



Q&A with Dominique Senequier, Chief Executive Officer of Ardian

Dominique Senequier joined the AXA group in 1996 and founded AXA Private Equity. Having grown to an investment company that manages or advises US\$46 billion of assets, the company became Ardian in 2013.

Today, the company comprises more than 320 employees based in 10 offices across the world. Dominique Senequier is currently a non-executive member of the Board of Compagnie Industriali Riunite, the Italian conglomerate. She is vice-president of the Supervisory Board of Hermes International. In 2012, she was made a Chevalier of the Legion of Honour (*Chevalier de la Légion d'Honneur*) by the French Government. She began her career working for the French Insurance Commission, before joining GAN, where she worked in reinsurance, international development and private equity.

Q: *What does the independence of the company change?*

We have always been independent in spirit and now we are independent in fact. When the moment came for us to claim our independence, we seized the opportunity to show our true character — our boldness, our determination to succeed and the entrepreneurial spirit that drives us forward.

The spin-off created a powerful, new, premium investment company with a strong international reach and network. There are no significant changes of strategy planned. The hallmark of this significant development is one of continuity, with management remaining in control of all operational and investment decisions and our teams holding 52% of the share capital. The company will build on the success of the last 18 years, capturing new opportunities and embracing broader horizons. Investors can expect the same level of service and investment performance, continued commitment to a culture of responsible investing and the long-term perspective of our employees whose interests are now very well aligned with those of our LPs.

Q: *What is the outlook for the private equity business?*

The macroeconomic situation in Europe is improving. Investors now have greater confidence in the region, leading to an increased exposure to this market. This has provided our direct activities with a more favourable environment. The markets remain competitive but we continue to find excellent opportunities to back ambitious management teams with compelling strategies to expand their companies. As confidence returns to the global economy, we are ready to work with our portfolio companies to take advantage of improving conditions. In our fund of funds business, the market continues to produce many opportunities as banks move to comply with new regulations on proprietary trading and pension funds seek to rebalance down their private equity portfolios.

Access to alternative sources of yield has become increasingly important for investors who must service long-term liabilities that are often linked to inflation, such as payments to pension fund beneficiaries. This trend has helped to make asset classes such as infrastructure and private debt increasingly important for some clients.



Dominique Senequier
Chief Executive Officer
Ardian



Benjamin Lam
Partner - Private Equity & Real Estate Leader
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Q: What are the new expectations of LPs?

Of course, a high level of performance remains one of their main expectations, as risk free returns are historically low, but the economic crisis has strengthened the need for transparency. Nowadays, we need to provide a more tailored service to each of our LPs. It is not simply enough to visit clients once or twice a year; we need to have a different sort of relationship with them so they can monitor their investments. We also see an increasing number of investors who want to know more about our policies on Environmental, Social and Governance issues. Our commitment is to integrate ESG into the overall investment process.

The other critical element concerns fundraising, as investors are looking for co-investment opportunities. This model allows major investors to deploy investments at a lower cost as there are no management fees, while maintaining flexibility in building their portfolio. It also allows us to build deeper relationships with our investors and to work together during the transaction process.

Q: What is the impact of the AIFM?

I began my career as Insurance Commissioner, so I am convinced of the benefits of regulation. Ardian's teams have anticipated these changes and we have hired people to bolster our compliance department in our offices worldwide. In a nutshell, there will be no change for our business but there will be more work. However, the impact of the AIFM might be heavier and more difficult to deal with for smaller asset managers.

Q: How do you feel, leading one of the global leading private equity companies?

This is a great achievement and an important responsibility. Together, we are now the owners of this new company. More than 260 of us are now shareholders; from the youngest recruits to the original team that joined me to build one of Europe's leading private investment companies from scratch. We are all entrepreneurs now. Our challenge is to fulfil our purpose every day; to create enduring value and superior returns responsibly and in such a way that shared outcomes lead to shared success.

Q: How do you see the role of Luxembourg in respect of AIFMD and as a platform/hub for private equity investments?

Three years after opening our office in Luxembourg, we now have five people fully dedicated to local funds and companies. We see Luxembourg as an attractive place and a major hub for private equity investments thanks to its broad range of fund vehicles, a business friendly environment as well as well-trained lawyers, advisers, auditors and bankers who help find solutions.

