

Institutional investors want to commit more to European infrastructure

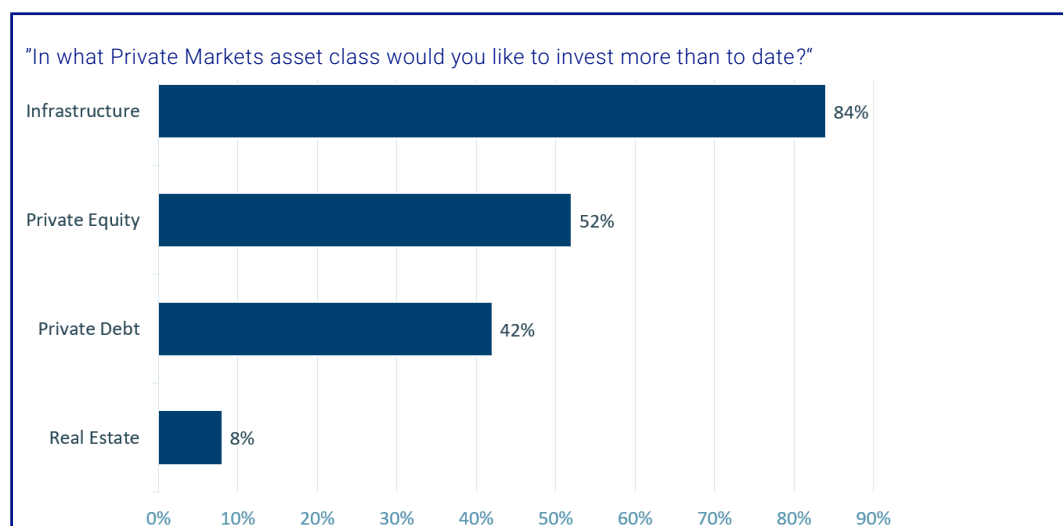
A survey conducted at Palladio Partners' annual Investors Day reveals: 84 percent of those polled wish to further expand allocations to infrastructure as an asset class

Frankfurt am Main, 26 June 2024 – German investors would like to commit more to the asset class of infrastructure than they have to date. That is the key finding of a survey of 50 institutional investors conducted at the 2024 Investors Day hosted by investment boutique Palladio Partners, which is specialized in investments in real assets. The focus is in particular on Europe, followed by North America, while the survey respondents accord no priority to the rest of the world as a target for infrastructure investments.

Infrastructure as tangible assets ahead of Private Equity and Private Debt

In response to the question "In what private-market asset class would you like to invest more than you have to date?" (multiple answers were possible), 84 percent of the respondents chose Infrastructure, followed by Private Equity (52 percent) and Private Debt (42 percent). Real estate was not really in focus and scored only eight percent.

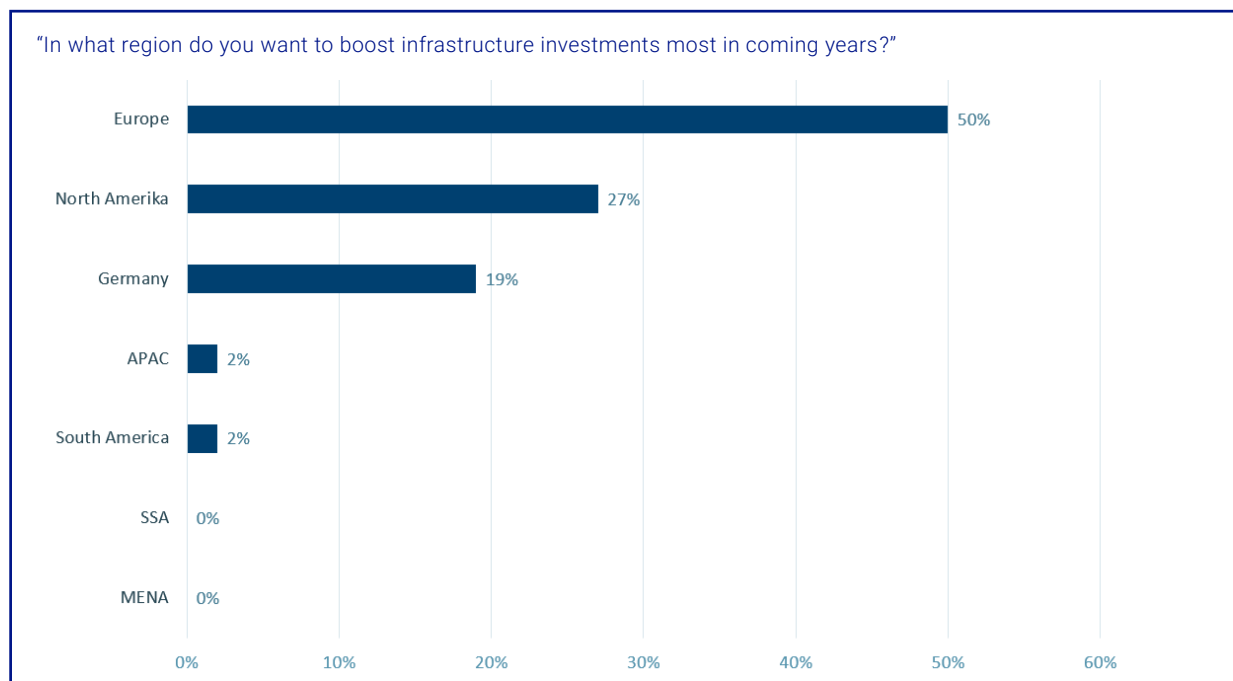
"Given the immense sums that are required to renew and expand infrastructure, a greater allocation by German investors is highly desirable," comments Michael Rieder, Managing Partner of Palladio Partners. *"And many would gladly invest more than they have to date. An improvement in the regulatory framework in Germany would definitely help in this regard."*



Source: Survey of the institutional investors present at Palladio Partners' 2024 Investors Day

Regions outside Europe and the USA are not a priority

50 percent of the investors polled stated that in coming years they would increase their investments in infrastructure, above all in Europe. Second place went to North America (27 percent) and third explicitly to Germany (19 percent). Only one investor each intends to increase investments above all in the APAC region and/or South America. According to the survey, the SSA and MENA regions were not being prioritized by any investors.



Source: Survey of the institutional investors present at Palladio Partners' 2024 Investors Day

Risk management, ESG requirements and regulatory regimes all have an equal influence on investment decisions – only one quarter of respondents concerned themselves with impact measurement

Just short of two thirds of the investors stated that in each case Risk Management (66 percent), Regulatory Regimes (60 percent) and ESG Requirements (60 percent) were the topics that will most influence their investment decisions in coming months. Impact measurement only influences less than one quarter of the investors (24 percent).

"The survey confirms what we have observed, namely that impact measurement is often not an issue among our investors. The reason is that many do not yet have an impact strategy," explains Barbara Treusch, Director at Palladio Partners and co-responsible for sustainability reporting to clients. "However, for many of our clients the future viability of their investments is key. For them, there's a logical interconnect of all the topics, with above all ESG and impact playing a role in their risk management."

About Palladio Partners

Palladio Partners is a specialist mainly for German institutional investors in the field of global investments in real assets, in particular infrastructure investments, private equity and private debt.

The owner-managed investment boutique with offices and subsidiaries in Frankfurt and Luxembourg was founded in 2012. Today, with its payroll of over 70 staff members it has assets of approx. EUR 9 billion under management (incl. advisory mandates). Palladio Partners advises mainly German institutional investors from the pension sector on realizing their individual, potentially highly complex investment strategies and offers them access to attractive global investment opportunities.

The company is enduringly committed to German infrastructure – through investments and its active participation in associations such as “IDI - Initiative deutsche Infrastruktur e.V.” Palladio Partners is a signatory to the UN Principles for Responsible Investment (UN PRI)..

For further information please click www.palladio-partners.com.

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