

PRIVATE DEBT INVESTING WEBINAR SERIES

Amundi | Real Assets
ASSET MANAGEMENT



Investing in Private Debt as a European Investor?

Agenda



11am – Opening remarks

11.02am – Market Trends & Focus on the European Market with Preqin

11.15am – Grill Session – Market views, Outlook and Convictions on Private Debt

11.35am – Deep Dive on Amundi Private Debt Strategies

11.55am – Q&A session

Speakers



David Lowery

SVP and Head of Research Insights
Preqin



Thierry Vallière

Global Head of Private Debt
Amundi Real Assets



Olivier Paquier

Head of Business Development
Amundi Real Assets

PRIVATE DEBT WEBINAR

March 25th, 2021

Confidence
must be earned

Amundi
ASSET MANAGEMENT

Amundi Private Debt - Key figures

Proven and privileged access
To Real Assets

A Dedicated Team of
Experienced Professionals

A Selective Approach and a
Recognised Investment
Process



€ 7.9 Bn ⁽¹⁾
Invested



26 **15 years**
Investment Professionals Average experience

8% ⁽²⁾
HIT Ratio



2012
Launch of the first fund



190 +
Transactions carried out



**Paris, Lyon, Milan,
Barcelona, London,
Dublin**



Past performance is not indicative of future performance.

(1) At 07/12/2020, scope Corporate Debt in France (Funds + mandate)

(2) Fund Scope Corporate Debt France (Funds + mandate), average 2016-2020 as of 07/12/2020

(3) Amundi is appointed 'Asset Manager of the Year' by Global Capital in September 2016

Private Debt Team Amundi

The solidity of a global group
Middle Office, Risk, Compliance, Taxation,
Legal, Research, ESG

150 managers & analysts
In the fixed income and credit business line



LORNA LUCET
ESG Analyst



THIERRY VALLIÈRE
Global Head of Private Debt



THOMAS BURCK
Financial Controller
+ 2 people

Corporate Debt



JULIEN PAYCHA
Head of Senior Corporate Debt
Funds



EMILIE BENSIMON
Senior Portfolio Manager



STEPHANIE CANOVA
Senior Portfolio Manager



PIERRE HENRI CARLES
Senior Portfolio Manager
Amundi Milan

Leveraged Loans



THIERRY DE VERGNES
Head of Bank Loans Funds
Senior Manager



DESMOND ENGLISH
Senior Portfolio Manager



BRIAN H. FARRELL
Senior Analyst and Portfolio Manager

+ 8 Credit Analysts

Real Estate Debt



BERTRAND CARREZ
Head of the Real Estate Debt
team



ANNE SOPHIE CHAFFARD
Senior Portfolio Manager



ELIE SARKIS
Portfolio Manager

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Professionals on the Platform

ESG fully integrated into Private Debt Activities



ESG application

ESG application on all Private Debt funds since 2014: 100% of the investments are reviewed by Amundi's SRI team.

A Responsible Investment Privacy Charter



The charter available upon investors' request



Governance

ESG team participation in the Investment Committee (a permanent member headquarters) and the weekly pipeline review team meeting.

ESG veto power.

Innovative ESG solutions



- 1st Euro PP in sustainability linked bond format (Fromagerie Bel);
- Green Credit Continuum new product offer
- Impact funds (Amundi Debt Senior Initiative Impact)

The objective of helping issuers improve their impact indicators:

- Post investment progress on pre-defined indicators
- Recommendations for improvement
- Annual dialogue



1 ESG analyst dedicated to Private Debt
Drawing on 16 SRI analysts from Amundi

100%
Of Issuers reviewed at the end of 2020

Amundi Private Debt: Strategies and Expertise Available

	Invest. Grade	Cross-Over	High Yield	Innovative financing
Strategy	Senior Commercial Real Estate (Core +)	Senior Corporate financings to European SMEs	Senior Secured Lev. Loans on Large-Cap	ABL (Agri Sector)
Fund Format	French FCT (FPE Label)	SICAV-RAIF (ELTIF label)	SICAV-RAIF	Italian AIF (ELTIF label)
Key Features	Buy & Monitor 15 transactions	Buy & Monitor 30-40 transactions	Active Management 50+ transactions	Buy & Monitor 20-25 transactions
Credit Rating	NR (BBB area)	NR (BB/B+ area)	B area	NR
Liquidity	Limited	Limited	Monthly	Limited
Gross Return ⁽¹⁾	2.5-2.75%	4.3-4.5%	3.50-3.75%	5.0-6.0%
Targeted Clients	Mainly Insurance	Institutional	Institutional	Retail/Institutional
Fund Maturity	10 years	10 years	Evergreen	8 years
				

(1) Gross Return over E3M floored at zero



A diversified portfolio targeting an optimum risk/return profile

Strategy

Pan European senior property debt: mainly in Core/ Core+ of which 50% in France (excluding the UK)

Key Attributes

- **Good alternative to investment grade bonds**
- **Attractively valued risk/return** profile illiquidity premium of close to 200 bps compared to BBB property bonds
- **Solvency II prudential treatment** particularly favorable to insurers: SCR credit at around 8% for an average credit duration of 5.5 years.
- **Efficient ramp up and important sourcing network** : Pre securitisation model of transactions
- **Portfolio resilience** during the recent crisis
- **Hedge against rising rates / inflation:** Mainly floating rate



Fund Structure:
French FCT, FPE Label

Target Yield:
E3M* + [2.5% - 2.75%]
(gross)

Target Size:
€400M - €500M

Commitments: €340M

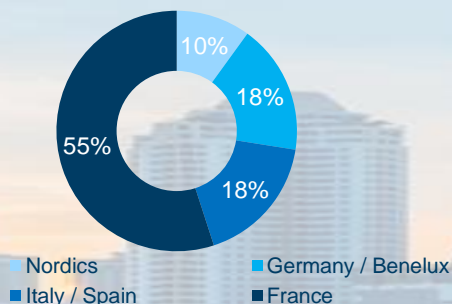
Closings: till Q3 2021

Min Ticket: €5M

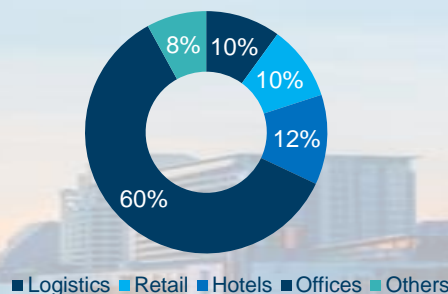
Management Fees:
35bps

c. 15 investments
Mainly offices, logistics,
residential, retail, hotels,
etc

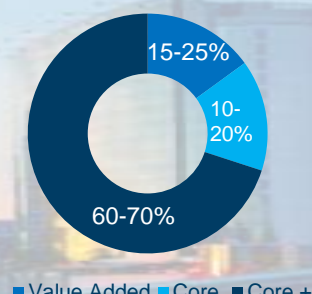
Countries



Sectors



Risks



(*) E3M floored at zero



A new vintage of a proven strategy

Strategy

Senior private debt of SMEs within the European Union

Key Attributes

- **Previous vintage success (DS III):** €915M raised and strong portfolio resilience during the COVID-19 pandemic
- **Privileged access to European SMEs** through a network of 90 business partners; deep market coverage thanks to our size and leading position
- **A growing share of club or owner deals, enabling better negotiation of financial and legal conditions**
- **Integration of ESG criteria & Responsible Investment Charter:** Annual report
- **Hedge against rising rates / inflation:** Mostly floating rate



Fund Structure:
RAIF SICAV, ELTIF

Target Return:
[4.3-4.5%] (gross)

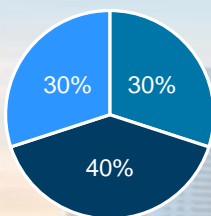
Target Size:
€800M / €1bn

Commitments: €650M

Min Ticket: €3M

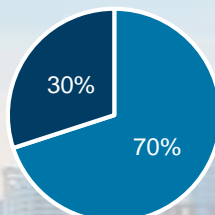
Management Fees:
40 bps if ticket < €50M
35 bps if ticket ≥ €50M

Issuer size



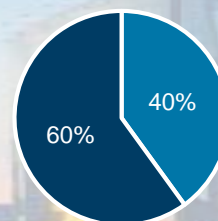
■ Large ■ Mid Large ■ Small Mid

Geography



■ France ■ Excluding France

Types of financing



■ Corporate unsecured & secured
■ Senior secured loans

c. 30-40 investments

All sectors but financial and insurance companies

Amundi Bank Loans Europe (ABLE)



Evergreen Fund

An opportune Fixed Income diversification strategy in a low interest rate environment

Strategy

European Leverage Loans Large Cap Senior Secured

Key Attributes

- **High Diversification:** 50-60 Loans, Sector and Geographical Diversification
- **Active Management:** Primary & Secondary Market, Relative Value Arbitrage
- **Monthly Liquidity:** Evergreen Fund
- **Attractive Risk / Return Profil vs HY Bonds:** 1% Yield Pick-Up
- Better protection (Senior Level). Higher recovery rate (secured)
- **Hedge against rising rates / inflation:** 100% Floating Rate



Fund Structure:
SICAV RAIF

Target Return :
E3M +4%
(gross)

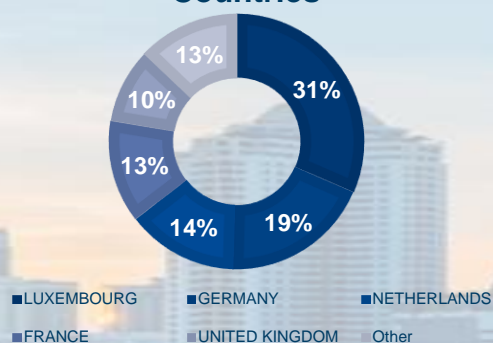
Commitments: 60M€

Closings: Monthly

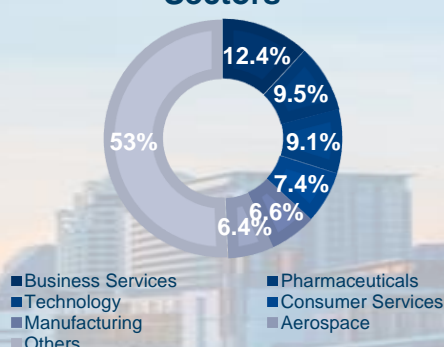
Min Ticket: €125,000

Management Fees:
50bps

Countries



Sectors



Split by market



Gross return:
E3M+426bp

Number of Loans: 50+

Amundi Eltif AgrItaly PIR



First closing:
March 2021

A new vintage dedicated to the financing of inventories of Italian agri food companies and wine

Strategy

Invest in bonds and a limited proportion in quasi equity instruments (unitranche or mezzanine) on an opportunistic basis.

Key Attributes

- **Debt over collateralized by tangible assets** via the financing of a SPV that buys the 'raw material' to refine it and resell it at maturity to the producer
- **Products with a long period of maturity** (10 to 24 or even 36 months for wine) of which demand is little affected by cycles
- **Default cases:** Agritaly 1 successfully navigated the COVID crisis by demonstrating the robustness of its legal structure and investor protection that this scheme makes possible to secure
- **Contribution to the financing of the real economy** while meeting the appetite of investors for higher risk adjusted returns
- **Hedge against rising rates / inflation:** Target of 30% Floating Rate



Fund Structure:
Italian AIF, ELTIF

Target Return:
Euribor + 5.0-6.0%

Target Size:
€200M (hard cap)

Commitments: €70M

Min Ticket:
H units - €1M
I units - €5M

Management Fees:
From 0 to €5M: 100bps
Over €5m: 75bps

Portfolio Structure



c. 20-30 investments

Italian agri food sector
and wine

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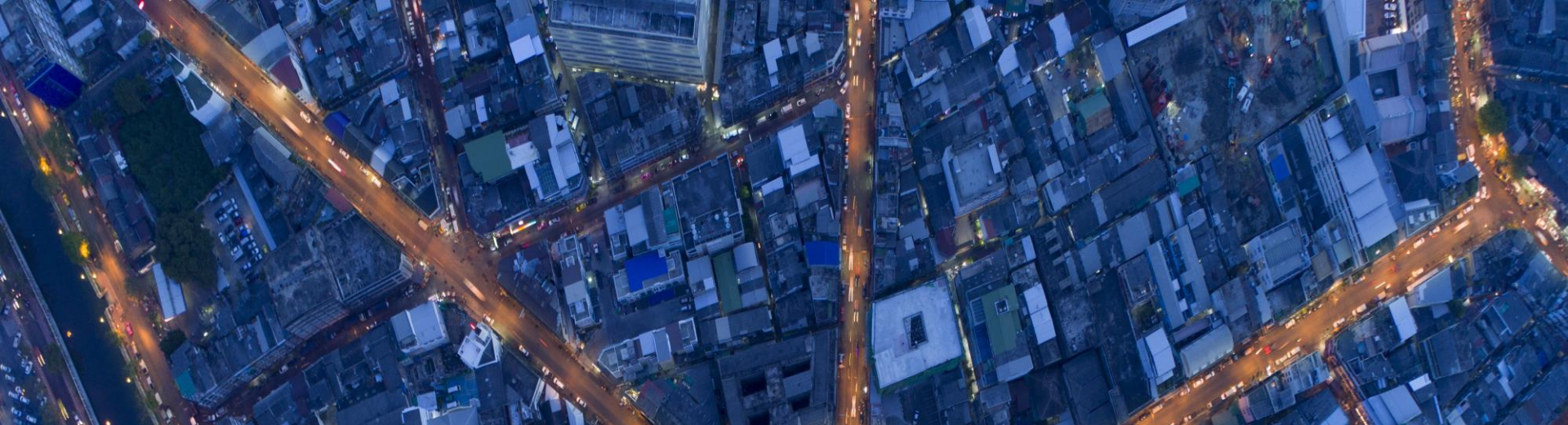
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