

2016



Overview



European Fund Administration (EFA) is a specialised fund administrator and a market reference in niche segments that require tailor-made services and expert management techniques.

Our neutral and independent business model limits potential conflicts of interest and meets the highest criteria for governance.

Through this unique positioning, EFA has established itself as a major market player. We currently work for 190 fund companies, 94 depositary banks and 67 management companies.

This report highlights our past achievements as well as current and future initiatives in a bid to extend our offer to new products and new markets for the benefit of our clients.

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2016 was a key milestone for EFA as we celebrated our 20th anniversary as well as 10 years of presence in the French market

MESSAGE FROM OUR CHAIRMAN AND CEO

Dear Sir, Madam,

2016 was a key milestone for EFA as we celebrated our 20th anniversary as well as 10 years of presence in the French market.

EFA's history is intimately linked with the outstanding growth of the Luxembourg fund industry. Since its launch in 1996, EFA has met ambitious objectives and regularly delivered positive financial results, despite the often difficult times for the financial sector as a whole.

20 years marks the end of our 'childhood', a period which saw the company grow rapidly to serve today 190 clients and partners representing some 2,202 funds and 109.3 billion euros of assets. We look to the future with confidence since our company is sufficiently mature to guarantee continued stability and consistency while sufficiently young to react flexibly and acutely to new challenges.

EFA's neutral platform, unique in Luxembourg, has allowed shareholder banks and partner clients not only to remain active in this segment but also to develop their presence in a sector driven by economies of scale.

Our positioning as a specialised and independent player in the field of fund administration has enabled us to extend our network of depositary banks and management companies. This constant interaction with our client base has helped us understand needs, evaluate regulatory impacts and develop tailor-made

solutions, including regulatory reporting, risk management, pricing, investment compliance and extended AML monitoring.

In 2016, we continued to strengthen and expand our robust and high-tech open fund administration platform. Flexibility and operational flow automation have enabled us to increase productivity and concentrate on high value-added services while maintaining a stable employment level.

EFA's dedication to quality service and agility in serving client needs are core values built into our business model. Our clients recognise this commitment as shown in a recent client survey.

We take this opportunity to thank our stakeholders for their commitment, our clients for their loyalty, our employees for their dedication and our shareholders for their trust.



Thomas Seale,
CEO



Rafik Fischer,
Chairman of the
Board of Directors

— EFA —
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S I N C E 1 9 9 6



„ IM DIENSTE DER
FONDSINDUSTRIE :
EFA 20-JÄHRIGES
JUBILÄUM“

Tageblatt 08.10.2016



« 20 BOUGIES
POUR EFA »

Journal 07.10.2016



« ET AUX FONDs
IL Y AVAIT DES HOMMES »

Luxemburger Wort 07.10.2016



Our ambition is to be the premier, quality fund servicing company in Luxembourg. We invest in technical and human resources to provide an unparalleled client experience.

"Fund administration is often considered as a commodity service. However, I'm often surprised to hear that some fund management companies have to bother about quality issues such as NAV delays and errors. EFA has demonstrated over its history to be absolutely reliable."



Paolo Vinciarelli,
Senior Vice-President,
Head of Investment
Funds at BCEE

"Since 2000 EFA has provided us with high quality administration services for our Luxembourg funds. EFA is a reliable long-term partner. Smart, solid, reliable, expert, what else ?..."



Daniel Pyc,
CEO of GERIFONDS
(Luxembourg) S.A.

"EFA is the ideal partner for fund administration for us, because our companies are united by their independence, extensive expertise and the demand to find the best solution for each client. Thanks to these characteristics, we are always advised professionally, comprehensively and dependably."



Arnd Thorn,
Chief Executive Officer, FERI AG,
Bad Homburg, Germany

"Through its services, EFA has enabled SEB Fund Services to be the leading Nordic provider of Management Company services for Luxembourg domiciled funds. EFA is an appreciated partner for SEB."



Gustaf Unger,
Head of Investor
Services SEB



Achieve **Excellence**

EFA is an independent, specialised company offering a complete range of innovative services, delivered with a personal touch, to the most demanding clients of the global fund industry.

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CLIENTS

European Fund Administration is proud to work with 190 of the top investment managers, insurance companies, management companies and banks in the world, including:



KEY FIGURES

24 million €

OF SHAREHOLDERS' EQUITY

59.5 million €

TURNOVER

2,202 funds

UNDER ADMINISTRATION

**94 depositary
banks**

LINKED TO EFA

109.3 billion €

OF ASSETS UNDER ADMINISTRATION

**220 Specialised
Investment Funds**

(SIF)

190 clients

**67 management
companies**

WORKING WITH EFA

We do not compete with our clients and offer a «plug and play» solution for management companies, asset managers, depositary banks and insurance companies.

"We decided to outsource to EFA in order to concentrate our focus on portfolio management and distribution of our investment funds. EFA's scale and professionalism mean that we can rely on them for fund administration allowing us to pursue in confidence our ambitious growth objectives."



Prof. Dr. Stefan Duchateau,
Board Member of Argenta
Asset Management SA.
Chairman of the Board
of Argenta Funds and
Argenta Fund of Funds

"One of the most important criteria for us in establishing a strategic alliance with EFA was a shared client-centric culture. Our colleagues at EFA share our high standards for quality, responsiveness and flexibility. We are very pleased to be working with EFA. Congratulations on such an impressive milestone."



Philip T. Masterson,
SVP SEI

"EFA's state of the art services allow us to offer a competitive and comprehensive one-stop solution for our investment fund clients to enable their success."



Fernand Reiners,
Member of the Executive
Committee of Banque
de Luxembourg

"La croissance de Value Tree se base sur le bon sens, la proximité avec nos clients et un travail quotidien de qualité. Depuis que nous avons commencé à travailler avec EFA, ses équipes nous ont démontré qu'elles partagent ces mêmes principes fondamentaux."



Eric Ollinger,
Président du Conseil
d'Administration
de Value Tree AV



Promote **Growth**

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BOARD OF DIRECTORS



Mr. Rafik Fischer, Chairman
Group Head of Business Development,
KBL European Private Bankers



Mr. Pierre Ahlborn, Vice-Chairman
CEO and Chairman of the Executive
Committee, Banque de Luxembourg



Mr. Rodolphe Belli
Senior Vice President,
Head of Secretary General,
Banque et Caisse d'Épargne de l'État



Mr. Grégoire Charbit
Managing Partner,
Oddo & Cie



Mr. Serge D'Orazio
Head of Institutional
& Professional Services,
KBL European Private Bankers



Mr. Fernand Reiners
Member of the Executive Committee,
Banque de Luxembourg



Mr. Thomas Seale
CEO,
European Fund Administration



Mr. Paolo Vinciarelli
Senior Vice President, Head of Investment
Funds, Banque et Caisse d'Épargne de l'État

EXECUTIVE COMMITTEE



Mr. Thomas Seale
CEO



Mr. Frédéric Bilas
Director – Operations



Mrs. Françoise Dumont
Director - Finance, Risk Management,
Legal & Compliance



Mr. John Glesener
Director – Information Technology
and Organisation



Mr. Claude Hoffmann
Director – Commercial, Product
& Strategic Development

SHAREHOLDERS

24.23 %

BANQUE DE LUXEMBOURG

10.51 %

BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT

24.70 %

EFA PARTNERS

35.56 %

KBL EUROPEAN PRIVATE BANKERS S.A.

5.00 %

ODDO & CIE

One feature that sets EFA apart is our commitment to anticipating servicing requirements in sync with market trends and regulatory requirements. By closely tracking developments in both areas, we transform regulatory shifts into customised services that add value across the board.

"Since 2003, AXA Assurances Vie Luxembourg has used EFA for the valuation of AXA's internal funds for unit-linked products. AXA's experience has been very positive, EFA has a professional and proactive team. During the launch of AXA's new entity, AXA Wealth Europe, we selected EFA to service our internal funds and continue to deepen our relationship after many years."

  **Anne D'Ouvrier,**
Responsable Offre
UC & ALM at AXA
Wealth Europe

"Having been in business with EFA since its early beginnings, I am well placed to say that over all those years I could count on a reliable partner, committed to quality and service enhancement. Thank you for your continuous support and dedication and all the best for the next 20 years to come."

 **Serge D'Orazio,**
Head of Institutional & Professional
Services at KBL European
PRIVATE BANKERS Private Bankers SA

"EFA has a great and smart team! We have begun working with them in 2012. At that time we were looking for a solid service provider. By choosing EFA we have not only met this initial objective, but also found a real business partner."

 **Sebastien Veynand,**
CEO of Generali

"When setting up our Luxembourg Depositary Bank, Standard Chartered Bank looked for a fund administration partner who was independent, responsive and flexible to our client needs. We found all of those qualities, and more, in EFA."

 **Margaret Harwood-Jones,**
Managing Director - Global
Head of Securities Services
at Standard Chartered Bank



Foster **Innovation**

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MISSION & SERVICES

As an independent company specialising in fund administration, our mission is to deliver a wide range of services — customised, traditional and add-on — to a demanding clientele. These services cover an equally wide range of products and vehicles, with excellence the priority at all times.

Our services

- Net Asset Value calculation, bookkeeping and portfolio valuation
- Middle-office and order management
- Transfer agent and registrar
- Fiscal data processing
- Compliance & risk management
- Performance measurement & attribution
- Domiciliation
- Reporting solutions
- Reconciliation and cash monitoring
- Bearer shares depositary

On behalf of

- UCITS and AIFs
- Hedge funds and funds of hedge funds
- Private equity and real estate funds
- Islamic funds
- Microfinance funds
- Specialised funds
- Pension funds
- Unit-linked life insurance products
- Depositary banks
- Management Companies or Alternative Investment Fund Managers

ANTICIPATING NEEDS AND PROVIDING A COMPREHENSIVE SERVICE RANGE

Regulation remains a key driver in the investment fund industry. One feature that sets EFA apart is our commitment to anticipate regulatory changes leading to the timely development of value-added services.

Automatic Exchange of Information for tax matters

EFA offers services in the field of Automatic Exchange of Information for tax matters, enabling its clients to be compliant with CRS Laws.

With the entry into force of CRS, EFA upgraded its investor due diligence processes to cover tax identification and provides CRS-compliant reporting solutions for the exchange of information to authorities.

PRIIPs

Leveraging on its expertise and success in producing UCITS-KID documents EFA developed a comprehensive solution for the production of PRIIPs-KID. EFA calculates all required key data, ensures the management and translation of the narratives and delivers an end-product to its client. In addition to the production of the PRIIPs-KID document, EFA also provides a structured set of data that can be transmitted by the funds to its institutional investors seeking to comply with their own PRIIPs obligations.

CSSF Monthly reporting (U1.1)

EFA upgraded its Regulatory Reporting platform to meet the requirement of CSSF Circular 15/627 which imposes the production of a new monthly reporting (reporting U1.1), repealing former reporting O1.1. Since end of June 2016, EFA produced and filed for all the funds under its administration the U1.1 CSSF monthly report in accordance with imposed regulatory requirements and deadlines.

Data set for Solvency II reporting

In 2016, EFA actively marketed its solvency II solution, whereby EFA provides a dedicated set of portfolio data to insurance companies, being fund investors or direct clients, in order to help them fulfill their regulatory obligations.

EFAnet™

Our portal offers a single, personalised entry point to all services, reports and information. A series of enhancements and new functionalities were implemented in 2016. Clients now have an online access to more reports, more data and have a dynamic view on securities transactions received and processed at EFA.

Client's needs come first, with high service quality, responsiveness, attention to details, tailor made solutions. Our operational departments are all based in Luxembourg and Paris allowing for a seamless integration with our commercial teams, and fast problem resolution.

"EFA is among the few mastering fund reporting, accounting and distribution issues in a multi-lingual, multi-legal environment. EFA people are easy to work with, reactive and pro-business. EFA proves to be a true business partner, empowering asset managers in their developments."

CM-CIC Market Solutions

Eric Le Boulch,
Managing Director - Global Head of
CM-CIC Market Solutions

"Very few things speak so loudly of a company than a client wanting to remain a repeat customer. Completing each project in a professional way is already a hurdle. Your willingness to consistently go beyond this simple task is highly appreciated. Each and every one of you has to be very proud of yourselves for the job so well done during the last 20 years."

 **SELECTRA MANAGEMENT COMPANY S.A.**
INDEPENDENT UCITS AIFM FUNDS PROVIDER

Marco Cipolla,
Managing Partner SELECTRA
Management Company S.A.

"Since the inception of RAM funds more than a decade ago, EFA has been a consistent partner providing RAM with crucial adaptability and market expertise in order to develop our range of products and grow our business."

ram
ACTIVE INVESTMENTS

Thomas de Saint-Seine,
CEO, Partner & Senior Equity
Fund Manager of RAM Active
Investments

"Congratulations are extended to EFA on its 20th anniversary - we value the business relationship that we have with EFA."

ValueInvest
ASSET MANAGEMENT S.A.

Jesper Alsing,
Managing Director
of ValueInvest Asset
Management



Allow **Customisation**

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—EFA—
1985
20
SINCE 1996

AN OPEN INTERNATIONAL PLATFORM

One of the pillars of EFA's strategy is our commitment to strong, sustainable growth in international markets.

At year-end, our Paris branch administered 210 funds representing 15.7 billion euros in assets.

Growth potential exists in France as the EFA model of separation between the manager, the depositary bank and the valuation agent guarantees neutrality for clients and adds checks and balances from a regulatory perspective.

In addition to Luxembourg and French funds, and building on our identity as an open platform, EFA also services funds domiciled in Sweden, Guernsey, Malta, Australia, the Cayman Islands, the British Virgin Islands, and recently extended its offering to Belgian unit-linked products.

EFA also developed capabilities for the administration of cross border master-feeder structures.

15.7 billion €

OF ASSETS UNDER ADMINISTRATION
FOR EUROPEAN FUND
ADMINISTRATION S.A. – FRANCE

210 funds

ADMINISTERED BY EUROPEAN FUND
ADMINISTRATION S.A. – FRANCE

RECOGNISED EXPERTISE IN SPECIALISED SEGMENTS

Reflecting our positioning as an open and independent platform, we served 190 promoters and 67 management companies in 2016. We maintain operational flows with 94 depositary banks and 14 prime brokers.

In 2016, EFA was among the leading service providers in Specialised Investment Funds (SIF), Unit-Linked portfolios and other highly specialised segments, such as Responsible Investing, ESG, micro-finance, environmental, impact finance and faith-based funds represented 1.3 billion euros in assets under administration.

EFA Private Equity

EFA Private Equity, our business line specialising in private equity and real-estate funds, provides tailor-made solutions to 102 sophisticated investment structures. In 2016, total assets administered rose 31.75 %, making EFA one of Luxembourg's top administrators of private equity and real-estate funds.

At 31 December 2016, this business accounted for 16.6 billion euros in assets under administration.

31.75 %

GROWTH RATE

16.6 billion €

OF ASSETS UNDER ADMINISTRATION

102

INVESTMENT STRUCTURES

EFA Hedge Fund Services

At the end of 2016, our Hedge Fund Services business unit looked after 171 sub-funds, representing 15.9 billion euros in total.

This volume, along with our long experience in both hedge funds and funds of hedge funds, makes EFA one of the leaders in this field.

15.9 billion €

OF ASSETS UNDER ADMINISTRATION

171

SUB-FUNDS



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