



INFRASTRUCTURE INVESTING WEBINAR SERIES

Investing in Infrastructure as a European Investor?

Agenda

10am – Opening remarks

10.02am – Market Trends & Focus on the European Market with Preqin

10.15am – Round Table Discussion

10.50am – Amundi Diversified Infrastructure Expertise

11.10am – Q&A session

Speakers



Justin Beardon

Vice President, EMEA
Investor Research -
Preqin



Laurent Fayollas

Deputy Head of Global
Infrastructure – Ardian



Vincent Policard

Partner and co-Head of
European Infrastructure
– KKR



Guy Lodewyckx

Global Head of Private
Markets Multimangement -
Amundi Real Assets



Olivier Paquier

Head of Institutional Sales –
Amundi Real Assets



Confidence
must be earned

Amundi
ASSET MANAGEMENT

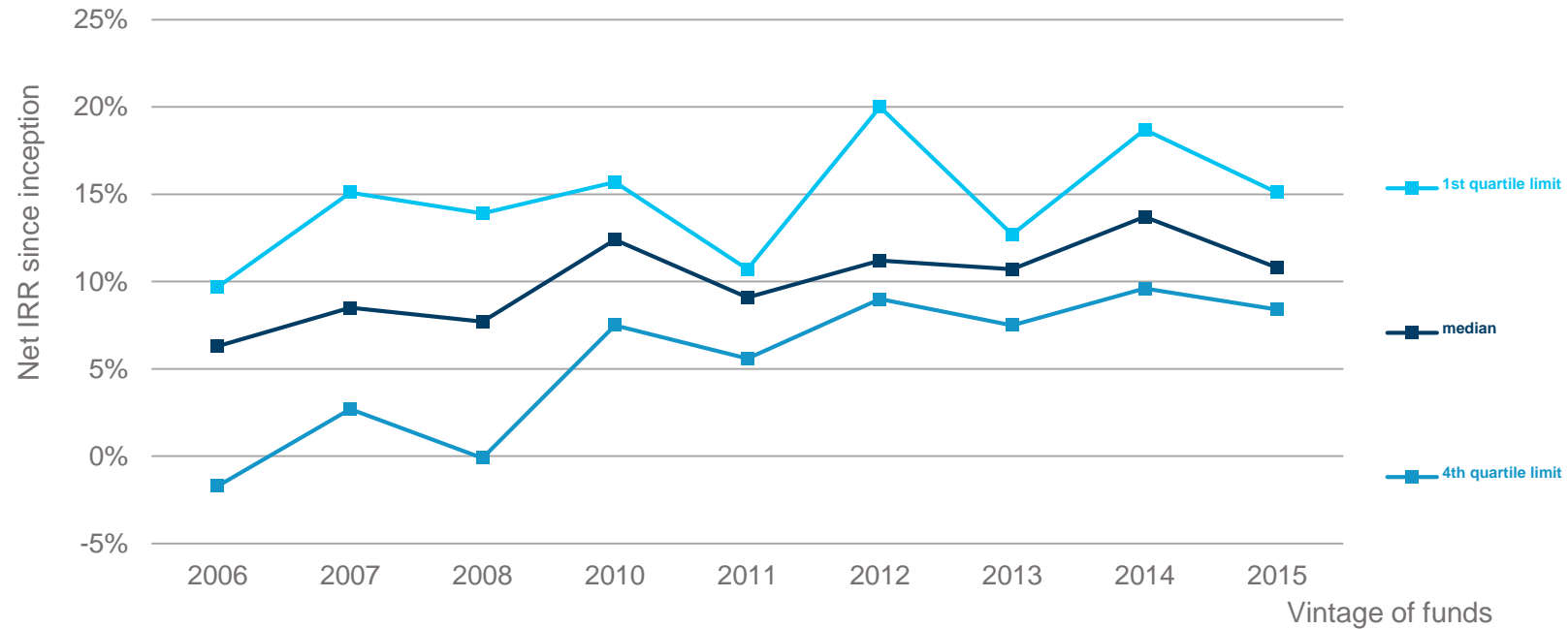


January 2021

Amundi Diversified Infrastructure Expertise

Infrastructure funds: solid but heterogeneous performance

- Resilient performance through crises
- A significant dispersion of performance among GPs



Source 2020 Preqin Global Infrastructure Report

Infrastructure: an increasingly complex offering



New types of assets

- Very broad definition of infrastructure for some GPs (data centers, social infrastructure)
- Technological development (smart meters, smart grid, 5G, ...)



New ways to creating value

- Import of private equity techniques: carve-out, build-up, operational optimization, management reinforcement, AI, ...
- Increasing importance of the GP's capability to create value

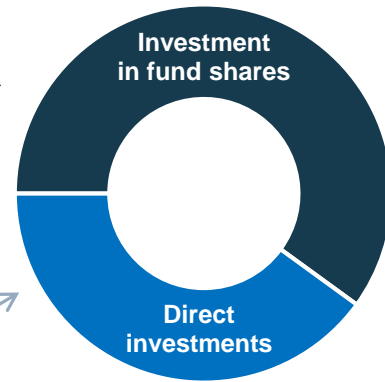


More difficult and technical access to the market

- Development of co-investments and secondary transactions
- Rapid increase in fund size and minimum ticket size
- Use of equity bridge, specific carried interest formulas, etc.

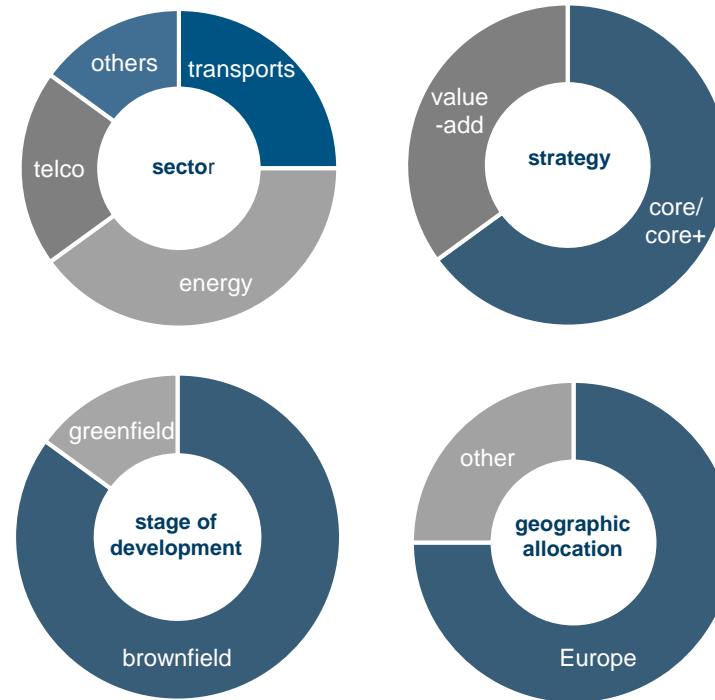
A hybrid strategy offering strong diversification

60% invested in funds ⁽¹⁾,
of which 10% in secondary transactions,
with renowned managers selected by
Amundi PEF



40% invested in direct ⁽¹⁾,
through co-investment with GPs, with no
carried interest nor management fees ⁽²⁾
from the underlying GPs

Underlying asset diversification target



(1) Typical target allocation

(2) Co-investments generally bear neither costs nor carried interest. Co-investments with non-zero fees and/or carried but lower than those of the fund are not excluded. Investments are not guaranteed and present a risk of capital loss as well as a liquidity risk.

Access to leading GPs within a proven framework

Renowned managers, selected for the stability of their performance and their ability to create value

- **12 years of presence in the market** and historical relationships with major GPs
- **Significant tickets**, strengthening the relationship
- A **selection process** enriched by 20 years of experience
- Systematic requests for **access to co-investments, protection clauses, and advisory board positions**

A combination of primary and secondary transactions to optimize portfolio construction

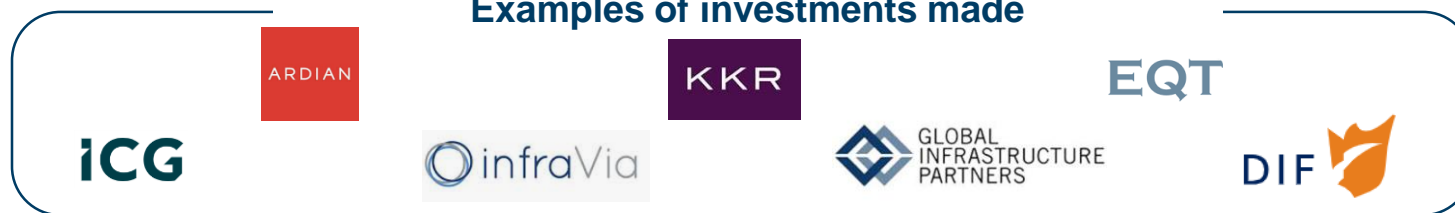
Primary subscriptions

Subscriptions in **primary funds** to diversify underlying exposures and feed the flow of co-investments

Secondary transactions

- Investments in funds already ramped up to **accelerate the deployment of the AIDF fund**
- A focus on **non-standard transactions**: pre-emptive rights, continuation funds, late primaries, ...

Examples of investments made



These examples are given for illustrative purposes. It does not in any way constitute an investment recommendation and does not prejudice of any future investment in these funds. The companies' logos mentioned are registered trademarks which remain the property of the company. Exclusive property of each holder.

Proven expertise in direct investment

A significant contribution to the fund's performance

- Direct access to assets, alongside the underlying manager, without management fees nor carried interest
- Potential gain of 2% to 5% IRR compared to the same assets held in the underlying funds

A strict intervention framework

- Alongside managers with whom Amundi PEF invests
- Analysis of assets, of the manager's sector and country capabilities and of the contribution to the portfolio construction as a whole
- Expertise of our investment teams in complex structuring and in risk management

An appropriate scheme and a proven ability

- Nearly 100 opportunities received since 2012, €350M transactions completed ⁽²⁾
- Access to the expertise of direct infrastructure managers from Amundi Energy Transition ⁽³⁾

(1) Amundi 's estimate. This gain corresponds to the absence of costs and carried interest

(2) Source : Amundi as at 15/05/2020

(3) Amundi Energy Transition: an asset management company held in conjunction with EDF, one of the world leaders in electricity and N°1 in green energy production. Thanks to an innovative economic model, ATE structures diversified infrastructure assets over several segments of the energy transition market.

Examples of direct investments made



Fibre network, France
Ticket > 100M



Smart meters, UK
Ticket > 30M



Highway, Portugal
Ticket > 30M



Utility, Luxembourg
Ticket > 50M

Investing alongside the historical sponsor of the strategy

- All the funds of the strategy invest *pari passu* with the historical sponsor. They therefore benefit from the size effect :

Same
deal flow

Same subscription
conditions

Same access to
co-investments

- Each vehicle in the strategy invests according to its investment policy under *pari passu* legal and financial conditions
- *Pro rata* allocations in case of a reduction in the claimed amounts

Typical cumulative fee structure equivalent to that of a direct fund, but with a better diversification

❖ **Controlled direct and indirect fees**

- co-investments with no management fees nor carried interest charged by underlying GPs
- access to less loaded shares in the underlying funds

❖ **Illustration**

	Amundi Diversified Infrastructure Strategy <small>(assuming 70bp fees)</small>				Typical infrastructure fund
Management fees	Indirect (GPs)	Underlying funds	1,4% x 60% = 0,8%		1,5%
		Co-investissement	0,0% x 40% = 0,0%		
	Direct (Amundi)	Amundi fund	0,7%		
Carried interest	Indirect (GPs)	Underlying funds	20% x 60% = 12%		20%
		Co-investissement	0% x 40% = 0%		
	Direct (Amundi)	Amundi fund	8%		
Diversification	Total	Underlying funds	8 GP, i.e. 120 assets	8 GPs	1 GP ~10/12 assets
		Co-investissement	6 assets	> 100 assets	

Methodology: the characteristics of typical fund and co-investments are estimated on the basis of the investments made by Amundi in 2019. Indirect costs will depend in particular on the achievement of the 40% co-investment target. The calculated cumulative costs and carried interest are purely illustrative and include approximations...

An expertise successfully deployed for our historical clients

Deployed amounts that guarantee our market access

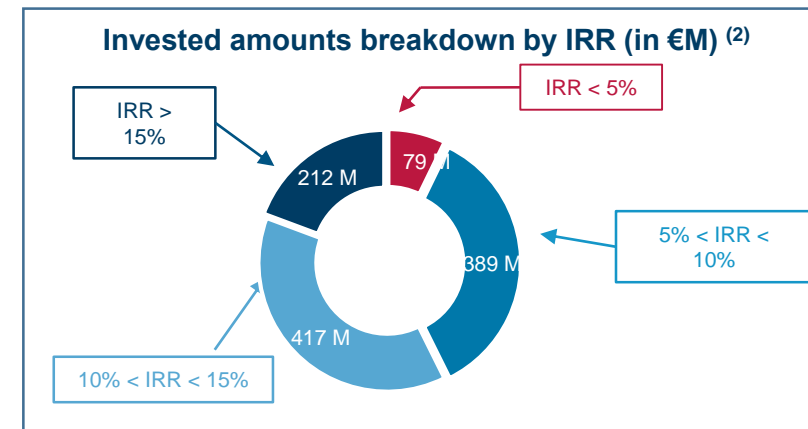
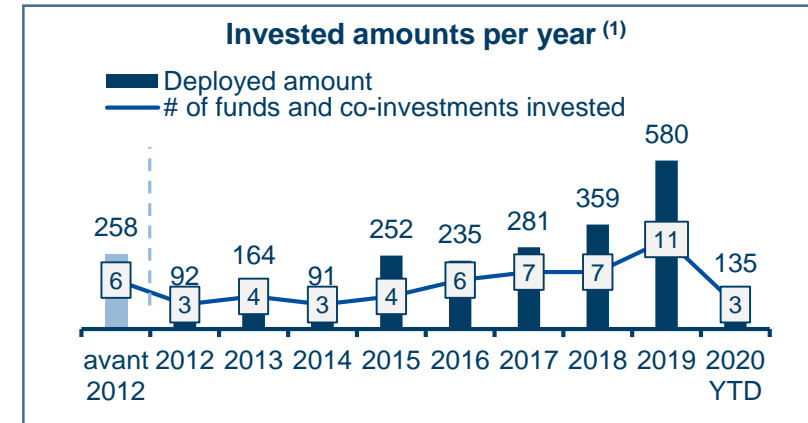
- A historical knowledge of GPs and a proximity that creates opportunities (access to information and to co-investments)
- Over **€2,400M deployed** since 2008 ⁽¹⁾
- Over **100 co-investment opportunities received** since 2012, of which **€350M** have been invested in transportation, energy et telecommunications

Low performance dispersion in the invested mature assets ⁽²⁾

- 93% of the deployed amounts have an IRR greater than 5%
- Only one asset representing €16M is in capital loss

A long track record of recurring gross performance with an overall IRR of 10.3%⁽³⁾

Vintage	2008-10	2011-13	2014-16	2017-19
Performance	11,9%	9,7%	9,9%	4,7%



(1) Source : Amundi au 30/09/2020

(2) Gross performance of transactions carried out before the 01/01/2017, further investments being considered as immature. ""Breakdown made on the committed amount.

(3) Investment performance made by subscription date as at 30/09/2020 on the basis of the last available net asset values for the underlying.

Past performance is no guarantee of future performance. Investments carry a risk of capital loss.

A proven responsible investment policy

Amundi, pioneer of ESG

- Amundi is a signatory of the UNPRI. Amundi benefits from the best grade (A+)
- €275Bn ESG assets under management, best asset management company for SRI/ESG according to Extel
- Creation of Amundi Energy Transition
- Launch of a green bond fund with IFC
- Amundi PEF, signatory of the *Initiative Climat International*



A methodology adapted to multi management

- Focus on the GP's ESG practices in the asset selection and management
- ESG is **one of the pillars of our due-diligences**, alongside performance and operations
- Assessment of the integration of ESG criteria based on our **knowledge of the best practices** (more than 100 GPs met each year)
- Systematic meeting request with the ESG head of the GPs



Focus on climate change and carbon footprint

- A **key objective**: promote the financing of the energy transition and the fight against global warming
- Systematic request of **carbon footprints**
- **Reporting on results** obtained from GPs



- (1) Source : Amundi

An experienced multi-management team supported by recognized infrastructure specialists ⁽¹⁾



Guy LODEWYCKX
CIO of Private Markets Multi-management



Matthieu POISSON
CIO of Infrastructure

Multimanagement



Jérôme FREMAUX
Managing Director



Nicolas TCHEN
Managing Director



Viviane TING
Principal



Sophie VERGEZ
Principal



François PARMENTIER
Principal



Fabio FEDELI
Analyst



Maria TAFIDIS
Analyst

Direct Investment



Lelia RAYNARD
Managing Director



Kawtar ZIYAT
Investment Analyst



Clément MARTIN
Managing Director



Malek GUERMIT
Investment Analyst



Jean-Michel MAZALERAT
Senior Advisor

14 years of
average experience ⁽²⁾

(1) The described strategy is managed by the multi-management team of Amundi Private Equity. For the analysis of co-investments, it can benefit from the expertise of the direct investment team of Amundi Energy Transition within the framework of a consulting contract.
(2) Management or private markets experience for the multi-management, experience in infrastructure for direct investment, except senior advisor

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