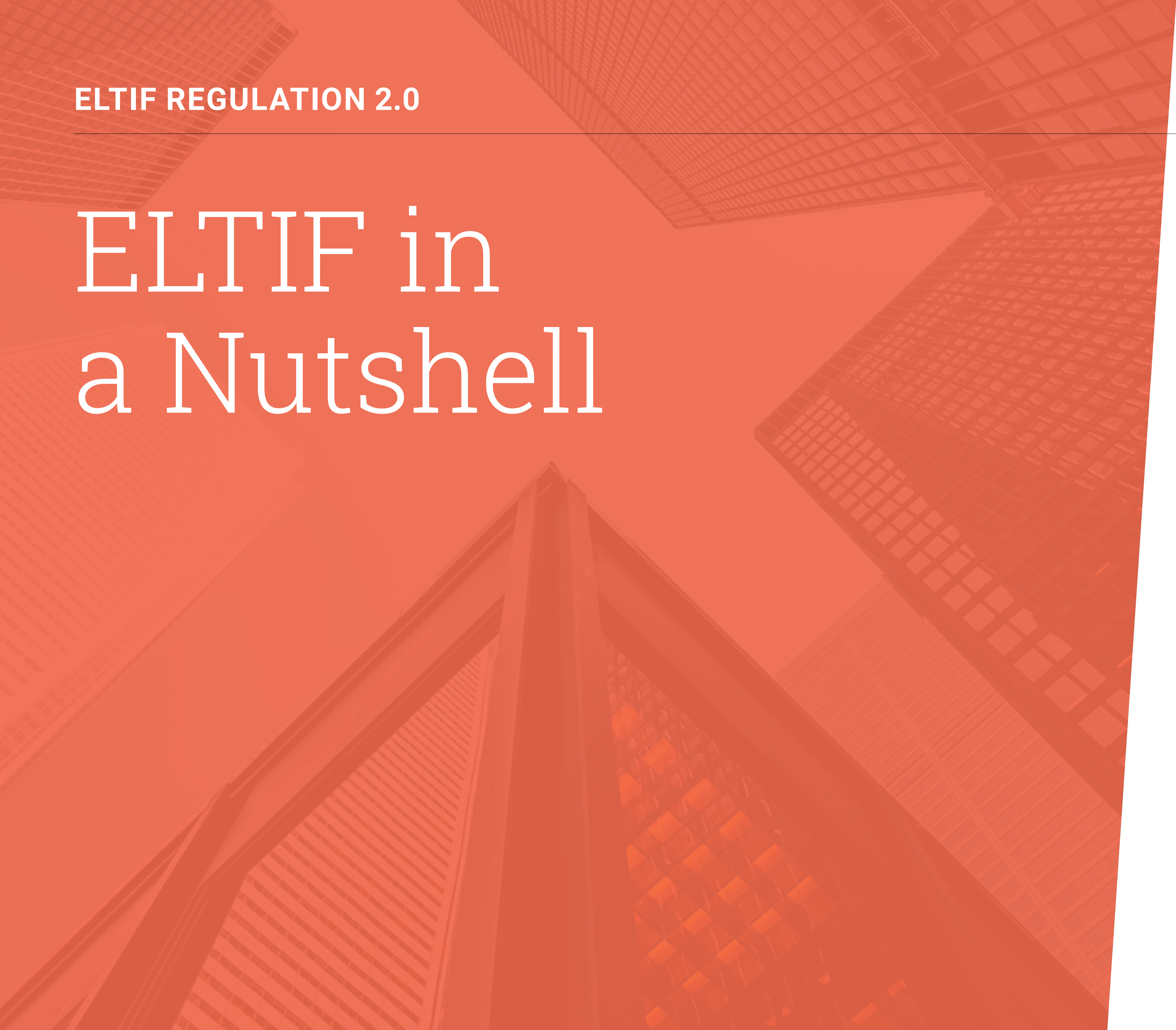


ELTIF in a Nutshell

01

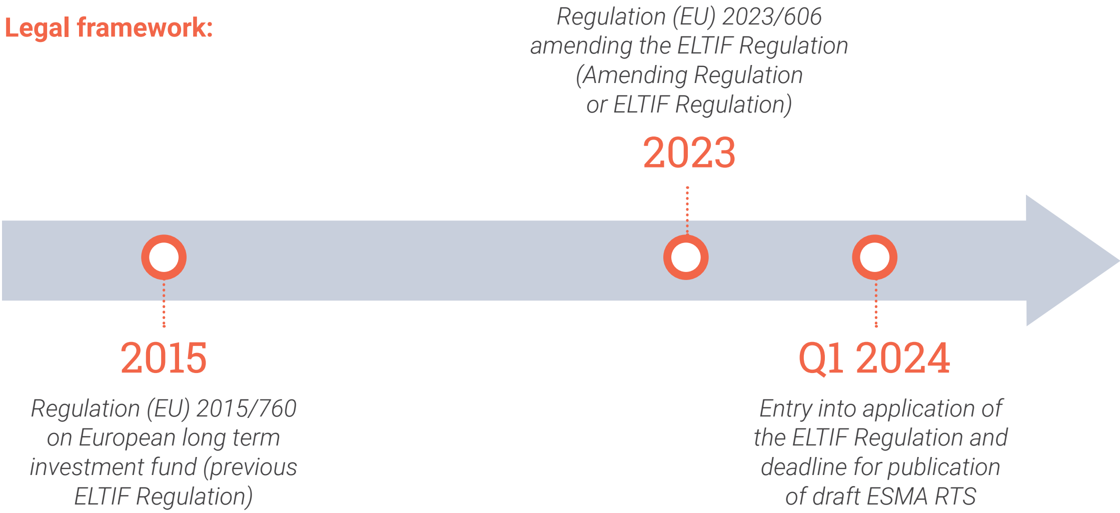
01 ELTIF IN A NUTSHELL

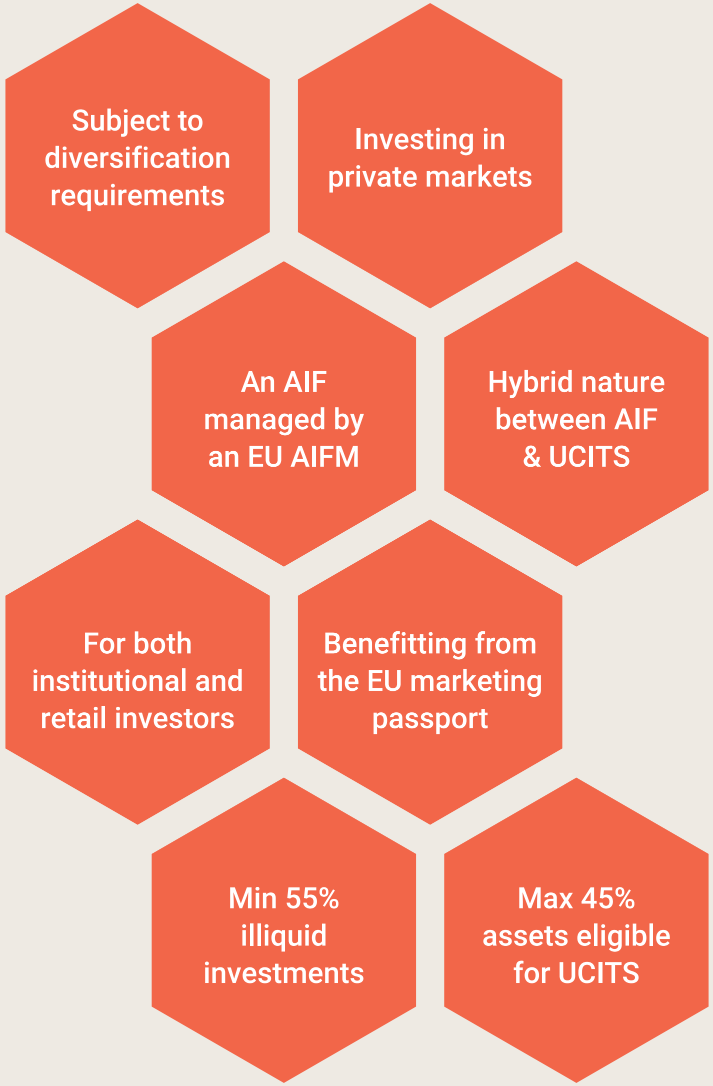
_What is an ELTIF?

The European long-term investment fund (**ELTIF**) is a regulated pan-European label for alternative investment funds (**AIFs**). ELTIFs may invest in a variety of assets and may be marketed to retail and professional investors under the harmonised passporting regime of the **ELTIF Regulation**.

ELTIFs are regulated by the ELTIF Regulation (EU) 2023/606 amending (EU) 2015/760 on European long-term investment funds. The ELTIF Regulation is applicable as of **10 January 2024**.

Legal framework:



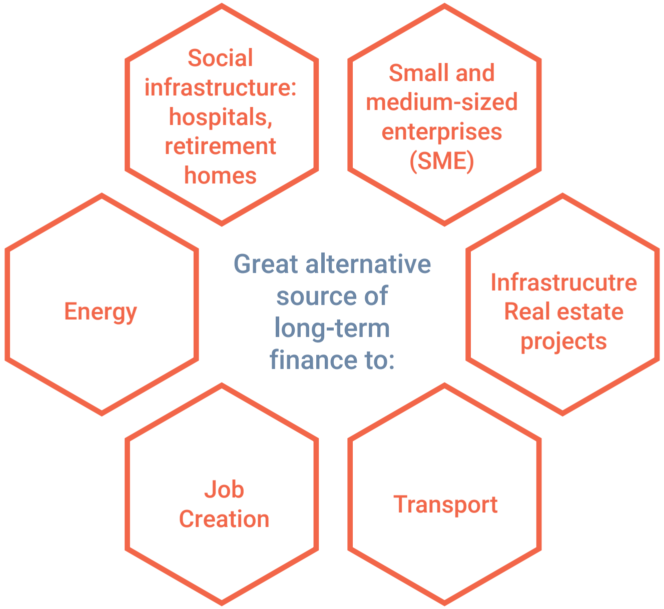


01 ELTIF IN A NUTSHELL

_What role could ELTIF play in the European economy?

The ELTIF Regulation aims to facilitate the raising and channeling of capital towards investments in the real economy. ELTIFs may invest within and outside of the EU and there is no minimum threshold of investments in the EU.

ELTIFs may play an important role in providing an alternative source of finance to all sectors of the real economy, including the following:



ELTIFs provide retail investors, who typically do not have an easy access to private markets, with additional investment opportunities being subject to a robust fund regulatory framework.

From a Capital Markets Union perspective, ELTIFs have the potential to become a European benchmark for retail private markets funds, similarly to the undertakings for collective investment in transferable securities (**UCITS**) label for investments in liquid assets.

_What are the basic fund rules of the product?

ELTIFs are subject to the previous ELTIF Regulation, the ELTIF Regulation and the Commission Delegated ELTIF Regulation. In addition to this specific ELTIF related framework, ELTIFs will need to comply with several other provisions, as the case may be, and ultimately depending on the specific features of the relevant ELTIF:

Mandatory ELTIF rules

- ☐ ELTIF Regulation and Commission Delegated ELTIF Regulation
- ☐ AIFM Directive
- ☐ Commission Delegated AIFM Regulation
- ☐ Prospectus Directive and Delegated Prospectus Regulation
- ☐ PRIIPs Regulation
- ☐ Markets in Financial Instruments Directive (MiFID II)

Potentially applicable rules

- ☐ Local product law
- ☐ European Market Infrastructure Regulation (EMIR)
- ☐ Benchmarks Regulation
- ☐ Securities Financing Transactions Regulation (SFTR)
- ☐ Sustainable Finance Disclosure Regulation (SFDR)

_Is ELTIF an option only for a specific category of asset managers?

ELTIFs are suitable for different type of asset managers provided that the ELTIF is managed by an EU alternative investment fund manager which is authorised under the AIFMD. ELTIFs are an efficient way of organizing cross-border distribution on a pan-European basis for asset managers of AIFs when it comes to retail distribution. Rather than going through the complexities of a placement on country-by-country basis under local rules, ELTIF managers may benefit from the harmonized pan-European regime which allows them to build scalable products and decreases the costs and operational burden of distribution.

02 Investment Requirements

02 INVESTMENT REQUIREMENTS

_What can ELTIF invest in?

ELTIFs may invest in a variety of asset classes which may be **illiquid** or **liquid** in nature.

The following **illiquid assets** are considered as eligible pursuant to the ELTIF Regulation:

- Private equity
- Debt
- Loans
- ELTIFs EuVECAs EuSEFs
- Real assets

An ELTIF shall invest at least **55%** of its capital in eligible investment assets, i.e.:

- UCITS and EU AIFs managed by EU AIFM provided that those ELTIFs, EuVECAs, EuSEFs, UCITS and EU AIFs invest in eligible investments as referred to in Article 9(1) and (2) of the ELTIF Regulation and have not themselves invested more than 10% of their assets in any other collective investment undertaking;
- Simple, transparent, and standardised securitisations (STS) where the underlying exposures correspond to specific categories (notably long-term investments) [Nota bene: not more than 20% of the value of the capital of the ELTIF]; and
- Bonds issued, under Union legislation on environmentally sustainable bonds, by a qualifying portfolio undertaking, as referred to in Article 11 of the ELTIF Regulation.

UCITS eligible assets are considered to be eligible **liquid assets** pursuant to the ELTIF Regulation, which includes typically equities, bonds, money market instruments and units of other UCITS. The limit for investing in other assets eligible for UCITS is **45%**.

- Equities
- Bonds
- Money market instruments
- Units of other UCITS

_Are there any prohibited activities that an ELTIF cannot undertake?

An ELTIF shall not undertake any of the following activities:

- Short selling
- Derivatives *Except for hedging*
- Commodities
- Securities lending, securities borrowing, repurchase transactions, similar agreements, if thereby more than 10% of the assets of the ELTIF are affected
- Borrowing up to 50% of the net asset value of the ELTIF if marketed to retail *Several other conditions as per Article 16 of the ELTIF Regulation*

02 INVESTMENT REQUIREMENTS

_What is a qualifying portfolio undertaking in the context of ELTIF Regulation?

A qualifying portfolio undertaking is an entity which fulfils several criteria foreseen by the ELTIF Regulation:

a) It is not a financial undertaking, or it is a financial undertaking that:
- is not a financial holding company or a mixed-activity holding company; and
- has been authorised or registered more recently than 5 years before the date of the initial investment.

b) It is an undertaking which is not admitted to trading on a regulated market (or on a multilateral trading facility) or is admitted to trading on such market and has a market capitalisation of no more than EUR 1,5 billion.

c) It is established in an EU Member State, or in a third country, if such country is not:
- a high-risk country from an anti-money laundering perspective[1]; and
- a non-cooperative jurisdictions for tax purposes[2].

These conditions must be fulfilled at the time of the initial investment.

_Can ELTIFs benefit from fund-of-funds and master-feeder funds structures? Are investments in non-ELTIF AIFs allowed and can ELTIFs invest in non-EU AIFs?

ELTIFs may have a 100% fund-of-funds strategy. ELTIFs may invest in the following target funds:

- other ELTIFs;
- EuVECAs;
- EuSEFs;
- UCITS;
- EU AIFs managed by EU AIFMs.

In all cases it is required that the target funds invest in ELTIF eligible investments and that the target funds have not themselves invested more than 10% of their assets in other collective investment undertakings.

Master-feeder structures are permitted provided that both the feeder fund and the master fund are ELTIFs. In the context of the ELTIF Regulation, a feeder fund means an ELTIF, or an investment compartment thereof, which has been approved to invest at least 85% of its assets in units or shares of another ELTIF or investment compartment of an ELTIF. The master fund is defined in the ELTIF Regulation as an ELTIF, or an investment compartment thereof, in which another ELTIF invests at least 85% of its assets in units or shares.

ELTIFs may not invest in non-EU AIFs as target funds, unless it is possible to look through the fund which requires to evidence control either by the ELTIF or by the AIFM managing the ELTIF.

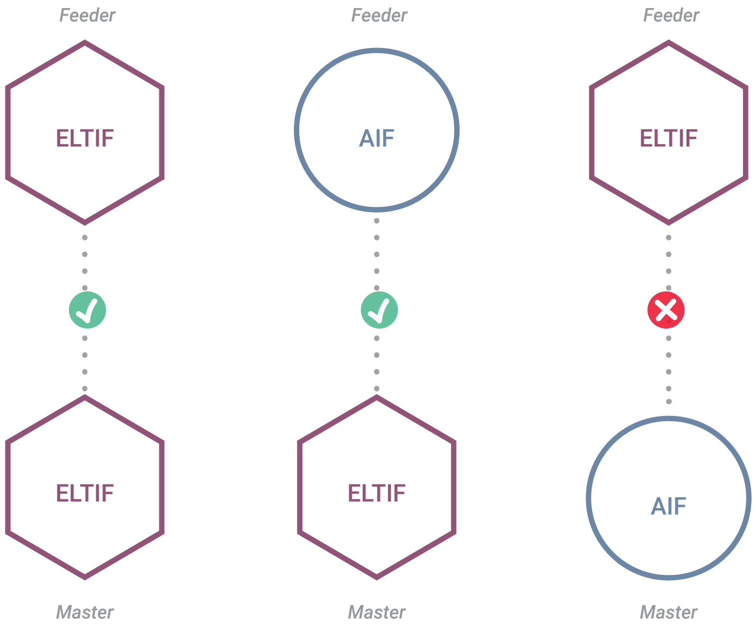
ELTIFs may have an indirect exposure to non-EU AIFs, if the non-EU AIFs are part of the portfolio of an eligible target fund as listed above. In this case, the maximum indirect exposure would be limited to 10% of the assets of the eligible target fund.

From an operational point of view, the fund-of-fund investments will need to comply after the ramp-up period with the 20% diversification rule (i.e., 20%) and the concentration rule (i.e., 30% or 25% depending on the target fund). In addition, it will be required to apply a partial look-through re the portfolio composition, the risk diversification and the borrowing if the ELTIF invests along the target fund in the same underlying asset. For this purpose, the asset manager will need to ask the target fund to be provided with some information about the portfolio composition and the cash borrowing positions of the underlying assets.

1. https://finance.ec.europa.eu/financial-crime/high-risk-third-countries-and-international-context-content-anti-money-laundering-and-countering_en
2. https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/

_Can ELTIF feeders invest in a non-ELTIF master fund?

The master-fund can always be an ELTIF, however an ELTIF cannot be the feeder of an AIF.



_Do the target funds need to be fully invested in ELTIF eligible illiquid assets or could the target funds also invest in eligible liquid assets or even non-eligible assets?

The target funds may invest in different assets which may include eligible illiquid and eligible liquid assets. However, as the ELTIF Regulation does not provide that the target fund must invest only in ELTIF eligible investments, this may also include non-eligible investments. To the extent that the target fund invests in non-eligible assets, it would be appropriate not to include the non-eligible assets in the calculation of the portfolio composition at the level of the ELTIF.

_Is it possible to invest in eligible assets through different investment vehicles (not qualifying as AIF)?

ELTIFs may invest directly or indirectly through different intermediary vehicles. This includes for instance special purpose vehicles, holding vehicles or other intermediary vehicles which have been specifically established in order to allow the ELTIF to invest or co-invest, directly or indirectly, in eligible investment assets. For the purposes of the analysis of the compliance with the risk diversification (i.e., 20% or 10% depending on the asset), it will be looked through the intermediary investment vehicle provided that it is possible to evidence control either by the ELTIF or by the AIFM managing the ELTIF.

The new regime provides more flexibility and greater asset choice when setting up and managing ELTIFs.

03 Targeted Investor(s)

03 TARGETED INVESTOR(S)

_Who can invest in ELTIF? Who is the target audience?

The ELTIF allows for a broad range of investors to access the vehicle. This includes professional investors[3] but also retail investors[4], or a mix of both

PROFESSIONAL INVESTORS

Credit institutions, investment firms, insurance companies, pension funds, authorised or regulated financial institutions, etc.

RETAIL INVESTORS

No minimum

MiFID suitability assessment (save for staff investments)

If the ELTIF is also distributed to retail investors, it will be required to comply with several safeguards, including in particular:

- A suitability assessment in accordance with MiFID II, Article 25(2) and (6) requirements. The suitability assessment should comprise information on the expected duration and purpose of the investment and the retail investor's risk tolerance, as part of the information on the retail investor's investment objectives and financial situation, including their ability to bear losses. The results of the assessment should be communicated to the retail investors in the form of a statement on suitability. The assessment of the suitability is also required in the context of a transfer of units or shares of the ELTIF via the secondary market in accordance with Article 19 of the ELTIF Regulation.
- Respect of a two-week cooling-off period as per Article 30(7) of ELTIF Regulation. During the subscription period or during a period of two weeks after the signature of the initial commitment or the subscription agreement of the units or shares of the ELTIF the retail investors shall be able to cancel their subscription and have their money returned without penalty.
- Issuance of a clear written alert by the manager/distributor, as the case may be, to retail investors under the conditions set out in Article 30(2) of ELTIF Regulation in case the life of the ELTIF exceeds 10 years or if the matching possibility is granted.
- Transparency requirements in accordance with Article 23 of ELTIF Regulation.The units or shares of an ELTIF shall not be marketed to retail investors in the Union without prior publication of a key information document in accordance with the PRIIPs Regulation (PRIIPs KID).
- For ELTIFs marketed to retail investors, it will be required to respect specific provisions concerning the depositary (Article 29 of ELTIF Regulation). The depositary of an ELTIF marketed to retail investors shall be an entity of the type referred to in Article 23(2) of the UCITS Directive and shall not be able to discharge itself of liability in the event of a loss of financial instruments held in custody by a third party.

_Are there any specific requirements for retail investors to invest in ELTIFs (e.g., minimum portfolio, minimum investment ELTIF tickets) or limitations (e.g. concentration limits)?

The limitations imposed in the previous iteration of the ELTIF Regulation (i.e., retail investors are not allowed to invest more than 10% in ELTIFs on aggregate basis, and the initial minimum amount of EUR 10,000.- to be invested in one or more ELTIFs) have been removed. The distribution to retail investors within the EU is subject to the suitability test.

3. A professional investor pursuant to the ELTIF Regulation (in particular Annex II of MiFID II) is an investor which possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs.
4. A retail investor is not a per se professional client and cannot be treated, on request, as a professional client under the conditions set out in MiFID II.

03 TARGETED INVESTOR(S)

_Why is there a distinction between professional-only and ELTIFs marketed to retail investors and how do their respective rules work?

ELTIFs may target professional-only investors in order to offer also to this investor category a regulated pan-European product label. The distinction between professional-only and ELTIFs marketed to retail investors has been introduced in order to take into consideration the different levels of risk tolerances, investment needs, and capabilities to analyze investment opportunities which are much higher and more sophisticated for professional investors. If units or shares of ELTIF are marketed to professional-only investors, the additional retail marketing rules of the ELTIF Regulation will not apply. However, to the extent that units or shares ELTIF are marketed to a mix of professional and retail investors or only to retail investors, it will be required to comply with the applicable retail provisions of the ELTIF Regulation.

ELTIF 2.0 could open the door for more retail investors to access alternative financial assets and encourage longer-term investments related to sustainability, infrastructure etc.

04

Operating Requirements

04 OPERATING REQUIREMENTS

_Are there any points to consider when implementing a co-investment strategy?

The ELTIF Regulation allows an EU AIFM managing an ELTIF and any of its affiliates and their staff to co-invest either in such ELTIF or with such ELTIF in the same assets. In this case, the AIFM of the ELTIF has to put in place organisational and administrative arrangements designed to identify, prevent, manage and monitor conflicts of interest and the AIFM has to ensure that conflicts of interest are adequately disclosed. Such disclosure requirements are laid down in Article 14 of the AIFMD.

_How can an investor exit an ELTIF?

The ELTIF Regulation provides that, in principle, investors in an ELTIF shall not be able to request the redemption of their units or shares before the end of life of the ELTIF. Initially, ELTIFs were therefore intended to be closed-ended funds. By derogation, the ELTIF Regulation provides that redemptions are possible during the life of an ELTIF, subject to several conditions laid down in the ELTIF Regulation. This is particularly relevant for evergreen fund structures which offer periodical redemption windows. In this respect, the ELTIF Regulation also requires the organisation of a matching mechanism between subscription and redemption requests.

Investors may also exit the ELTIF by way of transfer of shares or units. The ELTIF Regulation recognizes both trading on the secondary market and private transfers.

_Can ELTIFs be open-ended?

ELTIFs are intended to be long-term investments and are required to invest at least 55% of their capital in long-term assets. However, it does not mean that all ELTIFs must be closed-ended funds. It is possible to allow for early redemptions before the end of life of the ELTIF subject to the conditions indicated in the following paragraph.

_How do redemption terms work under the revised ELTIF regime?

The ELTIF Regulation allows for redemptions subject to several conditions, including the following:

- Redemption requests may be satisfied only from the pocket of liquid assets;
- Fair treatment of investors must be respected and redemptions shall be granted on a pro rata basis if the requests for redemptions exceed the percentage specified above;
- No redemptions may be granted before the portfolio is ramped-up or a minimum holding period has passed;
- An operating redemption policy and liquidity management tools are in place which are compatible with the long-term investment strategy of the ELTIF;
- The redemption policy of an ELTIF clearly indicates procedures and conditions for redemptions.

ESMA will supplement these with additional Regulatory Technical Standards, which are still under consideration at the time of publication.

_How does leverage work?

The ELTIF Regulation provides for rules on the borrowing of cash. In this respect, if units or shares of an ELTIF are marketed to retail investors, the maximum level of cash will be 50% of the net asset value of the ELTIF. Professional-only ELTIFs may borrow cash up to 100% of the net asset value of the ELTIF. The borrowing of cash is subject to several conditions and requires, inter alia, that the maturity will not be longer than the life of the ELTIF and that the holdings in cash or cash equivalent of the ELTIF are not sufficient to make the investment. The borrowing allows for a ramp-up period of max. 3 years after the starting date of the marketing. As the ELTIF qualifies as an alternative investment fund, the AIFMD and AIFMR regime on the leverage and its disclosure applies.

05

Distribution and Marketing of ELTIFs

05 DISTRIBUTION AND MARKETING OF ELTIFS

_Do the specific requirements concerning the distribution and marketing of ELTIFs to retail investors apply to those outside of the EU?

No. Article 30 of the ELTIF Regulation lays down uniform rules on the authorisation, investment policies and operating conditions of EU AIFs or compartments of EU AIFs **that are marketed in the EU** as ELTIFs. Therefore, the scope of the ELTIF Regulation does not include the distribution and marketing of ELTIFs outside the EU, including to retail investors.

Accordingly, the distribution of ELTIFs to retail investors outside the EU is not be subject to inter alia the suitability test requirement laid down in Article 30 of the ELTIF Regulation.

_When an ELTIF is distributed in different countries of the EU, is it mandatory to translate the whole prospectus in each language?

Article 5(2) of the current version of the ELTIF Delegated Regulation, requires the AIFM of an ELTIF to ensure that they perform their tasks in the official language or official languages of the Member State where the ELTIF is marketed. It is our understanding that it is contemplated to remove this requirement in order to ensure consistency between the ELTIF Delegated Regulation (EU) 2018/480 and the amended ELTIF Regulation (EU) 2015/760. However, for the retail distribution it should be taken into consideration that the PRIIPs KID Regulation (Article 7) requires that the key information document shall be written in the official languages, or in one of the official languages, used in the part of the Member States where the ELTIF is distributed.

_Are ELTIFs targeting retail investors necessarily fully funded or is a capital call model applicable?

Fully funded means that the relevant investor makes immediately the downpayment of the investment in the fund. Capital call means that the relevant investor will commit for a certain amount which the fund may draw down during a certain period in order to make investments. Retail funds follow traditionally a fully funded model whereas funds admitting only more sophisticated investors will typically operate with a commitment model. The ELTIF Regulation refers to both models (cf. Article 30(7) of the ELTIF Regulation which indicates "initial commitment or subscription"). However, in practice ELTIFs of which the shares or units are also distributed to retail investors will operate with a fully funded model. As it takes typically a certain period of time to identify eligible investments for the illiquid pocket, it is very common that managers will invest at the beginning almost exclusively in liquid investments and then they will shift their exposure progressively to illiquid assets.

_How does the ELTIF secondary market work?

To promote the secondary trading of ELTIF units or shares, the ELTIF Regulation provides that the rules laid down in the fund documentation of an ELTIF may not prevent units or shares of the ELTIF from being admitted to trading on a regulated market or on a multilateral trading facility. Furthermore, the fund documentation of an ELTIF may not prevent investors from freely transferring their units or shares, subject to regulatory requirements and the conditions set out in the prospectus of the ELTIF.

It should be noted that in respect of secondary transfer to retail investors, the suitability assessment would still be applicable. In practice, the transfer would therefore need to involve the ELTIF manager or a distributor.

06

Authorisation and Registration

06 AUTHORISATION AND REGISTRATION

_What do I need to know about authorisation and registration?

Authorisation and registration as an ELTIF shall be made in accordance with the procedure set out in Articles 5 and 6 of the ELTIF Regulation. An EU AIF will be authorised as an ELTIF if its competent authority is satisfied that the EU AIF meets all the requirements of ELTIF Regulation and has approved the EU AIF's application for authorisation and the EU AIFM to manage the ELTIF, the fund rules or instruments of incorporation, and the choice of the depositary.

An application for authorisation shall be made to the competent authority of the ELTIF and include the following elements:

- Fund rules or instruments of incorporation;
- Name of the proposed manager of the ELTIF;
- Name of the depositary;
- In the case where the ELTIF can be marketed to retailed investors:
    - A description of the information to be made available to investors including a description of the arrangements for dealing with complaints submitted by retail investors.
    - The written agreement with the depositary if required by the competent authority of an ELTIF.
- Where applicable, information on the master-feeder structure in accordance with Article 5(1)(e) of the ELTIF Regulation.

Applicants will receive the authorisation that an ELTIF has been granted within two months from the date of submission of the complete application.

07

Tax Policy and National Regulations to Promote ELTIF

07 TAX POLICY AND NATIONAL REGULATIONS TO PROMOTE ELTIF

_Is there a form of EU harmonisation to ensure a level playing field when it comes to tax treatment of ELTIFs?

There are no EU harmonized rules in respect of the taxation of ELTIFs.

The taxation will ultimately be assessed in respect of the country of establishment of an ELTIF and in respect of the country of where the investor is based. Please note that the final report of the High Level Forum on the Capital Markets Union has recommended that the EU Member States should simplify tax rules applicable to ELTIFs and/or apply preferential tax treatments for ELTIFs.

_What are Member States doing to prepare for and facilitate the take up of the new ELTIF Regulation?

Member States have several options to facilitate the take up of ELTIFs which includes tax or regulatory related measures.

Several Member States provide for tax incentives which may include exemptions or reductions in capital gain tax, income tax or inheritance tax. For instance in Italy, investments in ELTIFs that meet the requirements of the individual savings plans *(Piani Individuali di Risparmio, PIR)* will offer Italian tax-residents with an exemption from the capital gain tax and inheritance tax. In order to be eligible for these exemptions, the relevant investors must remain invested in the ELTIF for a minimum period of five years and they may not exceed a certain investment threshold. Spain has implemented also some incentives. Certain regions in Spain (e.g. in Vizcaya and Álava) have implemented special tax regimes for ELTIFs which apply a reduced corporate income tax rate of 1%. In addition, it is possible to reduce the taxation for carry holders under the provisions of the Spanish start-ups law.

Member States may also implement measures which will ultimately ensure that ELTIFs are eligible to domestic retail wrappers, such as life-insurance contracts or retirement savings plans, if any.

Finally, Member States could also further simplify the application process and/or to make it more efficient for ELTIFs or for their managers and/or adopt further measures in order to increase the visibility of the ELTIF label in the relevant Member State.

> EU Member States need to contribute to the future success of ELTIF 2.0 by ensuring efficient national regulatory frameworks and incentives.

08

Timeline and Next Steps

08 TIMELINE AND NEXT STEPS

_When will the new rules take effect?

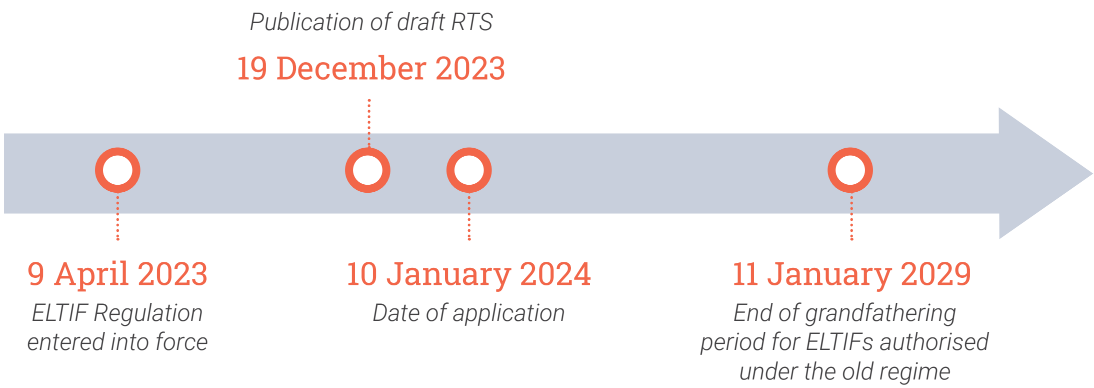
The ELTIF Regulation entered into force on 9 April 2023 and becomes applicable from 10 January 2024.

Managers of ELTIFs authorised under the provisions of the old regime benefit from a grandfathering period of five years and must comply with the revised ELTIF regime by 11 January 2029.

The revised ELTIF Regulation will also be supplemented by Regulatory Technical Standards (RTS), including more detailed provisions on redemption terms and cost disclosures. This is under consideration by the European Commission at the time of this publication.

_How does the grandfathering clause work?

ELTIFs authorised under the previous version of the ELTIF Regulation must comply with the new ELTIF Regulation by 11 January 2029 or they may choose to relinquish their 5-year grandfathering faculty and transform into “ELTIF 2.0” right after the entry into application of the new ELTIF Regulation on 10 January 2024. ELTIFs authorised under the previous version of the ELTIF Regulation which are not marketed anymore, will be deemed to comply with the new ELTIF Regulation without any further action.



About EFAMA

EFAMA is the voice of the European investment management industry, which manages around EUR 28.5 trillion of assets on behalf of its clients in Europe and around the world. We advocate for a regulatory environment that supports our industry's crucial role in steering capital towards investments for a sustainable future and providing long-term value for investors.

Besides fostering a Capital Markets Union, consumer empowerment and sustainable finance in Europe, we also support open and well-functioning global capital markets and engage with international standard setters and relevant third-country authorities. EFAMA is a primary source of industry statistical data and issues regular publications, including Market Insights and the authoritative EFAMA Fact Book.

More information is available at www.efama.org

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