Annual Report
2020
Invest Europe is the association representing Europe’s private equity, venture capital and infrastructure sectors, as well as their investors.

Our members take a long-term approach to investing in privately held companies, from start-ups to established businesses. They inject not only capital but dynamism, innovation and expertise. This commitment helps deliver strong and sustainable growth, resulting in healthy returns for Europe’s leading pension funds and insurers, to the benefit of the millions of European citizens who depend on them.

Invest Europe aims to make a constructive contribution to policy affecting private capital investment in Europe. We provide information to the public on our members’ role in the economy. Our research provides the most authoritative data on trends and developments in our industry.

Invest Europe is the guardian of the industry’s professional standards, demanding accountability, good governance and transparency from our members.

Invest Europe is a non-profit organisation with 25 employees in Brussels, Belgium.

For more information please visit www.investeurope.eu

“Invest Europe is focused on delivering what members need – effective public advocacy, trusted research and insights, strong reputation management and stakeholder education, and unrivalled network-building opportunities.”

Eric de Montgolfier
Chief Executive Officer
Read Eric’s report on page 05

CONTENTS

SECTION 1: OVERVIEW
Chair’s message 04
Chief Executive’s report 05

SECTION 2: HOW WE OPERATE
Governance structure 08

SECTION 3: WHAT WE DO
Political advocacy 16
Industry Data & Research 18
Communication 20
Conferences & events 22
Industry excellence & training 24
Finance & administration 26

SECTION 4: FINANCIALS
Financial report 30
Financial statements 31
Auditor’s report 34

“Invest Europe is focused on delivering what members need – effective public advocacy, trusted research and insights, strong reputation management and stakeholder education, and unrivalled network-building opportunities.”

Eric de Montgolfier
Chief Executive Officer
Read Eric’s report on page 05

OUR MEMBERS

Associate Members

GP Members

LP Members

Financials

What we do

How we operate

Overview

Invest Europe
Annual Report 2020

For more information please visit www.investeurope.eu
CHAIR’S MESSAGE
Providing cornerstone support for the European economy

As I write this, COVID-19 continues to take a devastating human toll across Europe. The economic effects of the pandemic will be felt long after the health crisis has subsided.

There will be challenges ahead, but the European private equity industry is performing strongly and supporting businesses throughout these testing times.

In the first half of 2020, portfolio protection was a top priority as firms ensured that companies had the liquidity to manage through the immediate crisis. In the second half, as progress towards vaccines accelerated, investment activity rebounded. 2020 data shows that European private equity investments amounted to €88bn, the second highest ever figure after the 2019 record. It goes to show how flexible, responsive and accountable this industry can be.

Those very qualities are part of the reason behind private equity’s strong growth. Another is the proven ability to deliver returns. Since inception, European private equity capital under management has increased strongly and steadily. In addition, we released a new study on capital under management and dry powder (for members only) underlining how our industry can support more businesses and jobs.

With increased scale and success, comes a higher profile. That visibility will invite closer scrutiny and accountability. Regulators’ expectations, as well as those of society at large, will increase. At the same time, the pandemic has intensified concerns about rising inequality, increasing debt levels and political tensions, among other issues. It has also accelerated changes, including digital transformation, and supply chain shifts with increased on- and near-shoring.

The proof of the industry’s ability to adapt to change can be seen in the mainstream adoption of Environment, Social and Governance (ESG) considerations. European private equity firms have overwhelmingly moved from treating ESG as a compliance issue to recognising its importance to society and its role in value creation.

The publication of Private Equity at Work by Invest Europe last year demonstrated European private equity’s contribution to employment and job creation—an important element of the “S” in ESG. This research will be expanded, refined and complemented by similar studies covering other indicators of ESG performance in the near future.

Private equity firms themselves have to measure their contribution to society in more detail. They will need robust KPIs measuring impact on diversity, and inclusion, environment, and climate, as well as governance and transparency. There are increasing calls for measures to be harmonised. I am confident that our industry can rise to the challenge and make its impact on society transparent and measurable.

The short term will bring challenges, however, and not only those related to COVID-19. There may be changes to trade policies, access to talent and access to capital because of Brexit. Rising protectionism in sectors deemed to be of high national interest may raise barriers to private equity investment. And the end of government financial support risks creating solvency issues for many businesses. Again, our industry’s adaptability will stand us in good stead.

On a personal note, it has been a great pleasure to work as Chair of Invest Europe during these last two years. This was not only a period of acute worldwide disruption for economies and societies, but also a period of intense rejuvenation for Invest Europe, as you will see from the initiatives detailed in this Annual Report. I would like to thank the entire team under Eric de Montgolfier’s leadership for its outstanding performance in 2020, responding to the impact of the pandemic and laying the foundations for continued success. Invest Europe is uniquely positioned and focused to support and promote European private equity as never before.

“European private equity is flexible, responsive and accountable—the very qualities needed to help European companies to succeed.”

Thierry Baudon
Chair

Invest Europe adapted quickly to the evolving requirements created by the pandemic. We created resources for members and portfolio company CEOs on managing businesses through challenging times. We increased the number and quality of our policy calls. Our flagship Investors’ Forum and Venture Capital Forum went virtual, as did our training, as we intensified our drive to support, inform and educate members.

We also looked outwards at the face European private equity presents to the world. Invest Europe’s data and research examined private equity’s contribution to the economy in areas such as jobs and returns. We took our messages wider, communicating new examples of the industry’s benefits for people, businesses and investors. You can read more about all our activities in this Annual Report.

At the same time, we remained focused on delivering what our members need longer term—effective public advocacy, education for stakeholders about the industry and improved reputation management, and better networking opportunities combined with information sharing—and how, as the association for all the European private equity industry, Invest Europe can achieve that.

In the course of 2020, we defined a new strategy with clear objectives and began implementing measures to increase our influence and create an association that better serves members. The team was strengthened and reshaped to improve the delivery of high-quality services. We made new hires and promoted from within to build capabilities across public affairs, research and communications, while also improving our training function.

We integrated the European Private Equity Roundtable fully as the Global Private Equity Platform, putting all platforms representing the mid-market, venture capital, limited partners and now global buyouts all on the same footing. This strategic move recognises the alignment of our objectives and activities on central topics, such as regulation.

That alignment, combined with the full extent of our experience, will be called upon as the European Union and countries around the continent turn their attention away from managing the crisis to rebuilding following the pandemic. Paused regulatory objectives, including the Alternative Investment Fund Managers Directive review, are now back on the table. As European private equity’s voice in Brussels, we will have a central role in shaping our industry’s response and the eventual regulation.

Brexit will continue to create challenges and uncertainty for members across Europe. Our role will be to ensure that any regulatory changes in either the UK or the EU do not impede our members or their portfolio companies from carrying out their business across borders.

Attention on ESG topics will intensify, as Europe’s green agenda is accelerated by the need for sustainable investment that drives the economic recovery. On the one hand, following the creation of the Sustainable Finance Disclosure Regulation, there will be new responsibilities for the private equity industry. But on the other, there will be a multitude of opportunities.

The past year has shown us the importance of being prepared for any eventuality. There will almost certainly be more volatility and disruption. The steps taken at Invest Europe are creating an association that reflects the complex environment in which we operate, and they could not have taken place without the diligent support of, and sage steer from, our Chair, Thierry Baudon—who I would like to profoundly thank. These steps will enable us to help the industry to navigate the challenges ahead, shape the rules that govern European private equity for years to come, and position our members to take advantage of the investments that Europe’s recovery will bring.

“Having helped our members weather the impact of the pandemic, our work is looking forward at helping them seize the opportunities Europe’s recovery will bring.”

Eric de Montgolfier
Chief Executive Officer
SECTION 2

How we operate
Invest Europe is committed to representing the interests of each segment of our membership fully and fairly. To achieve this, members are organised into four Platforms dedicated to supporting a specific member group – Venture Capital, Mid-Market, Global Private Equity and Limited Partners firms.

The Platforms are led by a Council composed of industry practitioners, elected by the membership. The Platform Chair is elected from members of the Council and is ultimately responsible for ensuring that the Platform best represents its sector and membership. Each Platform also puts forward a representative to the Public Affairs Executive and the three Committees: the Professional Standards Committee, Legal and Regulatory Committee and Tax Committee.

The Platforms are overseen by the Invest Europe Board of Directors. All segments of our membership are equally represented on the Board of Directors.

In addition, Invest Europe’s Platforms steer a number of Platform Working Groups, also composed of industry practitioners and reporting to the Platforms and Board of Directors.

Finally, there are several Platform Roundtables representing certain sub-segments of one or more platforms.
**Governance structure continued**

### Platforms

#### Venture Capital Platform Council

**Chair**
- Invest Europe

**Vice-chair**
- Diatribe Smirymaga Capcurnic Partners

**Members**
- Ingrid Teigland Akay - Hadean Ventures
- Max Baution - IQ Capital Partners
- Jean Bourcenau - Ventich
- Dina Chaya - NeocMoi Management
- Anna Davla - Nauta Capital
- Janie Dittmer - Glask Healthcare Partners
- Christian Ehrenberg - Ingka GreenTech part of Ingka Investments
- Hakan Gök - Merck Ventures
- Christoph Jung - HV Capital
- Renald Marove - DK Capital
- Patrick Polaia - NawanPartners
- Pauline Roux - Elia Partners
- Balvan Strahmänge - Wellington Partners
- Radboud Vlaar - Finch Capital

#### Mid-Market Platform Council

**Chair**
- Invest Europe

**Vice-chair**
- Thierry Dauton - Mid Europe Partners

**Members**
- Catherine Brossard - Corbus Capital Management
- Dörte Hippner - Riverside Europe Partners
- Henry Jackson - OpCapita
- Martin Kídar - Bakkap
- Julia Pelled - Viska Partners
- Darjaus Pietrzak - Enterprise Investors
- Fabien Prévost - Omnes Capital
- Max Römer - Quadiga Capital
- Michele Semenzato - Vela GGR
- George Svenski - Abris Capital Partners
- Frans Tellemann - Euroaz
- Nina Tranchetti Provera - Ambianta GGR
- Kristof Vande Capelle - GGR

#### Limited Partners Platform Council

**Chair**
- Invest Europe

**Vice-chair**
- Thérese Lemanneq - EOOD

**Members**
- Jean-Philippe Burcklen - European Investment Fund
- Jesse de Klerk - Stafford Capital Partners
- Louis Flanman - NetLe Investments
- David Hobson - GIC
- John Renkema - Alain Rauscher
- Sabine Vermassen - Antin Infrastructure Partners
- Mauro Pfister - Capital Dynamics
- Stephen Ziff - Value 4 Capital

### Committees

#### Professional Standards Committee

- Chair: John Renkema

- The PSC ensures that Invest Europe is at the forefront of creating and maintaining strong professional conduct guidelines and working practices for the industry in Europe. The Committee makes direct recommendations to the Invest Europe Board about the strategy, policy and practicalities relating to industry guides and standards, including responsible investment and investor reporting. The PSC relies on the input and expertise of its two sub-committees: the Invest Europe Responsible Investment Roundtable and the Invest Europe Working Group on Accounting Standards, Valuation and Reporting.

- **Chair**: John Renkema
- **Vice-chair**: Martin Kídar
- **Platform Representatives**: Martin Kídar, BaltCap
- **Members**: Daniel Greger - Allianz Capital Partners
- **Notes**: 1. Composition as of 31 December 2020
- **2. Vice-chair, Responsible Investment Roundtable**
- **3. Chair, Accounting Standards, Valuation & Reporting Working Group**
- **4. Vice-chair, Accounting Standards, Valuation & Reporting Working Group**
- **5. Chair, Responsible Investment Roundtable**

- **Scope**: The PSC is responsible for the professional conduct of the association.
- **Overview**: The PSC is responsible for the professional conduct of the association.
- **How we operate**: The PSC is responsible for the professional conduct of the association.
- **What we do**: The PSC is responsible for the professional conduct of the association.
- **Financials**: The PSC is responsible for the professional conduct of the association.

**Additional Information**

- **Notes**: 1. Composition as of 31 December 2020
- **2. Vice-chair, Responsible Investment Roundtable**
- **3. Chair, Accounting Standards, Valuation & Reporting Working Group**
- **4. Vice-chair, Accounting Standards, Valuation & Reporting Working Group**
- **5. Chair, Responsible Investment Roundtable**
Governance structure continued

PUBLIC AFFAIRS EXECUTIVE (PAE)
The PAE is the leading decision-making body for Invest Europe’s political advocacy work on those EU files that have a direct impact on all market segments of the European private equity industry.
Chair Thierry Baudon Mid Europa Partners
Regional Representatives
Armance Bordes Sofosivac Partners
Representing the Invest Europe Venture Capital Platform
Martin Sjöland Samma Equity
Representing the Invest Europe Mid Market Platform
Claire Copeland The Carlyle Group
Representing the Invest Europe Global Private Equity Platform
Sebastian Ipsiliani Allianz Capital Partners
Representing the Invest Europe Limited Partners Platform

LEGAL AND REGULATORY COMMITTEE
The Legal and Regulatory Committee deals with legal and regulatory matters affecting European private equity, venture capital and infrastructure. Cooperating closely with the national associations, the Committee provides expert advice, in-depth argumentation and concrete evidence to Invest Europe and its members, and advises Invest Europe’s wider public affairs activities by supporting the PAE.
Chair Gilles Dusemen Arndt & Medernach
Vice-chair Ed Hall Goodwin Proctor
Representative Platforms
Lionel Bergeron Siganex
Representing Allianz Capital Partners
Robert Carrier Covin
Representing the Invest Europe Venture Capital Platform
Simon Powell Advent International
Representing the Invest Europe Mid Market Platform
Andreas Strömberg Actn Capital
Representing the Invest Europe Global Private Equity Platform
David Thompson Aberdeen Standard Investments

Regional Representatives
Eric de Montpellier
Representing Invest Europe
Michael Moore
Representing the BIVCA (British Private Equity & Venture Capital Association)
Ulrike Hinrichs
Representing the BVK (Bundesverband des deutschen Private Equity und Venture Capital)
Alexis Dupont
Representing France Invest

Committee Representatives
Gilles Dusemen Arndt & Medernach
Representing the Invest Europe Legal and Regulatory Committee
Marc de Lépine Léoniès & Loef
Representing the Invest Europe Tax Committee

Guests
Patricia Volhard Debevoise & Plimpton
Representing the Invest Europe Financial Services and Regulatory Working Group
Phil Bartram Towers Smill
Representing the Invest Europe Financial Services and Regulatory Working Group

TAX COMMITTEE
The Tax Committee deals with tax matters affecting European private equity, venture capital and infrastructure. Cooperating closely with the national associations, the Committee provides information, expert evidence and advice to Invest Europe and its members, and advises Invest Europe’s wider public affairs activities by supporting the PAE.
Chair Marc de Lépine Léoniès & Loef
Vice-chair Édouard Chapellier Linklaters
Representative Platforms
Andrew Collier Advent International
Representing the CVC Group
Richard Thompson PwC
Thijs van Dongen European Investment Fund
Regional Representatives
Miko Alaine Castillo & Snellman Advocaten
Representing Eureos
Angelo Bonissel CBH Studies Leglais & Tribuain
Representing Invest Europe Belgium
Alexandra Crucea Albastru Advocates
Emo Greppezycz Deloitte
Tim Hughes PwC
Patrick Wrico Allen & Overy
John Murphy PwC
Daniel Hoes Harboe PwC
Rodrigo Opea Baker McKenzie
Christian Schatz Klix Gode Schaumberg
Per Storholt EY
Nick van Gis PwC
Dieter Wirth PwC

Guests
Timur Celic Akinci Infrastructure Partners

REPRESENTATIVE GROUP
The Representative Group consists of representatives from all of Europe’s national private equity and venture capital associations. It discusses industry and policy issues at both national and European level.

Eugenio Angelov Bulgarian Private Equity and Venture Capital Association (BVCA)
Irina Aspêth-Ensou Romanian Private Equity Association (ROPEA)
Paulo Castano Associacão Portuguesa de Capital de Risco e de Desenvolvimento (APCR)
Isabella de Feudis Swedish Private Equity & Venture Capital Association (SVCA)
Pierre Demaerel Belgian Venture Capital & Private Equity Association (BVKA)
Alexis Dupont France Invest
Anna Gervasoni Italian Private Equity, Venture Capital and Private Debt Association (APIF)
Ulrike Hinrichs German Private Equity and Venture Capital Association (BVK)
Eleni Kolotofia Hellenic Venture Capital Association (HVCA)
Ján Kutan Slovak Venture Capital and Private Equity Association (SVLEOVA)
Sarah-Jane Larkin Irish Venture Capital Association (IvCA)
Kádár Líndpere Estonian Private Equity and Venture Capital Association (EVCA)
Míma Marovic Croatian Private Equity and Venture Capital Association (CYP)A
Anita Matlovsan Latin Private Equity and Venture Capital Association (LPECA)

Tjarda Molenaar Nederlandse Vereniging van Participatemaatschappijen (NVP)
Michael Moore British Private Equity and Venture Capital Association (BVCA)
Barbara Nowakowska Polish Private Equity and Venture Capital Association (PSEK)
Maurice Pedergnana Swiss Private Equity & Corporate Finance Association (SECA)
Stéphane Pech Luxembourg Private Equity and Venture Capital Association (LPEA)
Zuzana Pickova Czech Private Equity and Venture Capital Association (CvCA)
Ibolya Pintér Hungarian Venture Capital and Private Equity Association (HVCA)
Gerda Sakalauskaitė Lithuanian Private Equity and Venture Capital Association (LT VCA)
Pia Santavirta Finnish Venture Capital Association (FVCA)

Henrik Sass Larsen Aktive Ejere
Thomas Tiørch Austrian Private Equity and Venture Capital Organisation (AVCO)
Ellen Amalie Vold Norwegian Venture Capital & Private Equity Association (NVCA)
José Zudaire Asociación Española de Capital, Crecimiento e Inversión (ASCRI)

COMMUNICATION ADVISORY GROUP (CAG)
The Communication Advisory Group (CAG) deals with reputation management and communication-related issues affecting European private equity and venture capital. The CAG pools knowledge and information, and collectively works to expand and deepen the understanding and perception of private equity in Europe amongst key stakeholders, including the media.
Chair Vanessa Maydon
Vice-chair Stephanie Frazer

Members
Ludo Bammens Kohberg
Kranis Roberts & Co Partners (KKR)
Nicolai Beyer Haldane Ventures
Nick Board CVCA Advisers Limited
Ed Bridges FTI Consulting
Virginia Christnacht Eurasia
Coralie Cornet Angelis Wilyu
Tom Enderley Jr
Julie Foster Wartburg Priexma International
Jason Ghassani Cerberus Capital Management
Christoffler Gamburg Argendt Fondskonsulering
Carsten Huwendik CVC Capital Partners
Bryan Keane Almatis Partners
Fiona Kenly NS Alternatives Advisers
Andrew Kenny Carlyle
Ter Krusel After Equity Partners AB
Stephen Lewis Blackstone
Steve McCool Canada Pension Plan Investment Board
Amanda McCrystal Pathfinder Ventures
Ingrid de Moyer-Mylachts Argetum Asset Management
James Murray Bridgewater
Nina Nordin EMT Partners AB
Matthew Roussellon PPM Partners
Katarina Saltert APAX Partners
Nina Stute Pernera Advisors
Eleanor Warnock Almatis Partners

NOTES
1. Composition as of 31 December 2020
SECTION 3

What we do

Political advocacy ........................................ 16
Industry Data & Research ............................... 18
Communication ........................................... 20
Conferences & events ................................... 22
Industry excellence & training ......................... 24
Finance & administration ................................ 26
Political advocacy

2020 was initially due to be the year of the first initiatives of the European Commission’s 2019-2024 legislative agenda. But from March it became clear that, as for many businesses across the globe, the Commission would turn its attention away from expected plans to focus on COVID-19 mitigation efforts. For months, our focus as a team was to ensure that policymakers were aware of the impact of the crisis on our industry, and so be able to take decisions that would make it easier for our members and their portfolio companies to continue operating. We engaged with policymakers on a wide range of topics, from the scope of state aid measures to valuation rules. Meanwhile, we sought to provide our members with relevant and detailed information on the various COVID measures that were introduced in all Member States. To accomplish this, we organised more dedicated policy calls and produced more tailored briefings than during the last ten years.

As the dust of the first lockdown settled, we engaged with EU lawmakers on the scope of the recovery plans and called for equity to be a major part of the support programmes. Meanwhile, we looked at the measures taken, as a direct result of COVID, to further scrutinise, and in some cases limit, foreign direct investments. We enhanced the capabilities of our Tax Committee to face the inevitable upcoming pressure on tax structures. Finally, we intervened in the policy debates around the legislative “quick-fires”, introduced to make it easier for investors to support businesses, obtaining confirmation from the European Commission that investor categorisation should be reconsidered in the upcoming MiFID review.

But, while front and centre, COVID-related efforts should not mask the intense work we undertook to prepare for the dark clouds accumulating on the legislative horizon. Regulatory initiatives are shaped long before proposals emerge – and 2020 marked the beginning of a legislative marathon that will stretch until at least 2023.

We set up seven Task Forces to respond to mammoth consultations on the reviews of the Alternative Investment Fund Managers Directive (AIFMD) and the European Long-Term Investment Funds framework (ELTIF). On investor regulation, we engaged with EIOPA and the European Commission to successfully influence the criteria determining access to the preferential long-term equity category ahead of the Solvency II review – launching two new Task Forces to prepare for the upcoming regulatory effort. We also commented on consultations including those for the Capital Markets Union, leverage limits, state aid, insolvency rules, KID PRIIPS, the non-financial reporting directive and, last but by no means least, the renewable sustainable finance strategy. In that ever-growing shopping list of EU legislative actions, sustainable finance is a critical item. To face the climate crisis, regulators have launched the most fundamental overhaul of EU fund management regulation since the AIFMD was set up a decade ago. With the support of our committees, we represented the views of our members before EU lawmakers, ensuring that the specificities of our industry are accounted for in the legislative debate. Meanwhile, we provided guidance and support to members who face the application of the first rules to be introduced, notably the Sustainable Finance Disclosure Regulation (SFDR). Finally, one must not forget that 2020 also marked the last year during which the UK was operating under EU law. As a European association, in the broadest sense of the word, we continued to defend the importance of international cross-border flows of capital, while giving our members the risk mitigation tools to act, even in the case of a very narrowly avoided no-deal Brexit. You can expect Brexit to remain an important part of the agenda, as it will impact upcoming reviews and continue to lead to uncertainties we will have to mitigate.

Thought leadership, direct advocacy and member guidance will remain the top three priorities for our team in the coming months as we face the bumpy road ahead.

Highlights 2020

• Pushed for the right EU emergency response and support for businesses impacted by COVID-19
• Substantially influenced the content of the Capital Markets Union agenda
• Regularly informed our members in the midst of the COVID crisis through dedicated member guides and uniquely comprehensive resource libraries
• Shaped the outcome of EIOPA’s advice on Solvency II and guided members on investor reporting issues
• Made extensive preparatory work on reviews of regulatory initiatives, engaging with MEPS, attaches and Commission officials
• Built a sector-wide coalition and ensured postponement of the DAC-6 application deadlines
• Published seven key major guides on COVID-19 measures, ESG, cross-border distribution of funds, Brexit, Foreign Direct Investments, Solvency II and DAC-6

2021 priorities

• Ensure well-functioning and relevant fund management rules, limiting the intrusive impact of modifications made to the AIFMD
• Place industry at the centre of the policy debate on EU recovery, pushing for rules that incentivise private equity investments in businesses
• Engage with stakeholders on issues arising from Brexit, including cross-border activities and delegation structures
• Intercede in the upcoming legislative initiatives that impact investors’ ability to commit capital to private equity, including the reviews of ELTIF, MIFID, Solvency II and CRD/CRR
• Enhance actions on the broad taxation agenda, ensuring that funds’ contribution to economic growth is recognised by key stakeholders

“We are successfully building Invest Europe’s position as the key interlocutor for policymakers, as we seek to achieve maximum impact for our advocacy efforts.”
“We aim to extend Invest Europe’s sphere of influence by providing trusted data and informed analysis and demonstrating private equity’s positive impact on the European economy and society.”

Despite all the disruption of 2020, Invest Europe accelerated and expanded cutting-edge research and data work to empower our advocacy efforts and provide our members with essential information on the industry. Over the course of last year, the research team added several strings to its bow. Our brand new performance benchmarking report demonstrated European private equity returns relative to public markets using a public market equivalent methodology. We also collaborated with consultancy firm Arthur D. Little on a new market sentiment survey which combined the views of GPs and LPs and assessed the impact of COVID-19 on the industry.

Even more importantly, 2020 saw the culmination of more than a year of data collection and analysis for our first ever report underlining the industry’s key role in employment and job creation, entitled “Private Equity at Work”. In this report, Invest Europe proudly demonstrated that our industry is not just part of the European economy, but a cornerstone of it, employing some 10.5 million people at portfolio companies – 4.5% of the total European workforce – while creating jobs five times faster than average for European companies as a whole.

While developing and launching these new data reports, Invest Europe continued to provide the most authoritative source of data on private equity and venture capital activity in Europe. Our flagship publication “Investing in Europe: Private Equity Activity 2019” captured the fundraising, investments, and divestments of more than 1,400 fund managers across Europe and gave a clear overview of the state of our industry. Meanwhile, our Central and Eastern Europe statistics report provided a detailed overview of the activity in the region. Moreover, with our semi-annual data collection exercise, we produced a concise-yet-detailed snapshot of activity during the first half of 2020.

Thanks to our new and extensive existing projects, Invest Europe’s Research team continued to improve the level of services to our members while providing high-quality and robust data to support the communications and public affairs teams in their work. In that sense, we honoured our mandate to serve both immediate member demands and long-term industry objectives.

In 2021, we aim to build on the ground-breaking reports to provide even more evidence of private equity’s contribution to the European economy and society. As with the swift launch of the interactive COVID-19 resource library in March 2020, we aim to support our members in their understanding of the key issues impacting the private equity and venture capital industry today.

Our publications
- Private Equity at Work report
- The Performance of European Private Equity report
- Capital Under Management & Dry Powder 2019 report

Highlights 2020
- Accelerated and expanded our cutting-edge research and data gathering work
- Launched Private Equity at Work, the first ever report underlining the industry’s key role in employment and job creation in Europe
- Released new performance benchmark report demonstrating European private equity returns outperformance relative to public markets
- Increased understanding of private equity returns metrics with the publication of an in-depth study on public market equivalent methodologies
- Collaborated with Arthur D. Little on a market sentiment survey, taking the pulse of GPs and LPs in the context of the impact of COVID-19 on private equity

2021 priorities
- Publish new analyses that are relevant for Invest Europe members, including reports on transaction value and European capital under management and dry powder
- Publish second Private Equity at Work report, expanding data capture based on a larger number of fund managers
- Foster further collaboration with our external partners including ADL, the European Investment Fund, Atomico and academics
- Initiate the collection of ESG metrics to capture the progress of the industry on social and environmental impact
- Continue expansion of data coverage to more European managers and continue to improve the EDC platform

1,400+
European venture capital and private equity firms covered by EDC in 2019

86%
of €782bn European capital under management tracked

38
countries
We make the case for why European private equity and venture capital has a critical role to play in Europe's economy and society, and actively manage the industry's reputation amongst key stakeholders, including the media.

“GoodStories” digital initiative

Launched in the wake of the COVID-19 pandemic, Invest Europe’s #GoodStories digital initiative has been recognised no less than four times for its digital excellence in the fifth edition of the Cambre Associates European Associations Digital Report 2020, a respected publication which identifies innovative practices, emerging trends and digital champions.
2020 got off to a flying start with our largest ever Chair’s dinner in London, where more than 120 guests enjoyed an evening of discussion and networking in the elegant setting of the National Gallery. Little did we imagine then what the remainder of the year held in store for us all, or that our London event would be the last opportunity of the year to meet in person.

When health and safety risks became clear and travel restrictions were imposed, we quickly made the strategic decision to ensure continued access for members to the industry insights, LP/GP engagement and development opportunities that our annual conferences provide. The severity of the impact of COVID-19 and the potential consequences for many member firms made the need to hear from industry experts, examine the latest data and engage with peers all the more important. Member firms were also faced with the reality that in-person networking opportunities evaporated, yet LPs and GPs still needed to connect and network.

In early March, given the full impact of the pandemic and three weeks before the scheduled date, we announced the postponement of our annual Investors’ Forum in Geneva to October, before ultimately taking the decision to host it as a virtual conference. Faced with the organisation of our Venture Capital Forum also as a virtual conference, we took advantage of the unusual circumstances to host the two conferences back-to-back, creating an overlap between the events that brought the audience of over 400 investors and fund managers together for a number of key sessions.

We were determined to ensure the high quality of content for which Invest Europe conferences are renowned. Each forum delivered a programme that included the latest industry data and insights, top-level speakers, combined with opportunities for delegates to share their experiences in dealing with COVID-19, and anticipate future trends and consequences in the coming years. Small-scale roundtables, held under Chatham House rules, created a rare opportunity to discuss topics frankly among peers.

In a year marked by turbulence and an absence of contact with peers, Invest Europe’s virtual conferences were highly appreciated for creating a setting for LPs and GPs to connect and exchange experiences. Although none of us welcomed the challenges of this past year, the circumstances of the pandemic forced us all to adapt and innovate rapidly, accelerating our development of virtual events. The experience of this challenging year has allowed us to see when a virtual setting can be valuable and where in-person events are essential. We understand that it is possible to be effective in sharing information and even engaging in live discussion in a virtual setting. But this year has also highlighted the irreplaceable value of in-person networking opportunities that Invest Europe conferences create.

We all look forward to a return to meeting in person at events as soon as possible. In the meantime, we will continue to adapt to the changing restrictions, hosting adapted virtual events, with a clear goal of returning to physical conferences as soon as health and safety conditions permit.

What a great day that will be!

Patricia Delaney
Membership, Events & Training Director

“...we will continue to adapt to changing circumstances, ensuring that members have opportunities to learn, debate and connect.”

<table>
<thead>
<tr>
<th>2021 priorities</th>
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<tbody>
<tr>
<td>• Continue to deliver conferences that focus on the latest industry data, LP/GP exchange and networking opportunities</td>
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<tr>
<td>• Adapt formats in virtual setting for highest value and impact for delegates</td>
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<tr>
<td>• Return to in-person events as soon as conditions permit</td>
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<thead>
<tr>
<th>Highlights 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ensured seamless transition from physical to virtual conferences for the 2020 Investors’ Forum and Venture Capital Forum, bringing together LPs and GPs for three days of online debate and discussion, as well as the release of new data</td>
</tr>
<tr>
<td>• Hosted the largest ever Chair’s dinner in London, attended by more than 120 guests in February</td>
</tr>
</tbody>
</table>
Industry excellence & training

Invest Europe strives to develop initiatives that are forward-looking, adequate and suited to the needs and capabilities of our diverse membership as well as reflecting the high degree of professionalism the industry aspires to and stakeholders expect.

One of the priorities was the continued implementation of the Invest Europe Professional Standards Action Plan, aimed at enhancing and tailoring our standards and guides, based on the principles of proportionality, flexibility and adaptability.

Four of the 11 actions were delivered in 2020 and delivering progress was made on two others, with all initiatives to be delivered within the agreed timeframe. Together, these actions will culminate in a revised Professional Standards Handbook, to be published later in 2021.

Invest Europe also finalised the content for its very first Climate Change Guide (CCG) – a new web-based guide, published in March 2021. The CCG provides practical support to members at the beginning of their climate change journey who seek to start integrating climate change considerations into their investment processes. The plan is to publish an “Intermediate” and an “Expert” version before the end of 2021, providing more advanced and sophisticated guidance for members who have already gained experience in addressing climate change.

Another key related workstream is the EU’s Sustainable Finance Agenda. We responded to a range of public consultations, covering issues such as the review of the Non-Financial Reporting Directive and the new Sustainable Finance Disclosure Regulation. We positioned Invest Europe as a key interlocutor in the debate and offered practical guidance to members on the new regulatory framework they will need to operate in.

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Inevitably, the global COVID-19 crisis has also led to challenges for fund managers in providing their investors with timely and useful information about the performance and financial condition of underlying investments. Following the IPEV Board’s Special Valuation Guidance in March 2020, Invest Europe organised a webinar to address the remaining uncertainty and to offer members further insights on how the guidelines could be followed.

Highlights 2020

- Increasingly positioned Invest Europe as a key interlocutor with the European institutions on EU Sustainable Finance
- Pushed the development of the content for the first Invest Europe Climate Change Guide over the finishing line; the Guide will be launched in mid-March 2021
- Completed four of 11 action points within the Professional Standards Action Plan, and made good progress on all other points
- Established a special working group of leading GPs, LPs and advisers to develop succinct guidance for members on how to apply new ESG disclosure rules

2021 priorities

- Publish a series of Climate Change Guides, with versions for Beginners, Intermediates and Experts
- Publish a fully revised Professional Standards Handbook
- Develop a comprehensive sustainable finance strategy and continue to shape the policy debate, demonstrating the role our industry can play in helping set sustainability goals
- Continue to support our members on new EU sustainability rules, in particular in the field of ESG disclosures
- Continuously broaden the scope of our professional standards to ensure that the industry remains at the forefront of professional conduct

Although it presented a number of challenges, the onset of the COVID-19 pandemic also presented opportunities for change. In training, this resulted in an acceleration of our plans for remote learning options to ensure members’ needs for continued training were met.

By June, all our practitioner-led training programmes had moved to a virtual format, with content, timing and format adapted to the new setting, enabling us to run 13 courses throughout the year.

The new structure was carefully designed to create opportunities for participants to collaborate, exchange information and share ideas throughout each programme. The virtual format made our training programmes accessible to a wider audience and participant numbers actually exceeded our expectations - a clear sign that there is a need and demand for this level of training.

2021 priorities

- Expand training offering to add new topics and areas of expertise
- Increase access to training through online courses and launch of e-learning hub

Training

- 13 training courses
- 286 participants
- 28 countries

Elena Vasileva
Training Manager

“Invest Europe is committed to being at the forefront of the sustainability agenda, shaping the debate and developing cutting-edge guidance to help members stay on top of the rapidly evolving regulatory environment.”

Erika Blanckaert
Senior Public Affairs Manager

“Invest Europe is continuing to innovate and expand training activities, with new courses planned, as well as the addition of an on-demand e-learning hub.”

346 members participated on the IPEV Board’s Special Covid-19 Valuation Guidance Member Policy Call
Finance & administration

Like many businesses and organisations across Europe and beyond, Invest Europe had to contend with restrictions stemming from COVID-19 that severely impacted the way we operated on a daily basis. In March, in reaction to rising cases in Belgium, we took the decision to shut our office to protect our staff and their families, implementing remote working for all our employees.

While these measures changed how we work, they did not affect the quality of what we do, or the service provided to members. Prior to the pandemic, we had updated our IT systems, migrating much of our workflow to the cloud, thus ensuring that staff could work remotely both securely and effectively. We equipped our team with all the hardware and software they needed to work from home and automatically redirected office phones to alternative lines to ensure seamless continuity.

While Invest Europe employees were able to return to the office after the initial lockdown ended, this working flexibility enabled us to react quickly and shift back to remote working as and when national restrictions and staff safety demanded.

Nor did the pandemic jeopardise our financial position. In recent years, Invest Europe has built up a strong balance sheet, enabling us to weather uncertainty while continuing to invest in the services that members expect and demand. While the shift online for our conferences, events, and training did reduce the income generated for members, as well as the benefit of closer co-operation and integration on key regulatory topics and other issues important to the private equity industry.

Despite the evident challenges of maintaining the quality of our work throughout the year, we managed to go further and implement strategic and operational changes that will make Invest Europe stronger for the future. During 2020, we strengthened our bench, hiring Eric Drosin, a former journalist and corporate and association communication specialist, to lead the communications team. In April, his appointment followed the hiring of Martin Bresson to head up public affairs at the start of the year. Not only did we complete our senior management team, but we also promoted from within and recruited externally to fill out our staff with experienced project managers able to lead and deliver high-quality services.

We achieved other milestones in 2020. In November, we completed the process to integrate European Private Equity Roundtable (EPER) fully into the association as the Global Private Equity Platform. The shift unites all members under one roof and reinforces Invest Europe position as the sole representative of the entire European private equity ecosystem.

In doing so, we recognised the alignment of all members on issues, such as regulation, and reinforced Invest Europe’s position as the sole representative for the entire European private equity ecosystem.

Highlights 2020
• Reinforced the Invest Europe team with seven new hires and two internal promotions in 2020 resulting in full staffing and stronger expertise
• Appointed new Director of Communication, completing an experienced executive management team
• Integrated the member firms of EPER (the European Private Equity Roundtable) fully into Invest Europe with the creation of the Global Private Equity Platform

2021 priorities
• Improve working efficiency through office move aimed at reducing use of space and costs
• Continue to strengthen Invest Europe team through targeted appointments in key identified roles
• Improve processes and systems to engage directly with membership

EPER becomes Invest Europe’s Global Private Equity Platform

The European Private Equity Roundtable (EPER) was fully integrated into Invest Europe in 2020, becoming the new Invest Europe Global Private Equity Platform. The shift unites all members under one roof and reinforces Invest Europe position as the sole representative of the entire European private equity ecosystem.

It recognises the alignment of objectives and activities for all Invest Europe members, as well as the benefit of closer co-operation and integration on key regulatory topics and other issues important to the private equity industry.

Highlights:

- **Members:** 24 full-time employees
- **Nationalities:** 14 nationalities
- **Languages:** 16 languages
- **Gender:** 58% female, 42% male
- **Revenues:**
  - Membership revenues: €5.9m
  - Sponsorship revenues: €0.7m

Finance & Administration Director
Katia Rabinovitch

“Throughout this challenging year, we strengthened our team and enhanced our structure to ensure the delivery of services of the highest standard to all members.”
SECTION 4

Financials

Financial report 30
Financial statements 31
Auditor’s report 34
**Profit and Loss**
Operating revenues decreased by 10% to reach €6,785,477 in 2020, compared with €7,612,525 in 2019.

Operating expenses reached €6,438,750 in 2020, 7% lower than 2019’s total of €6,911,848.

The COVID-19 outbreak had a material impact on the finances of the Association although the financial equilibrium was not jeopardised for 2020. This was primarily due to a slight increase in membership fees, replacement of live conferences with virtual events, successful transformation from on-site to virtual training, and cost reductions resulting from the cancelation of other member events given the pandemic. The 2020 net operating profit before exceptional results was €3,48,667.

COVID-19 impacted Invest Europe priorities, including the postponement of long-term projects to be funded from Invest Europe General Reserves that had a budget of €8,150,000 in 2020. However, two one-off projects were finalised during 2020 and will enhance Invest Europe’s positioning and its services for its members. These were the employment data collection project and content for media relations and rebuttal purposes.

The 2020 net accounting profit was €127,029.

**Balance Sheet**
The balance sheet total was €7,156,635 on December 31, 2020.

The cash position decreased to €6,474,845 on December 31, 2020, compared with €6,659,552 on December 31, 2019.

The net accounting profit resulted in increased reserves from €5,740,641 to €6,867,670.

**Budget 2021**
For 2021, Invest Europe proposes a balanced budget  before exceptional projects.

The health crisis caused by COVID-19 will have an impact on the finances of the Association. The extent of this impact is difficult to assess at this time. Given cash reserves accumulated over past years, there is no immediate concern for the year to come.

The Board will closely monitor Invest Europe’s financial situation throughout the year.

**Summary of Significant Accounting Policies**

**Fixed assets**
Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of assets using the straight-line method.

**Cash or cash equivalent**
Cash and cash equivalent are carried at nominal value.

**Receivables**
Receivables are carried at nominal value. Provisions are made for all receivables during the year if no explicit confirmation or certainty about payment is available.

**Provisions**
Provisions are recognised for probable obligations when a reliable estimate of the amount can be made.

**Liabilities**
Trade payables and payroll liabilities are carried at nominal value.

**Revenue recognition**
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. With respect to the rendering of services, revenue is recognised by reference to the stage of completion.
Financial statements continued

### PROFIT AND LOSS (€)

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL 2020</th>
<th>BUDGET 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership</td>
<td>5,867,007</td>
<td>5,713,000</td>
</tr>
<tr>
<td>Events</td>
<td>369,965</td>
<td>415,000</td>
</tr>
<tr>
<td>Training</td>
<td>320,600</td>
<td>414,410</td>
</tr>
<tr>
<td>Sponsorship of publications</td>
<td>4,000</td>
<td>28,000</td>
</tr>
<tr>
<td>Service fees</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Bank interest and miscellaneous</td>
<td>656</td>
<td>0</td>
</tr>
<tr>
<td>Other revenue</td>
<td>158,190</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>6,780,417</td>
<td>6,650,410</td>
</tr>
<tr>
<td>Personnel costs</td>
<td>3,812,190</td>
<td>3,831,000</td>
</tr>
<tr>
<td>Professional services</td>
<td>1,396,061</td>
<td>1,487,320</td>
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<tr>
<td>Housing costs</td>
<td>292,355</td>
<td>224,000</td>
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<tr>
<td>Accommodation events</td>
<td>144,474</td>
<td>103,000</td>
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<tr>
<td>Travel and representation</td>
<td>74,839</td>
<td>100,500</td>
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<tr>
<td>Communications</td>
<td>23,758</td>
<td>29,350</td>
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<tr>
<td>Printing and audio-visuals</td>
<td>124,805</td>
<td>174,000</td>
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<tr>
<td>Various office costs</td>
<td>380,142</td>
<td>427,240</td>
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<tr>
<td>Finance costs</td>
<td>43,498</td>
<td>46,800</td>
</tr>
<tr>
<td>Provision for doubtful debtors</td>
<td>115,304</td>
<td>175,000</td>
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<tr>
<td>Provisions/other costs</td>
<td>59,324</td>
<td>52,200</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>6,438,750</td>
<td>6,650,410</td>
</tr>
<tr>
<td><strong>NET OPERATING RESULTS</strong></td>
<td>341,667</td>
<td>0</td>
</tr>
<tr>
<td>Project funded by Invest Europe General Reserves</td>
<td>2</td>
<td>270,000</td>
</tr>
<tr>
<td><strong>Total exceptional expenses</strong></td>
<td>214,638</td>
<td>270,000</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td>127,029</td>
<td>-370,000</td>
</tr>
</tbody>
</table>

**Notes**
1. No membership fees contingency given contingencies built from 2017 till 2019 for 1,2m€ and not used
2. Several projects will be funded by the Reserves: Development of e-learning courses, CRM, Marketing material and one-off costs related to the Invest Europe office move

### ASSETS (€)

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<table>
<thead>
<tr>
<th></th>
<th>31 DEC 2019</th>
<th>31 DEC 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7,131</td>
<td>12,830</td>
</tr>
<tr>
<td><strong>FINANCIAL ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares in EDC GmbH (33%)</td>
<td>8,329</td>
<td>8,329</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>179,752</td>
<td>88,754</td>
</tr>
<tr>
<td>Deposits and prepayments</td>
<td>67,552</td>
<td>54,084</td>
</tr>
<tr>
<td>VAT</td>
<td>61,593</td>
<td>58,768</td>
</tr>
<tr>
<td>Deferred charges</td>
<td>524,219</td>
<td>224,705</td>
</tr>
<tr>
<td>Accrued income</td>
<td>0</td>
<td>134,321</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>6,659,552</td>
<td>6,474,845</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>7,492,668</td>
<td>7,335,477</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>7,508,310</td>
<td>7,156,635</td>
</tr>
<tr>
<td><strong>PROVISIONS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>11,028</td>
<td>11,335</td>
</tr>
<tr>
<td>Suppliers</td>
<td>467,615</td>
<td>170,631</td>
</tr>
<tr>
<td>VAT</td>
<td>22,947</td>
<td>0</td>
</tr>
<tr>
<td>Payroll accruals</td>
<td>928,738</td>
<td>958,177</td>
</tr>
<tr>
<td>Deferred income</td>
<td>333,034</td>
<td>149,129</td>
</tr>
<tr>
<td>Capital contribution to leasehold improvement</td>
<td>0</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>1,756,334</td>
<td>1,277,937</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>7,508,310</td>
<td>7,156,635</td>
</tr>
</tbody>
</table>
```

**Notes**
1. Deposits and prepayments include as of 31 December 2020 the provision Q4 of social charges (€46K) and not used
2. Several projects will be funded by the Reserves: Development of e-learning courses, CRM, Marketing material and one-off costs related to the Invest Europe office move
3. Deferred charges include 2021 events accommodation deposits (€137K) and deferred charges (€187K) as subscriptions 2021, rent Q1/2021 and other charges 2021
4. Accrued income include reimbursement related to costs associated with Events 2020 cancellation
5. Landlord capital contribution for the amount of €36K on current office (Tour Bastions) and fully amortised as of December 2020
Auditor’s report

Statutory auditor’s report to the shareholders’ meeting of Invest Europe AISBL/IVZW for the year ended 31 December 2020 - Annual accounts

In the context of the statutory audit of the annual accounts of Invest Europe AISBL/IVZW (the "company"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed as statutory auditor by the shareholders’ meeting of 18 June 2019, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d’administration"). Our mandate will expire on the date of the shareholders’ meeting deliberating on the annual accounts for the year ending 31 December 2021. We have performed the statutory audit of the annual accounts of Invest Europe AISBL/IVZW for 8 consecutive periods ended 31 December 2020 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Unqualified opinion

We have audited the annual accounts of the company, which comprise the balance sheet as at 31 December 2020 and the income statement for the year then ended, as well as the explanatory note. The annual accounts show total assets of 736,997,898.10 EUR and the income statement shows a profit for the year ended of 123,608,980.80 EUR.

In our opinion, the annual accounts give a true and fair view of the company’s net equity and financial position as at 31 December 2020 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium. The annual accounts give a true and fair view of the company’s net equity and financial position as at 31 December 2020 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Basic for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" notice of our report. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

We have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Reasonabilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This note was drafted in accordance with the relevant sections of the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level.

We have a duty to communicate with those charged with governance if, in our judgment, there is a material misstatement of the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We are independent of the company in accordance with the ethical requirements that are relevant to the statutory audit of the annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company, nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company’s business has been conducted or will be conducted.

In performing the audit, we have considered the legal and regulatory framework as applicable to the audit of annual accounts in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company, nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company’s business has been conducted or will be conducted.

As part of our audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This note was drafted in accordance with the relevant sections of the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level.

- conclude on the appropriateness of the use of going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor’s report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
Other legal and regulatory requirements

Responsibilities of the board of directors
The board of directors is responsible for maintaining the company’s accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the company’s compliance with the Code of companies and associations and the company’s articles of association.

Responsibilities of the statutory auditor
As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain obligations referred to in the Code of companies and associations and the articles of association, as well as to report on these matters.

Statements regarding independence
Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the company during the performance of our mandate.

Other statements
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the company’s articles of association or the Code of companies and associations.

Signed at Zaventem.

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises BV/SRL
Represented by Angélique Mitrugno