Observatory for Management Companies

2026 Barometer

Foreword

Welcome to the eleventh edition of the PwC Observatory for Management Companies. Building on the strong foundation of previous editions, we continue to provide a comprehensive and forward-looking view of Luxembourg's Management Companies (ManCos) landscape, helping you succeed in an environment that remains both dynamic and demanding.

ManCos continue to play a central role in supporting the Asset Management industry, demonstrating resilience and adaptability in an evolving global context. While the number of ManCos has gradually decreased, reflecting ongoing market consolidation driven by merger and acquisition activity and cost pressures, 7 new AIFMs were registered in 2025. The industry continues to record an increase in full-time equivalents highlighting a continued reinforcement of substance and expertise within Luxembourg ManCos. Assets under management have maintained a steady upward trajectory, supported by strong market performance and the expansion of alternative investment strategies. Luxembourg continues to strengthen its position as a leading European hub for ManCos, supported by its expertise and the increasing sophistication of its product offering.

Governance frameworks continue to evolve in response to heightened regulatory expectations. Independent oversight at board level is being further reinforced, with an increasing emphasis on effective challenge and accountability. Particular attention is given to valuation processes and assessments, which remain under close regulatory scrutiny. Expectations from the CSSF mainly focus on the independence of valuation functions, the robustness of controls, especially for illiquid and complex assets, and enhanced governance over valuation/pricing methodologies. In this context, a growing number of ManCos are leveraging third-party valuation specialists to access specialised expertise and strengthen the reliability of their valuation frameworks and assessments. In parallel, ManCos expand new branch structures, primarily to support marketing and distribution activities, and reflecting a growing need for proximity to key markets and a structured approach to cross-border distributions.

ManCos are reshaping their role within the asset management ecosystem as they navigate a more demanding regulatory landscape and heightened competitive pressure. This transformation is characterised by a strategic rebalancing between insourcing key functions, where control, expertise, and value generation are critical, and outsourcing operational activities to both group entities and specialised third-party providers. This approach enables ManCos to enhance efficiency, access specialised capabilities, and maintain flexibility in an increasingly complex environment. Third-party ManCos continue to play a key role in the ecosystem, offering integrated solutions that allow asset managers to focus on their core activities.

Digital transformation has now become a strategic imperative across the sector: the question is no longer whether to transform, but how effectively it is executed. Cloud emerges as the foundation enabling this digital transformation, providing the scalable and secure infrastructure required to support innovation, while simultaneously introducing heightened regulatory and governance. At the same time, data remains the cornerstone of successful digital initiatives, with ongoing challenges around quality, standardisation and accessibility. Artificial Intelligence adoption is accelerating, primarily driven by the pursuit of productivity gains and operational efficiency. While use cases are rapidly expanding into compliance, risk management and client-facing activities, organisations are still navigating important challenges related to data reliability, governance and skills. Digital transformation is entering a new phase where success depends on balancing innovation with robust governance, sustainable operating models and having the right skills and people in place.

In an environment marked by sustained cost pressures and increasing regulatory complexity, ManCos must remain agile, resilient and forward-looking. Although these forces are reshaping operating models across the industry, they are also creating new opportunities, notably in private markets, which remain a key growth driver. Looking ahead, the outlook for the sector remains positive, supported by continued demand for well-governed, scalable and cross-border investment structures. In this context, Luxembourg ManCos are further strengthening their role as centres of excellence, leveraging their expertise, robust governance frameworks and strategic positioning to deliver high-value services.

As the Management Company landscape continues to evolve, one constant remains: Luxembourg's ability to adapt, innovate and deliver within an increasingly demanding environment. The 2026 Barometer once again confirms the central role played by ManCos in supporting the growth and transformation of the asset management industry. This edition highlights the importance of adaptability, resilience and strategic positioning in maintaining competitiveness and capturing new growth opportunities.

We would like to thank you for your continued trust and engagement. As we look ahead, we remain committed to supporting you in navigating this transformation and shaping a resilient, innovative, and sustainable future for Luxembourg's ManCos.

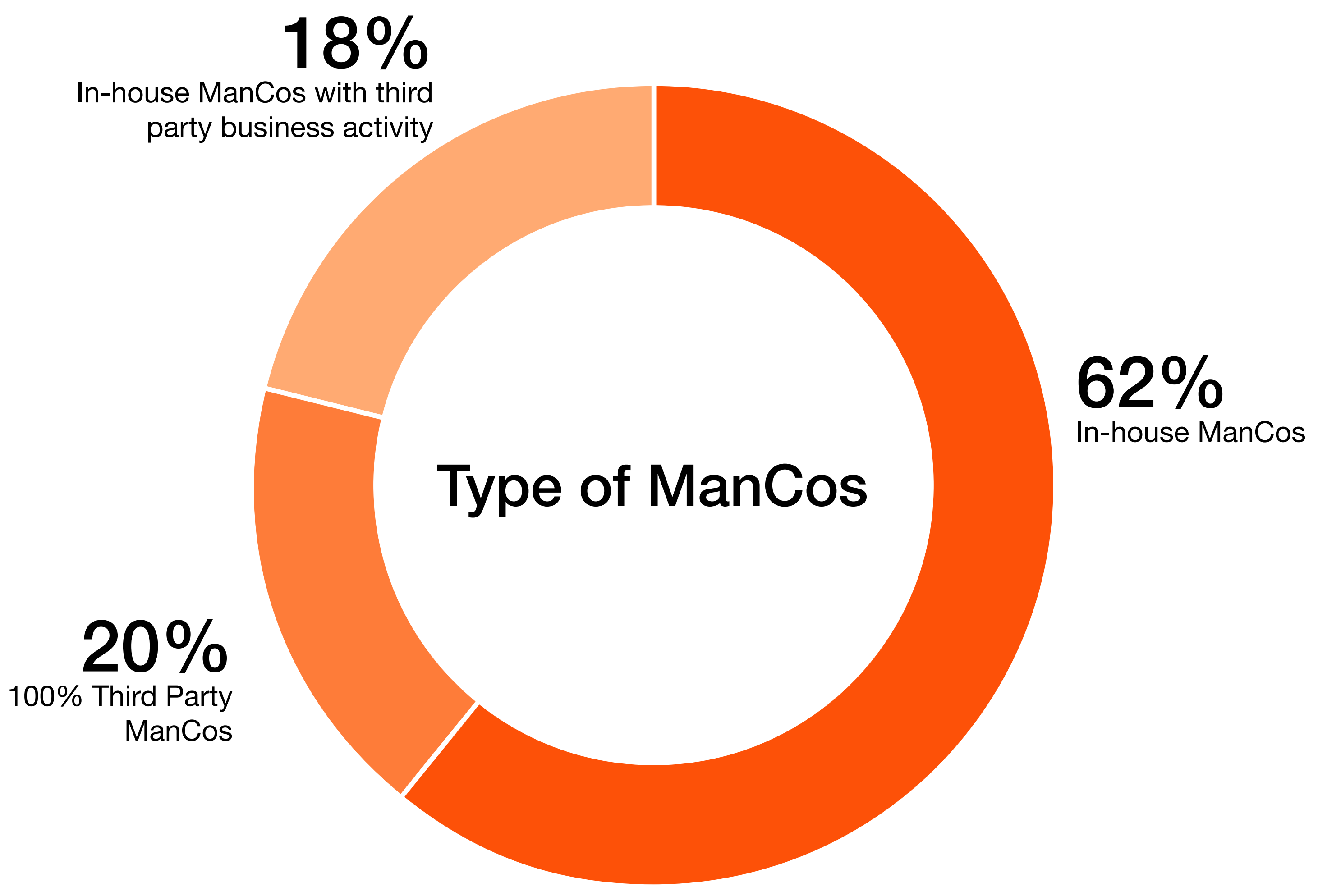
Our sample

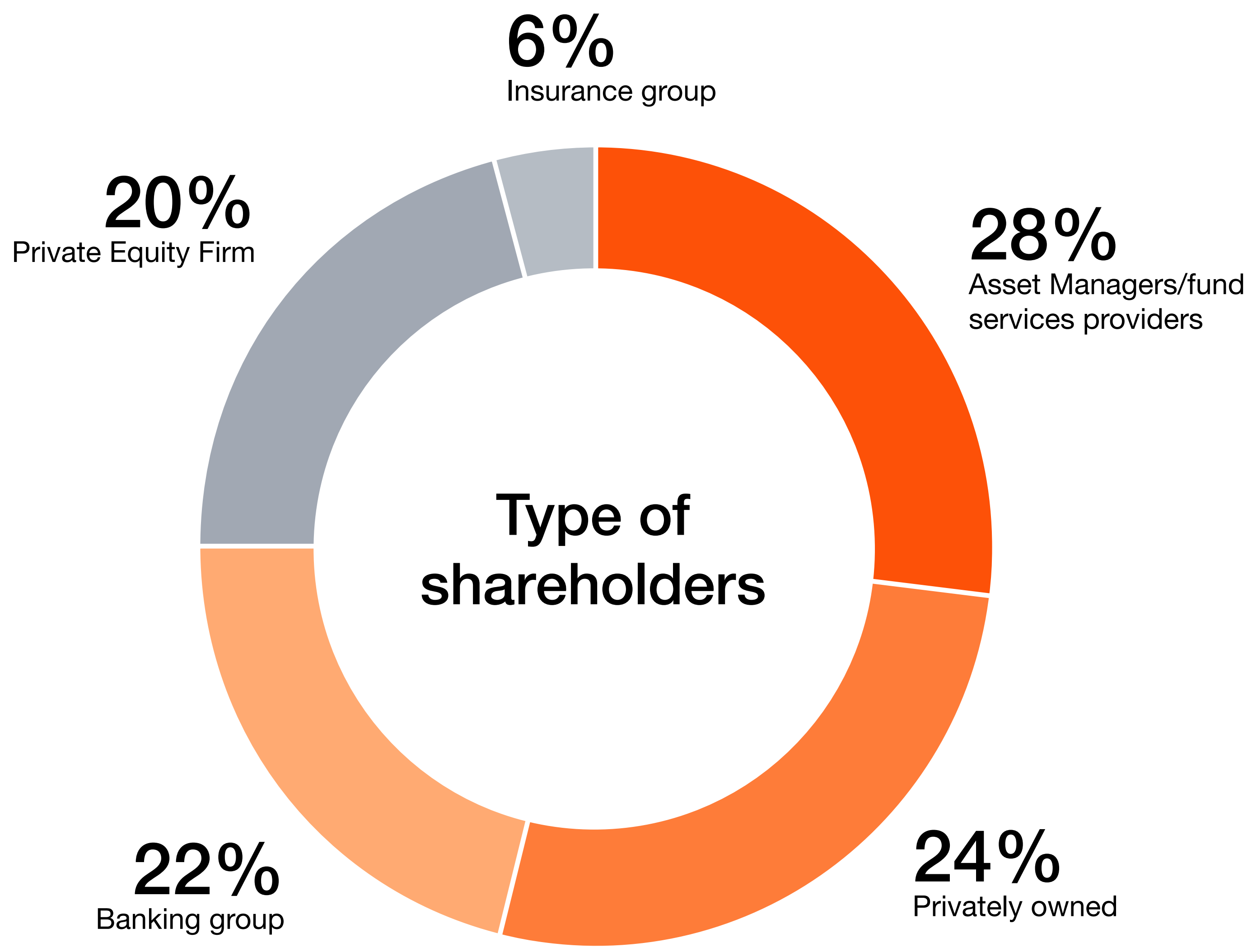
The 2026 edition marks the eleventh release of the Observatory for Management Companies. This publication provides a comprehensive overview of Luxembourg's Management Companies (ManCo) landscape, covering UCITS Management Companies, Alternative Investment Fund Managers (AIFMs), and Super ManCos, holding both UCITS and AIFM licences.

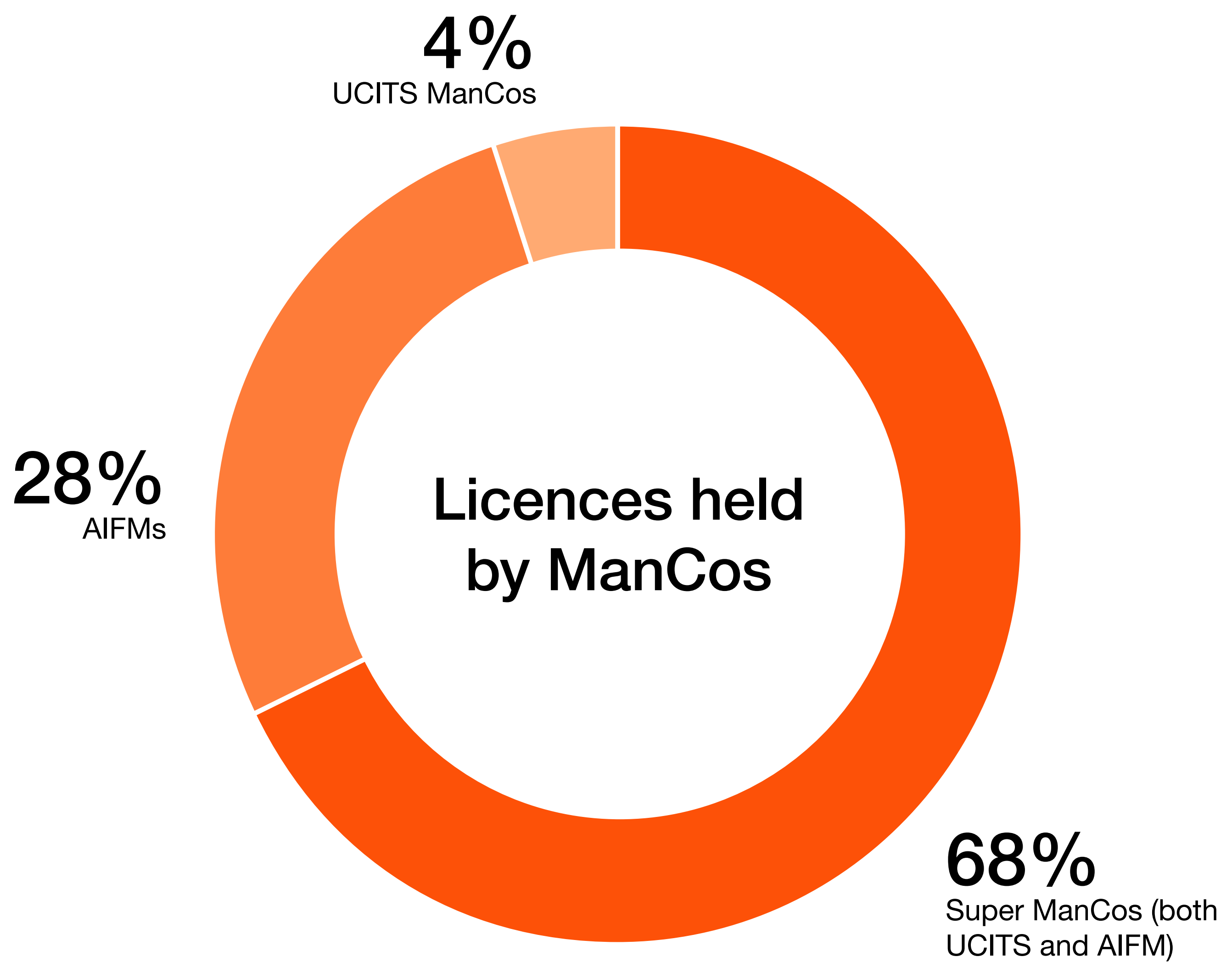
65
participants

87%
of Assets under Management

79%
of employees







Source: PwC ManCo Survey 2026

ManCo landscape

01

- Appreciating the ManCo landscape
- AuM trends in Luxembourg
- Luxembourg's footprint in EU
- Emerging products in Luxembourg

Appreciating the ManCo landscape

The Luxembourg market recorded **7 newly authorised ManCos** in 2025, all operating under the AIFM framework

During the same period, **16 ManCos were withdrawn**, bringing the total number of ManCos to 289

19%
growth in headcount was recorded between 2021 and 2025, despite the decline in the number of ManCos registered in Luxembourg

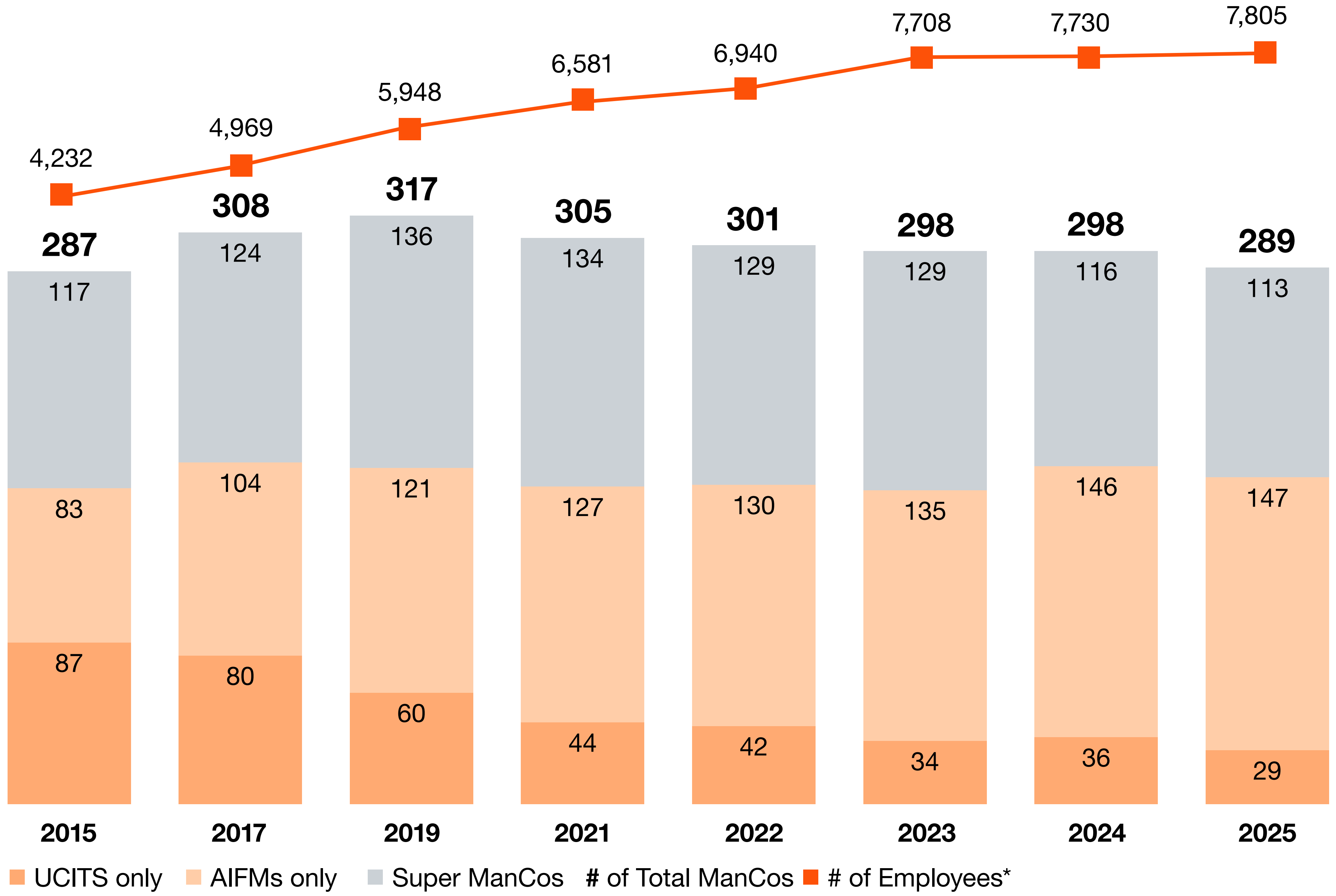
27%
of funds managed by withdrawn ManCos in 2025, have been transferred to Third Party ManCos

66
MiFID Licences UCITS
+5% since 2021

83
MiFID Licences AIFM
+28% since 2021

Evolution of ManCo players

Evolution of ManCos and employment



Evolution of ManCos licences

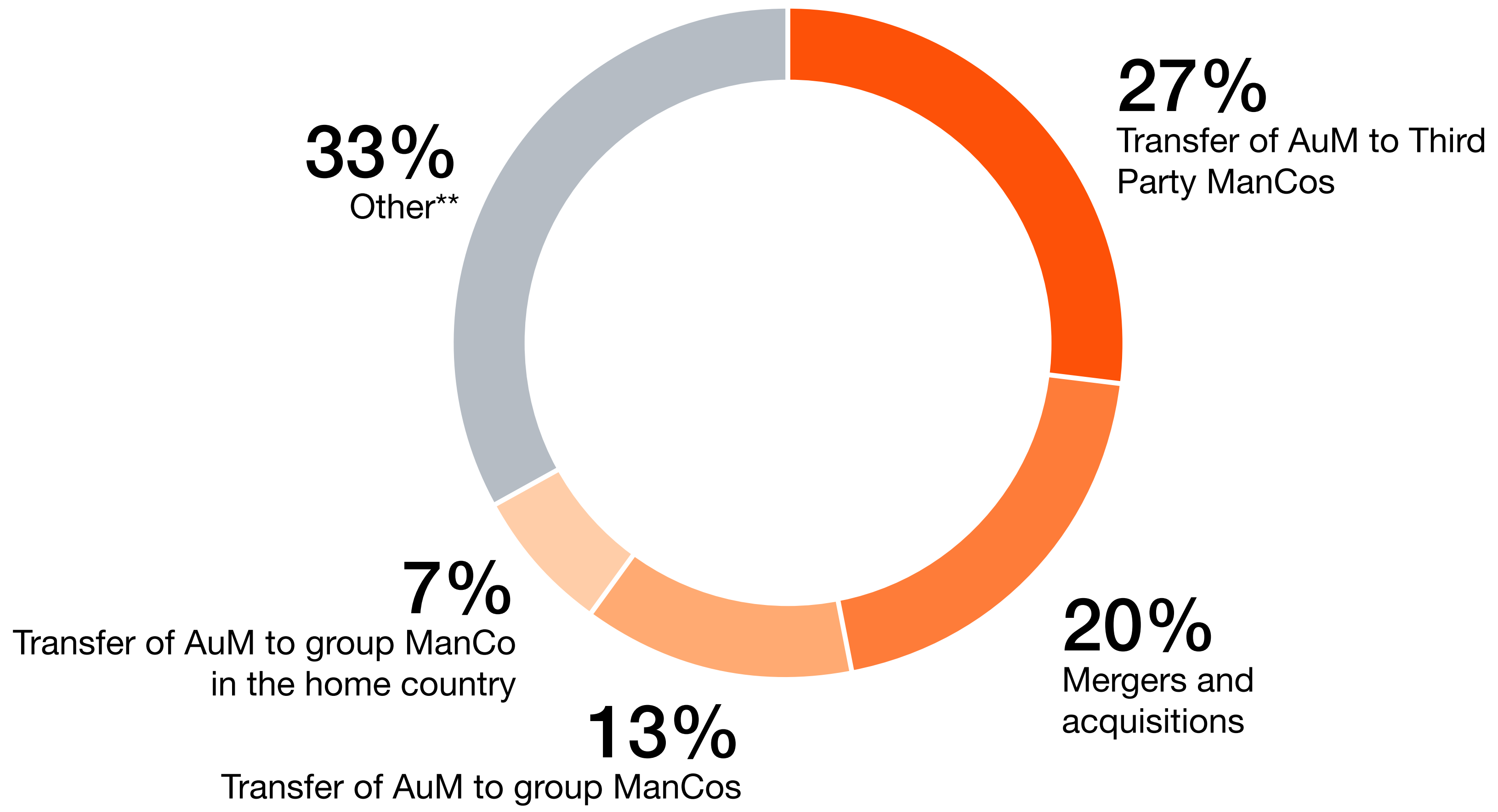
		2019	2020	2021	2022	2023	2024	2025
UCITS Licences	Number	196	186	178	171	163	152	142
	Variation	-10	-10	-8	-7	-8	-11	-10
AIFMs Licences	Number	257	264	261	259	264	262	260
	Variation	15	7	-3	-2	5	-2	-2

*Note: Number of employees excluding branches
**Other mainly refers to liquidation.
Sources: CSSF, LBR, Monterey Insight, Fundsquare, PwC analysis

New ManCos

ManCo	Group Nationality	Licence
2025		
GREEN ARROW CAPITAL AIFM S.À R.L.		AIFM
HARRISON STREET SERVICES S.À R.L.		AIFM
HEADLINE MANAGEMENT LUX S.À R.L.		AIFM
HEROICS CAPITAL S.À R.L.		AIFM
TRILL IMPACT LUXEMBOURG S.À R.L.		AIFM
TRISTAN CAPITAL MANAGEMENT COMPANY S.À R.L.		AIFM
U FUND SERVICES S.À R.L.		AIFM
2026		
GENERALI FUND SOLUTIONS		Super ManCo

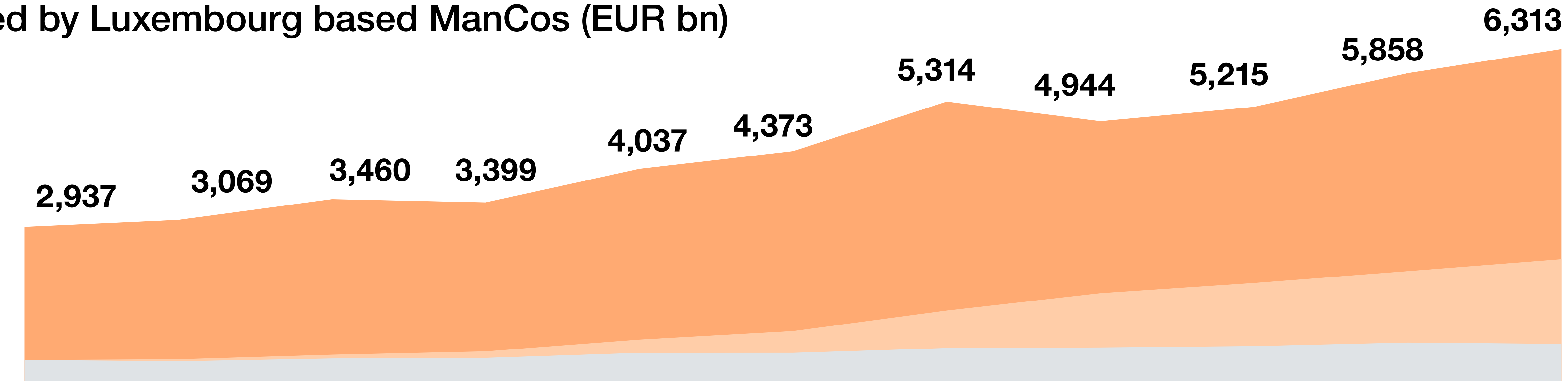
Breakdown of fund transfers from withdrawn ManCos in 2025



AuM trends in Luxembourg

Asset growth and market evolution

AuM managed by Luxembourg based ManCos (EUR bn)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Non-Authorised AIFs	0	39	73	124	252	414	714	1,032	1,201	1,357	1,608
Authorised AIFs	405	381	433	445	539	540	629	640	666	733	708
UCITS	2,532	2,649	2,954	2,830	3,246	3,419	3,971	3,272	3,348	3,768	3,997

AuM growth in 2025

+7.8%
AuM growth **since December 2024**

Non-Authorised AIFs AuM
+18%
since 2024

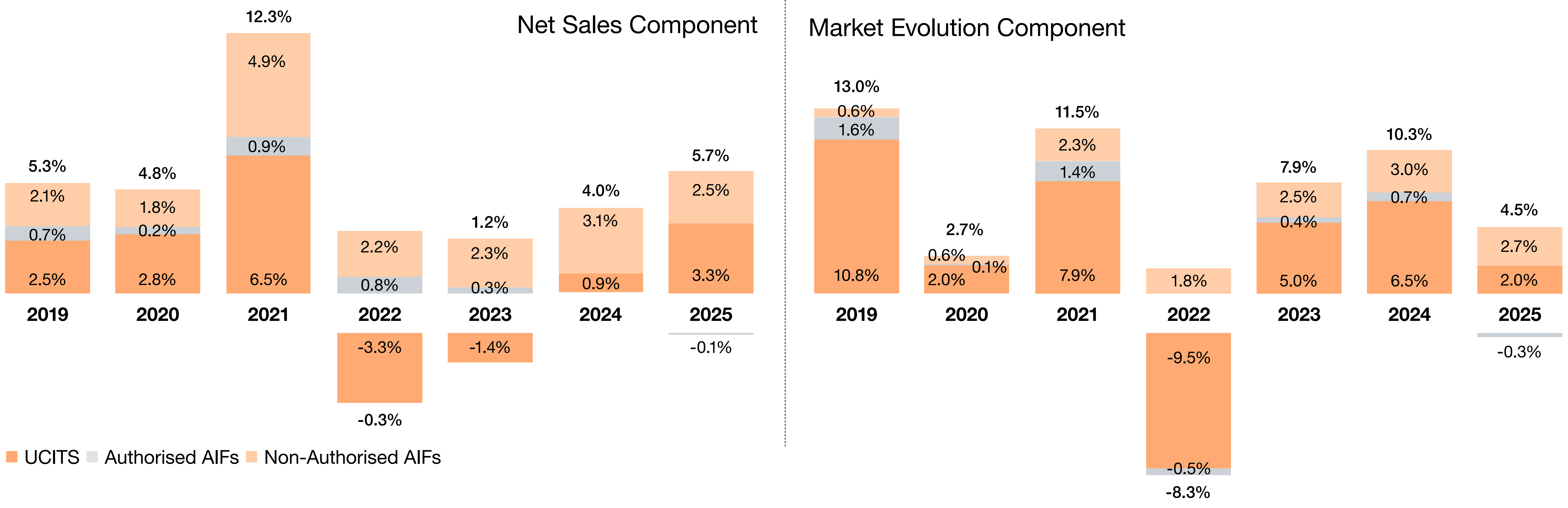
Authorised AIFs AuM
-3%
since 2024

UCITS AuM
+6%
since 2024

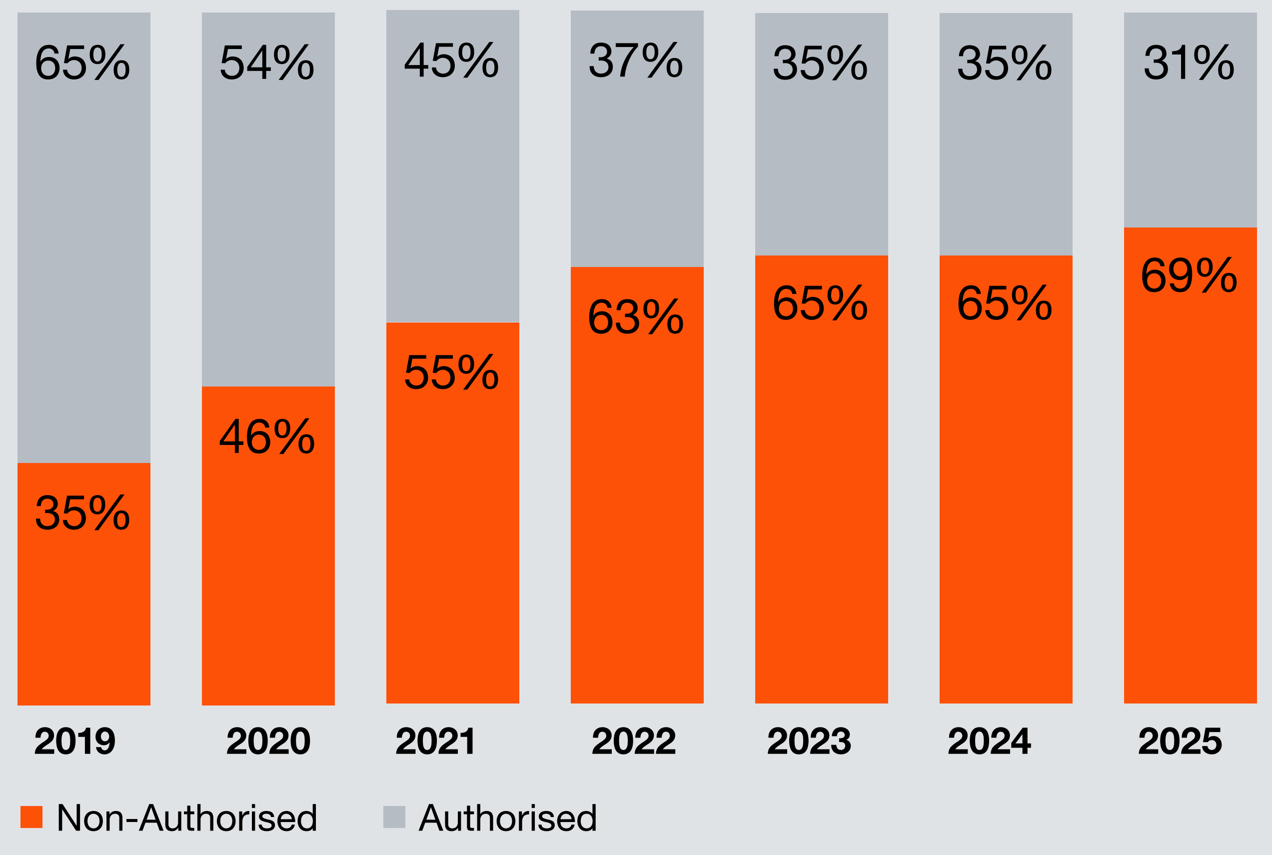
Evolution of AuM is driven by the increase of non-authorised AIFs, exceeding a double-digit growth in 2025.

Similarly to last year, this year's AuM growth is driven by both strong market performance and positive net sales.

Evolution of net sales vs market evolution of products domiciled in Luxembourg (in %)



Breakdown of Alternative Investments

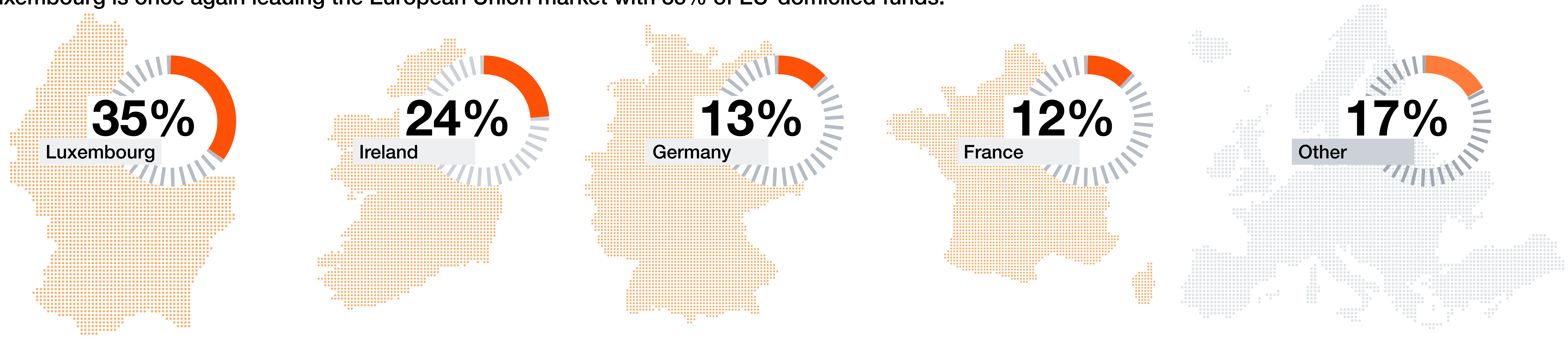


Alternative Investments maintained steady growth, with Non-Authorised funds accounting for 69% of AuM, while the share of CSSF-Authorised funds declined to 31%.

Sources: CSSF, EFAMA, BCL

Luxembourg's footprint in EU

Luxembourg is once again leading the European Union market with 35% of EU-domiciled funds.



€23.4tn

assets domiciled in the EU
+10% since 2024, mainly driven by a **10%** increase for UCITS, while AIFs grew by **7%**

35.4%

of EU assets are domiciled in Luxembourg

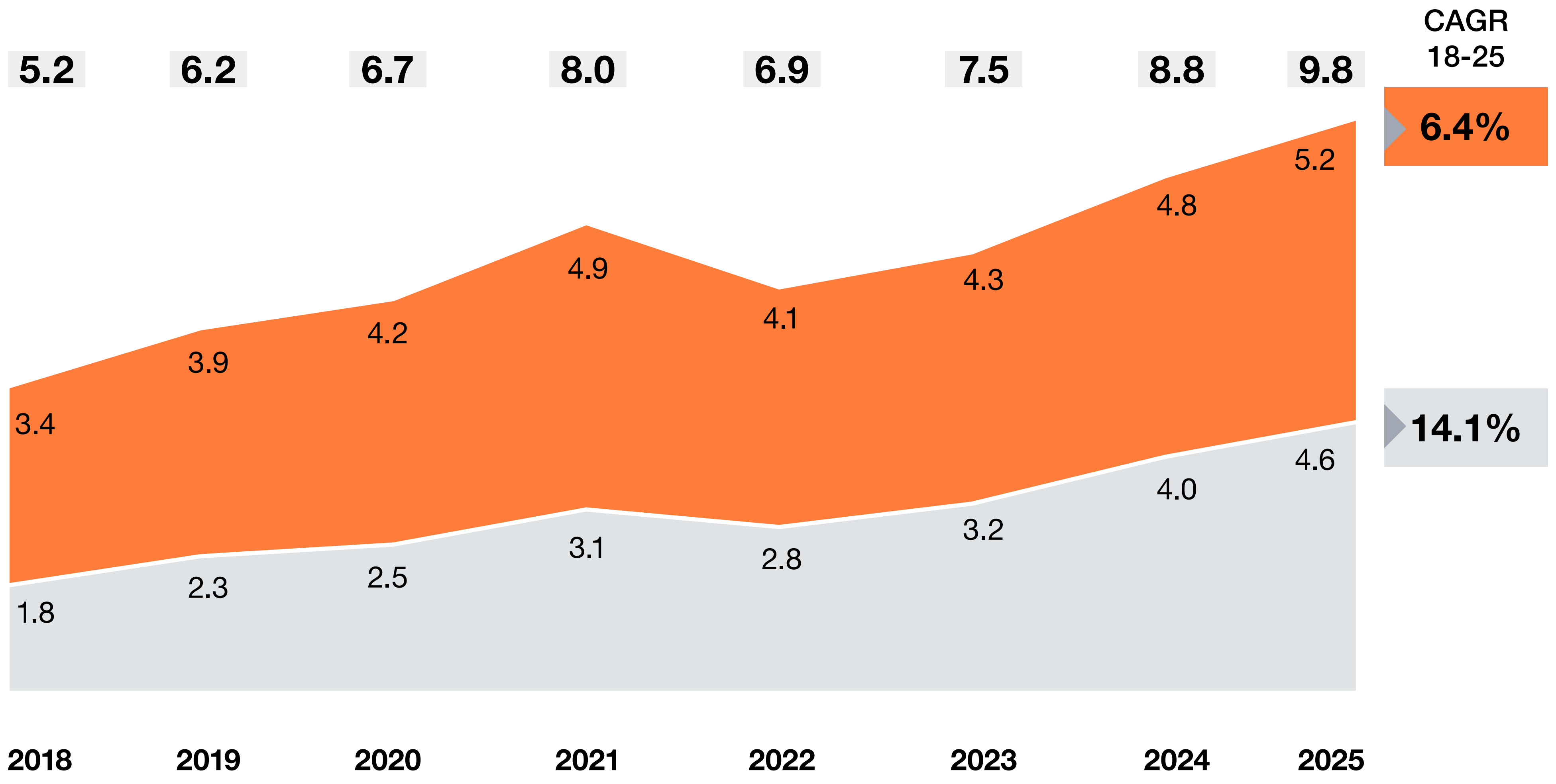
10.2%

CAGR of Luxembourg-domiciled funds AuM over the last seven years

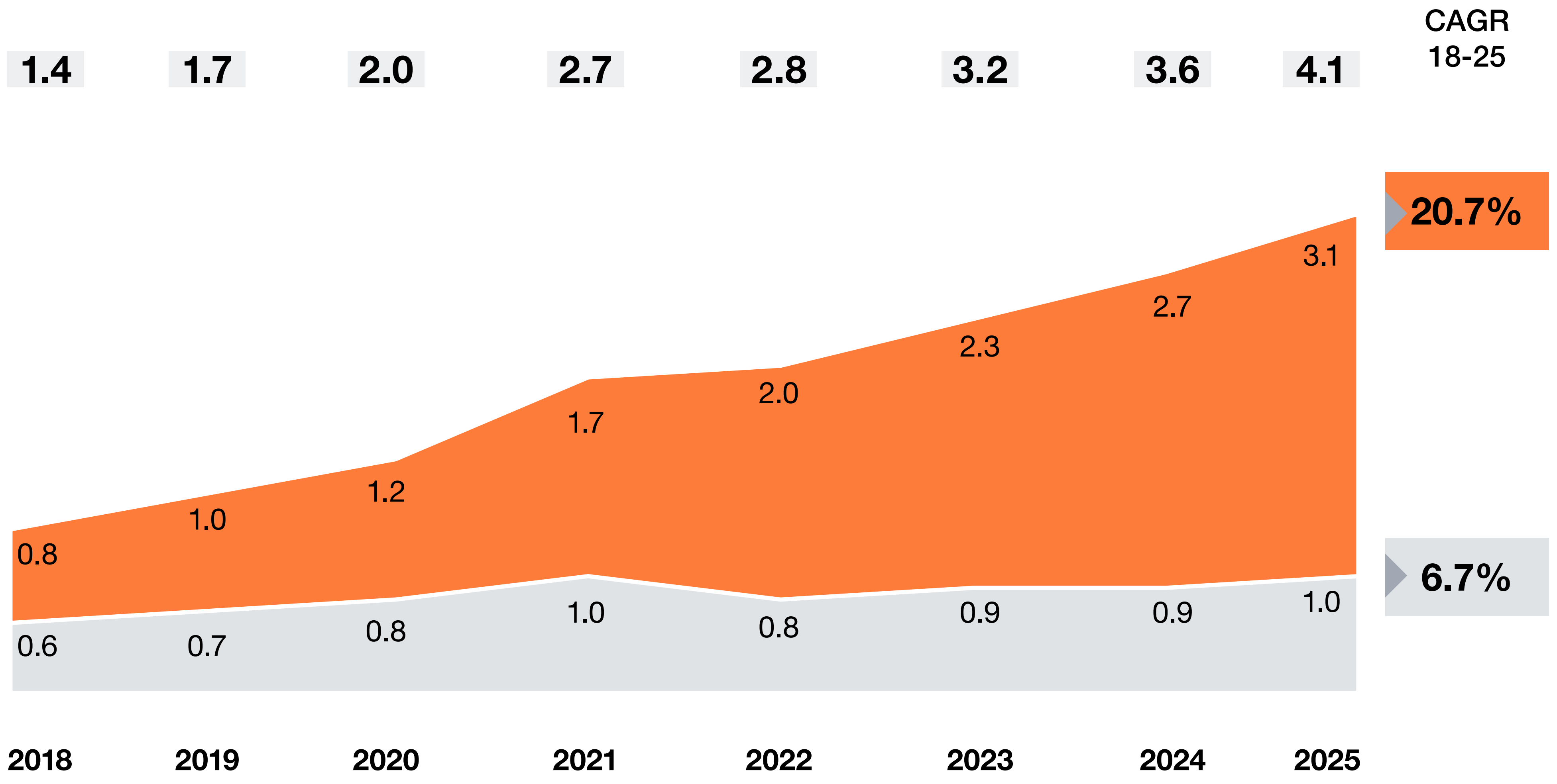
48%

of Luxembourg-based ManCos belong to groups with management companies in other EU countries, mainly Ireland, Germany, and France

UCITS Funds AuM – Luxembourg-domiciled vs Ireland-domiciled (EUR tn)



AIFs AuM – Luxembourg-domiciled vs Ireland-domiciled (EUR tn)

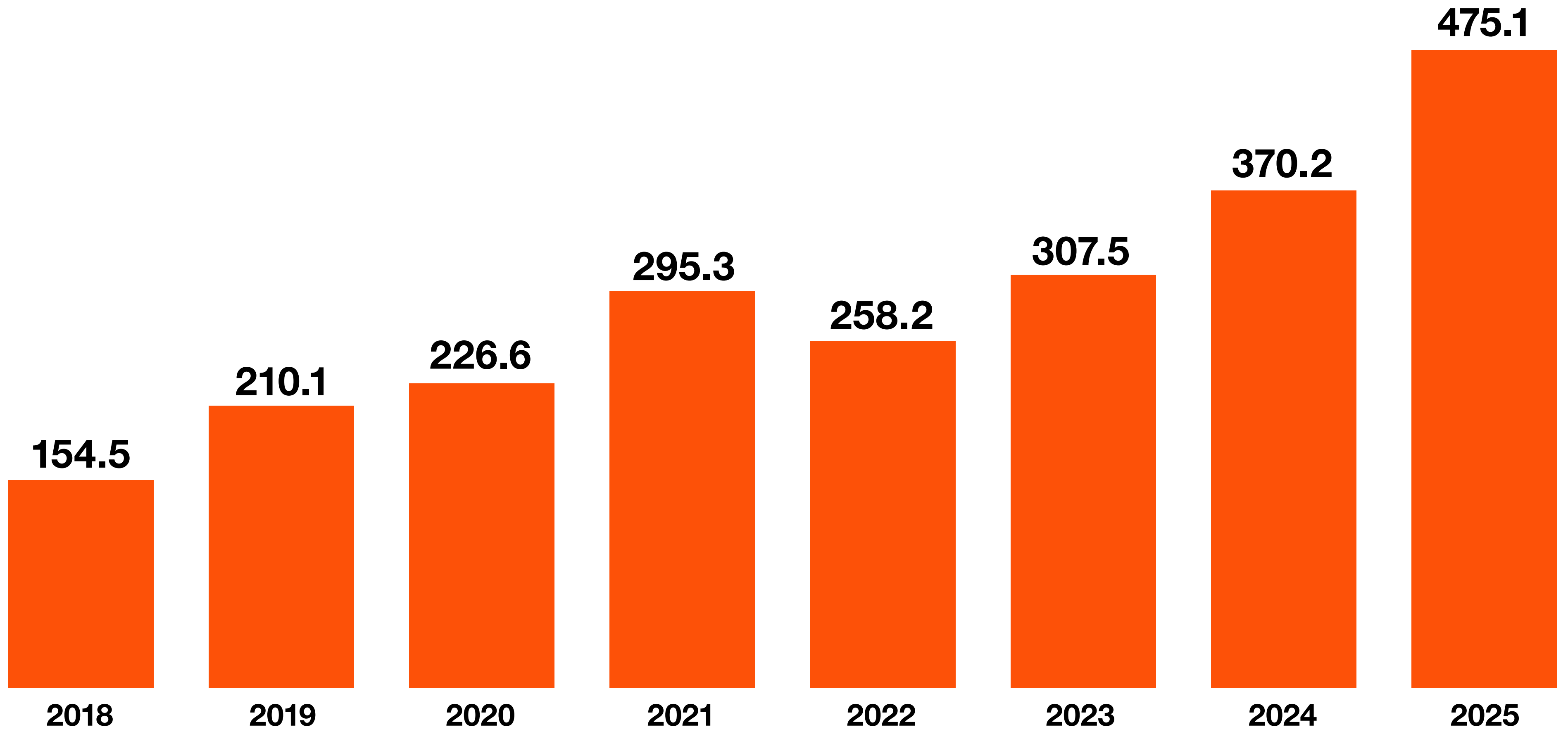


Luxembourg   Ireland

Note: Luxembourg Alternative Funds include CSSF Non-Authorised Vehicles
Sources: EFAMA, BCL

Emerging products in Luxembourg

Luxembourg-domiciled ETF AuM (EUR bn)



+28%

ETF assets domiciled in Luxembourg **since 2024**

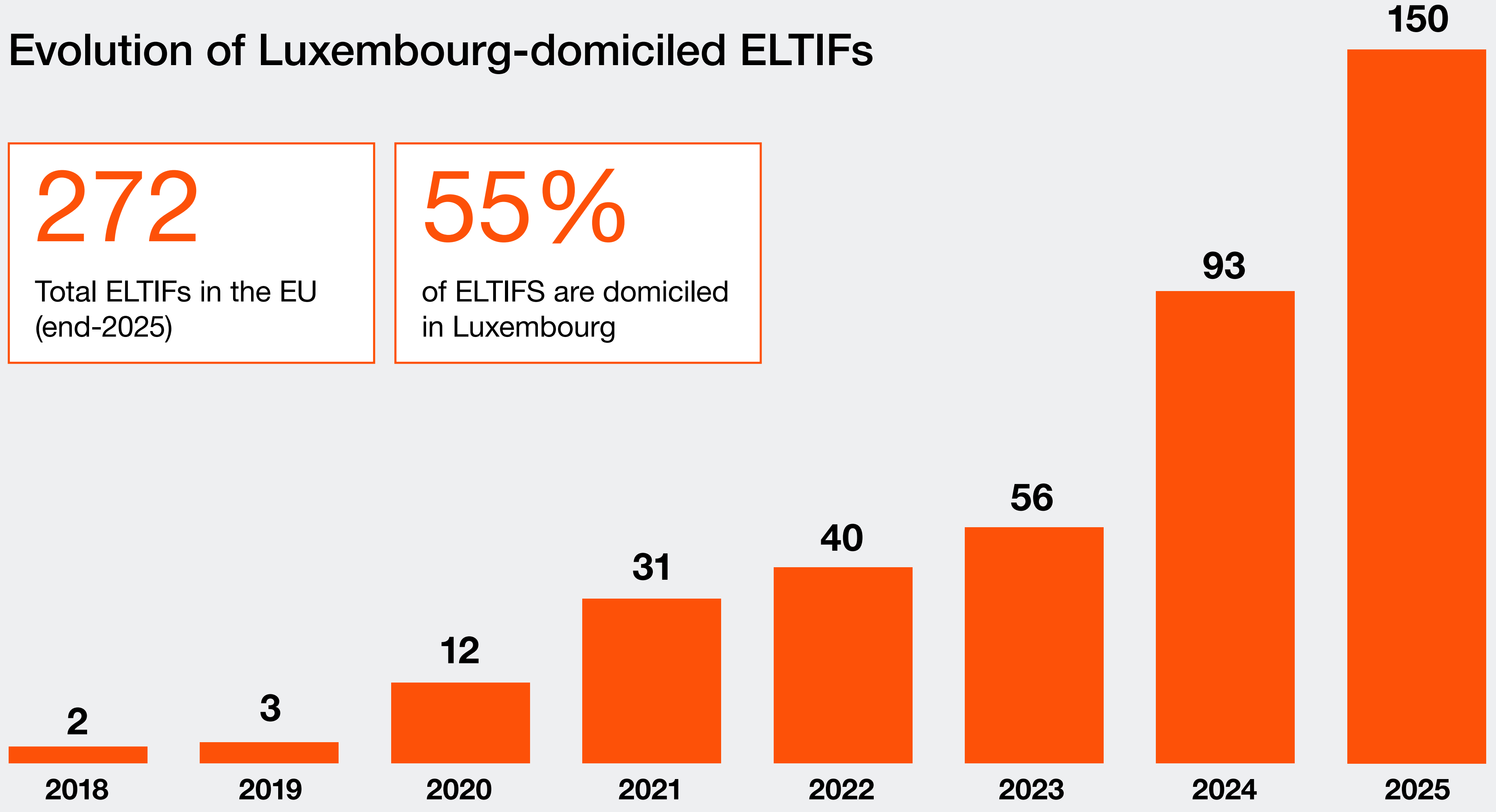
Evolution of Luxembourg-domiciled ELTIFs

272

Total ELTIFs in the EU (end-2025)

55%

of ELTIFS are domiciled in Luxembourg



51%

of respondents currently manage semi-liquid funds

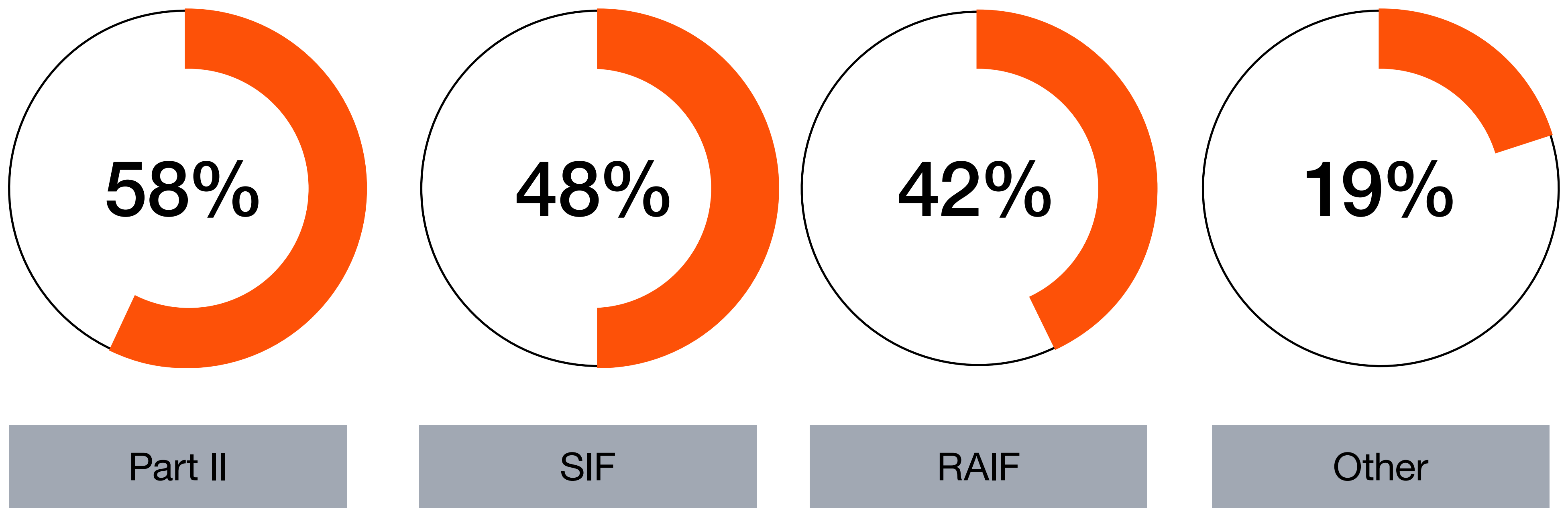
Among ManCos not active in the segment,

21%

plan to launch semi-liquid funds within the next 12 months

Fund of funds, private debt and private equity / venture capital, represent the main investment strategies of the semi-liquid funds

Preferred structures for ManCos currently managing semi-liquid funds



Sources: LSEG Lipper, ESMA, ManCo Survey 2026

ManCo rankings

02

- Top 20 ManCos
- Top Super ManCos
- Top AIFMs
- Top Third Party ManCos

Top 20 ManCos

Top ManCos by AuM

#	Name	AuM Dec 2025 (€ mn)	Variation to 2024
1	JPMORGAN ASSET MANAGEMENT (EUROPE) S.À R.L.	569,435	7%
2	DWS INVESTMENT S.A.	475,581	16%
3	AMUNDI LUXEMBOURG S.A.	405,612	29%
4	UBS ASSET MANAGEMENT (EUROPE) S.A.	239,600	5%
5	HSBC INVESTMENT FUNDS (LUXEMBOURG) S.A.	231,955	16%
6	CARNE GLOBAL FUND MANAGERS (LUXEMBOURG) S.A.	213,715	22%
7	FIL INVESTMENT MANAGEMENT (LUXEMBOURG) S.A R.L.	194,180	10%
8	SCHRODER INVESTMENT MANAGEMENT (EUROPE) S.A.	187,398	15%
9	BNP PARIBAS ASSET MANAGEMENT LUXEMBOURG	185,242	21%
10	BLACKROCK (LUXEMBOURG) S.A.	169,794	4%
11	PICTET ASSET MANAGEMENT (EUROPE) S.A.	147,689	1%
12	UNIVERSAL-INVESTMENT-LUXEMBOURG S.A.	147,269	-2%
13	EQT FUND MANAGEMENT S.A R.L.	142,000	21%
14	M&G LUXEMBOURG S.A.	141,107	8%
15	FUNDROCK MANAGEMENT COMPANY S.A.	121,919	9%
16	HAUCK & AUFHÄUSER FUND SERVICES S.A.	116,429	4%
17	NORDEA INVESTMENT FUNDS S.A.	116,411	14%
18	FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L.	104,285	12%
19	UNION INVESTMENT LUXEMBOURG S.A.	101,422	2%
20	BLACKSTONE EUROPE FUND MANAGEMENT S.À R.L.	96,185	14%

Source: PwC ManCo Survey 2026

Top Super ManCos

Top Super ManCos by AuM*

#	Name	AuM Dec 2025 (€ mn)
1	JPMORGAN ASSET MANAGEMENT (EUROPE) S.À R.L.	569,435
2	DWS INVESTMENT S.A.	475,581
3	AMUNDI LUXEMBOURG S.A.	389,342
4	HSBC INVESTMENT FUNDS (LUXEMBOURG) S.A.	231,955
5	FIL INVESTMENT MANAGEMENT (LUXEMBOURG) S.A R.L.	194,180
6	UBS ASSET MANAGEMENT (EUROPE) S.A.	188,502
7	SCHRODER INVESTMENT MANAGEMENT (EUROPE) S.A.	187,398
8	BNP PARIBAS ASSET MANAGEMENT LUXEMBOURG	185,242
9	BLACKROCK (LUXEMBOURG) S.A.	169,794
10	PICTET ASSET MANAGEMENT (EUROPE) S.A.	147,689

The top 3 Super ManCos manage **€1.43tn** which is **23%** of Luxembourg ManCos' total AuM

Average assets managed by top 10 Super ManCos **€273.91bn**

Top Super ManCos by # of branches

Name	Branches
INVESCO MANAGEMENT S.A.	11
SCHRODER INVESTMENT MANAGEMENT (EUROPE) S.A.	11
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L.	10
CANDRIAM	9
JPMORGAN ASSET MANAGEMENT (EUROPE) S.À R.L.	9

Top Super ManCos by # of alternative Asset class licences

Name	Licences
HAUCK & AUFHÄUSER FUND SERVICES S.A.	11
JPMORGAN ASSET MANAGEMENT (EUROPE) S.À R.L.	10
BLACKSTONE EUROPE FUND MANAGEMENT S.À R.L.	9
SCHRODER INVESTMENT MANAGEMENT (EUROPE) S.A.	9
DWS INVESTMENT S.A.	9

Top Super ManCos by # of countries where products are distributed**

Name	Countries of distribution
FRANKLIN TEMPLETON INTERNATIONAL SERVICES S.À R.L.	56
UBS ASSET MANAGEMENT (EUROPE) S.A.	46
BLACKROCK (LUXEMBOURG) S.A.	42
AMUNDI LUXEMBOURG S.A.	41
FIL INVESTMENT MANAGEMENT (LUXEMBOURG) S.A R.L.	40

Top Super ManCos by # of sub-funds***

Name	Sub-funds
DWS INVESTMENT S.A.	512
AMUNDI LUXEMBOURG S.A.	498
BLACKSTONE EUROPE FUND MANAGEMENT S.À R.L.	364
PICTET ASSET MANAGEMENT (EUROPE) S.A.	356

*Note: Excluding the AuM coming from Third-Party business activities.
**Note: The ranking takes into account liquid market only.
***Note: Excluding the sub-funds related to Third-Party business activities.
Sources: PwC ManCo Survey 2026, GFD Poster 2026

Top AIFMs

Top AIFMs by AuM*

#	Name	AuM Dec 2025 (€ mn)
1	EQT FUND MANAGEMENT S.A R.L.	142,000
2	PERMIRA MANAGEMENT S.À R.L.	39,500
3	MACQUARIE ASSET MANAGEMENT EUROPE S.À R.L.	28,191
4	CBRE INVESTMENT MANAGEMENT LUXEMBOURG AIFM S.A R.L.	20,279
5	SMBC NIKKO INVESTMENT FUND MANAGEMENT COMPANY S.A.	19,943
6	NORDIC CAPITAL MANAGEMENT S.À R.L.	16,129
7	IK INVESTMENT PARTNERS AIFM	9,745
8	HINES LUXEMBOURG INVESTMENT MANAGEMENT S.A R.L.	8,246
9	OAKLEY CAPITAL MANAGER S.À R.L.	6,392
10	NEUBERGER BERMAN AIFM S.À R.L.	N.C.

Asset threshold to be part of the top 9 AIFMs

€6,392mn

40%

of our top 10 AIFMs have Private Equity Firm as shareholders

The top 10 AIFMs have established 16 branches across Europe, with Germany hosting the largest concentration

Top AIFMs by # of alternative asset class licences

Name	Licences
PRIME AIFM LUX S.A.	6
NEUBERGER BERMAN AIFM S.À R.L.	5
SMBC NIKKO INVESTMENT FUND MANAGEMENT COMPANY S.A.	5
EQT FUND MANAGEMENT S.A R.L.	4
MACQUARIE ASSET MANAGEMENT EUROPE S.À R.L.	4

*Note: Excluding the AuM coming from third-party business activities.
Source: PwC ManCo Survey 2026

Top Third Party ManCos

Top Third Party ManCos by AuM

#	Name	AuM Dec 2025 (€ mn)
1	CARNE GLOBAL FUND MANAGERS (LUXEMBOURG) S.A.	213,715
2	UNIVERSAL-INVESTMENT-LUXEMBOURG S.A.	147,269
3	FUNDROCK MANAGEMENT COMPANY S.A.*	121,919
4	HAUCK & AUFHÄUSER FUND SERVICES S.A.**	116,429
5	FUNDROCK LIS S.A.*	87,775
6	ALTER DOMUS MANAGEMENT COMPANY S.A.	69,964
7	WAYSTONE MANAGEMENT COMPANY (LUX) S.A.	68,742
8	UBS ASSET MANAGEMENT (EUROPE) S.A.**	51,098
9	FUNDPARTNER SOLUTIONS (EUROPE) S.A.	47,604
10	FUNDSIGHT S.A.	34,219

Non-authorised AIFs represent **50%** of third-party AuM in 2025 (39% in 2022)

Third-party AuM represent for **19%** of total AuM in 2025 (6% in 2018)

More than **€1.1tn** assets managed by Third Party ManCos

Top Third Party ManCos by # of delegates

Name	Delegates
ONE FUND MANAGEMENT S.A.	374
FUNDROCK MANAGEMENT COMPANY S.A.	273
WAYSTONE MANAGEMENT COMPANY (LUX) S.A.	230

Top ManCos by # of alternative asset class licences

Name	Licences
HAUCK & AUFHÄUSER FUND SERVICES S.A.	11
ALTER DOMUS MANAGEMENT COMPANY S.A.	10
CARNE GLOBAL FUND MANAGERS (LUXEMBOURG) S.A.	10
WAYSTONE MANAGEMENT COMPANY (LUX) S.A.	10
UNIVERSAL-INVESTMENT-LUXEMBOURG S.A.	10

Top Third Party ManCos by # of countries where products are distributed***

Name	Countries of distribution
UBS ASSET MANAGEMENT (EUROPE) S.A.	46
FUNDROCK MANAGEMENT COMPANY S.A.	36
FUNDPARTNER SOLUTIONS (EUROPE) S.A.	27

Top Third Party ManCos by # of sub-funds

Name	Sub-funds
CARNE GLOBAL FUND MANAGERS (LUXEMBOURG) S.A.	895
HAUCK & AUFHÄUSER FUND SERVICES S.A.	705
WAYSTONE MANAGEMENT COMPANY (LUX) S.A.	507
FUNDROCK MANAGEMENT COMPANY S.A.	443

*Note: The combined AuM as at 31 December 2025 of both FundRock entities amounted to €209,694mn.
**Note: Considering only the AuM coming from third-party business activities.
***Note: The ranking takes into account liquid market only.
Sources: PwC ManCo Survey 2026, GFD Poster 2026

Governance framework

03

Governance framework

Governance framework

of Board members

	Max	Average
Super ManCos	11	5
AIFMs only	5	4
Third Party ManCos	7	4

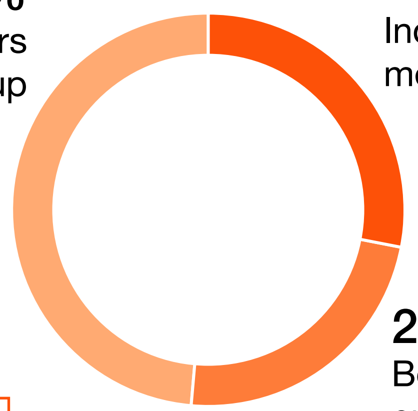
24%
of board members are female

of Conducting officers

	Max	Average
Super ManCos	10	5
AIFMs only	10	4
Third Party ManCos	7	5

3
functions handled by conducting officers (on average)

Average board composition



28%
of respondents have conducting officers in charge of the tax function, up from 25% in 2024

Conducting Officers are frequently represented on Boards, typically alongside independent directors, supporting effective oversight and challenge of executive management in line with the CSSF governance expectations

Focus on valuation governance

Average FTEs for valuation function

AuM range	Below €5bn	€5bn - €20bn	€20bn - €50bn	Above €50bn
Average	1	2	3	3

Headcount on valuation committee

AuM range	Below €5bn	€5bn - €20bn	€20bn - €50bn	Above €50bn
Average	4	5	6	7
MAX	7	7	20	25

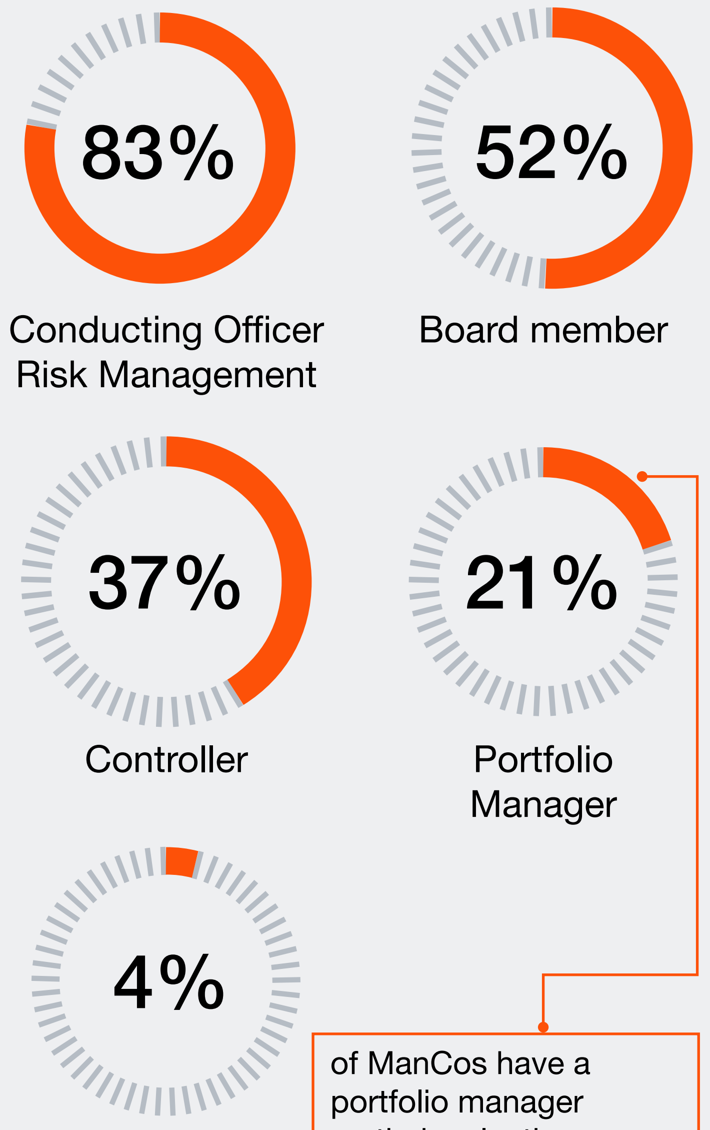
Headcount on valuation committee per type of ManCos

	Super ManCos	AIFMs	Third-Party ManCos
Average	7	4	5
MAX	25	7	7

55%
of respondents indicated that the Valuation Committee performs a full investment-level review when assessing valuations

89%
of respondents have a valuation committee in place

Valuation committee composition*



of ManCos have a portfolio manager on their valuation committee, however, the CSSF feedback report on ESMA Common Supervisory Action on valuation outlines that the valuation task must be "functionally independent from the portfolio management function"

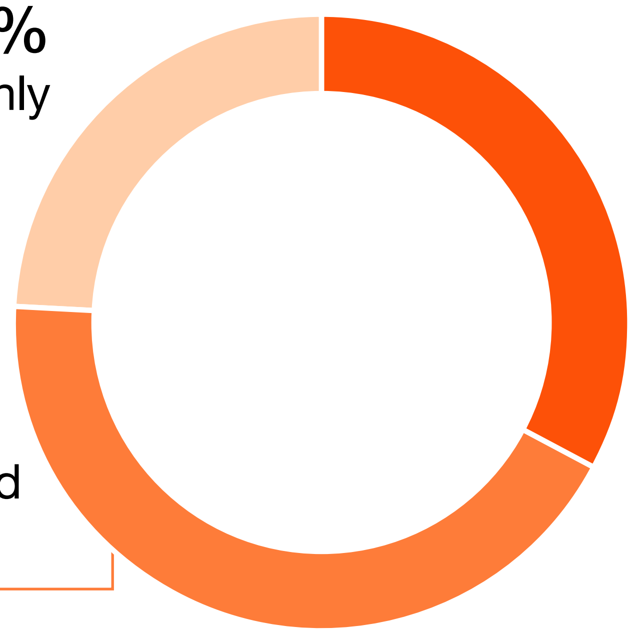
47%
of respondents currently leverage or plan to implement digital transformation initiatives within their valuation processes

55%
of respondents use a third-party valuation firm

63%
of ManCos who use a third-party valuation firm, use 4 or more third-party valuation firms

78%
of ManCos using third-party valuation firms select them primarily for their asset-class expertise

Valuation process



Among those that use both in-house and third-party valuation models, 64% consider the in-house model as the official value

*Note: These are the members of the valuation committee outside of the valuation conducting officers.
Sources: CSSF, PwC ManCo Survey 2026

Substance dynamics

04

Substance and branches overview

ManCo organisational chart

Substance and branches overview

Average headcount in Luxembourg per AuM range

AuM range	Below €5bn	€5bn - €20bn	€20bn - €50bn	Above €50bn
	9	23	45	87

Average headcount in Luxembourg per type of ManCo

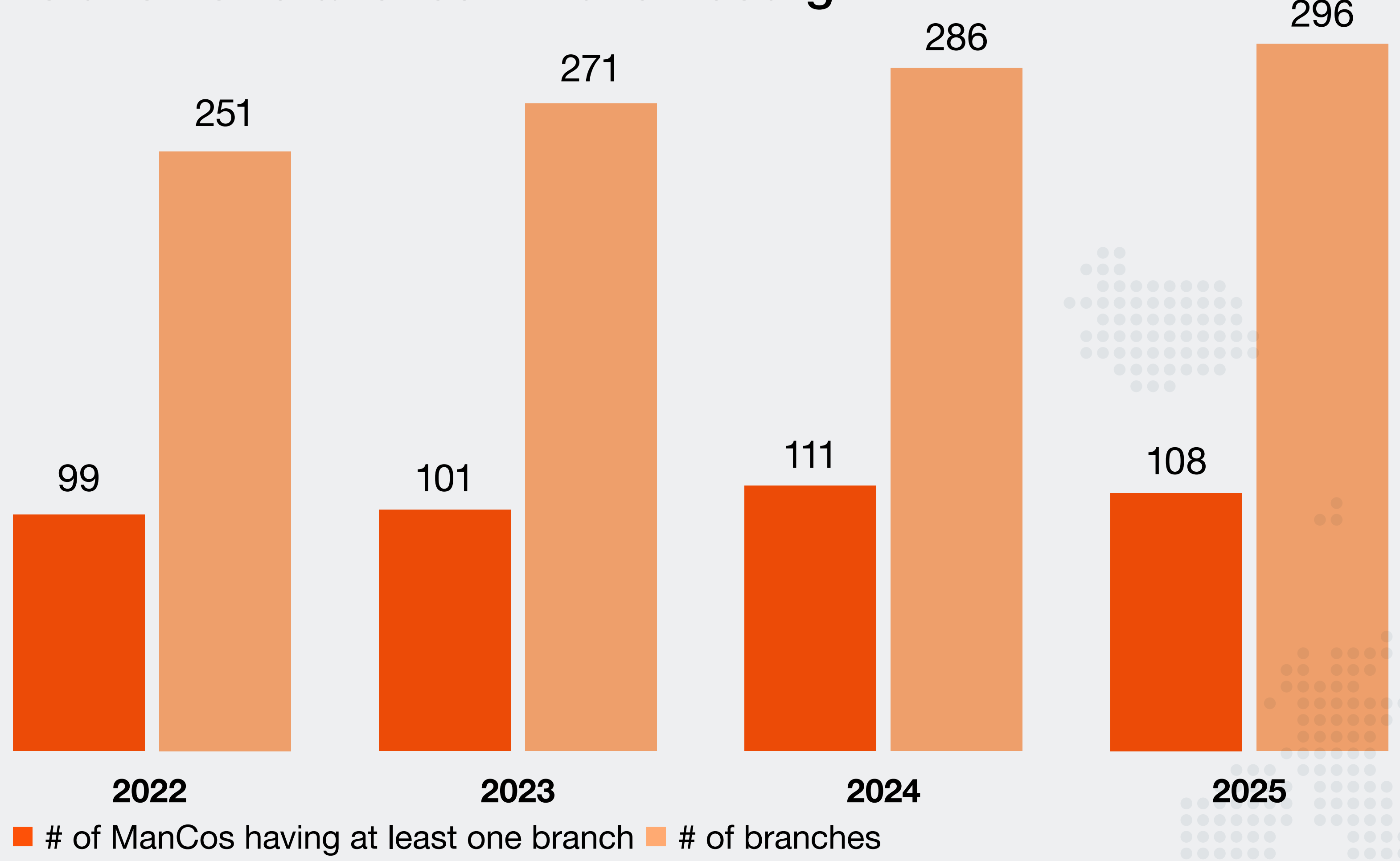
Super ManCo	72
AIFM	21
Third-Party ManCo	66

29%

of respondents have adopted service delivery centres (20% in 2024). These centres are primarily located in India, the UK and Poland, with support services being the most common function outsourced, followed by corporate function

Overview of Luxembourg ManCos' branches

Evolution of branches in Luxembourg



10
Average FTEs in branches

4
Average # of branches in EU per respondent

Germany, Spain and Italy remain the top three EU countries with the highest number of Luxembourg ManCos' branches among respondents

Marketing and Distribution functions are the 2 main activities performed

Based on the average number of the branches' FTEs, Marketing ranked first (32 FTEs on average), followed by Portfolio Management (30 FTEs on average)

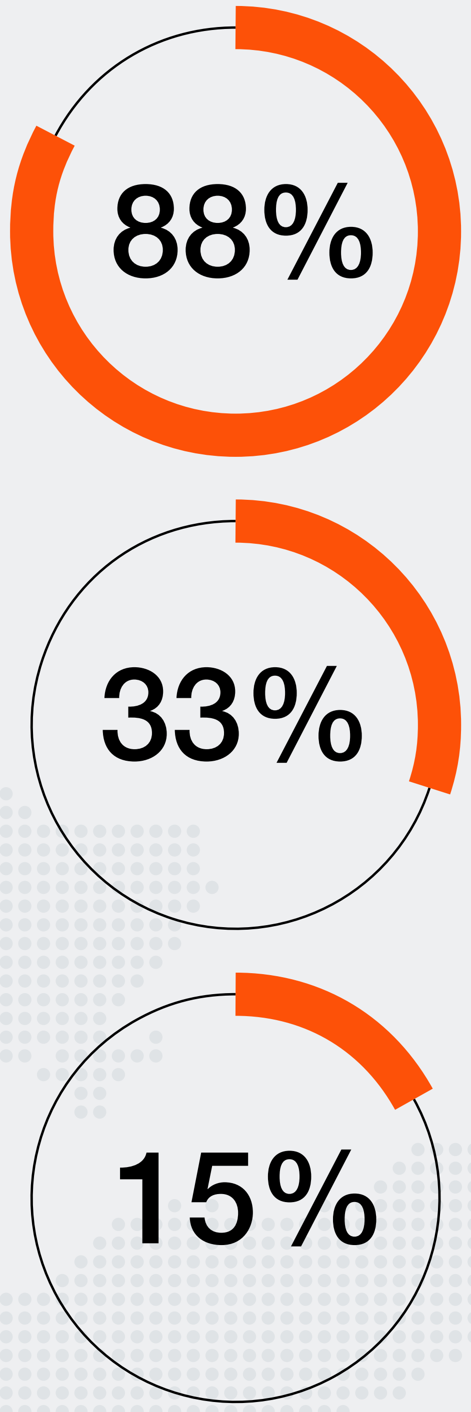
+9%
ManCos using branches since 2022

Preferred choice for Luxembourg ManCos managing foreign funds

Use of passporting → 88%

Through branches → 33%

Through representative → 15%



Sources: CSSF, PwC ManCo Survey 2026

ManCo organisational chart

84%
of respondents perform risk management function in-house

94%
of respondents perform compliance function in-house

74%
of respondents perform AML activities in-house

Governance

Board members

Conducting officers

Functions mainly performed in-house*
with breakdown of average FTEs

Function	Super ManCo	AIFM	Third Party ManCo
Risk management	7	2	8
Compliance	4	1	4
AML activities (including Tax AML and RC duties)	4	1	5
Valuation	4	2	6
Governance/ Corporate Secretary	4	1	4

Oversight of delegated functions

*Functions performed in-house by over 50% of respondents

Source: PwC ManCo Survey 2026

ManCo organisational chart

90%
of respondents delegate the Portfolio Management function

90%
of respondents delegate the IT function

89%
of respondents delegate the registrar and TA function

Oversight of delegated functions

Functions mainly delegated and/or partially delegated*
with breakdown of average # of Services Providers

Function	Super ManCo	AIFM	Third Party ManCo
Internal audit	1	1	1
Fund administration	6	3	12
Registrar and TA	7	3	12
Portfolio management	24	4	63
Fund distribution	45	5	53
Marketing of funds (Sales team)	162	4	16
Finance accounting	1	1	1
Tax function	2	1	2
Accounting function	2	1	4
Legal and fund structuring	2	2	3
Investor document production (KIID, PRIIPS, Prospectus...) / Regulatory Reporting (AIFMD…)	2	1	2
IT function	1	1	1
ESG/Sustainable investments function	2	1	8

*Note: Functions delegated or partially delegated by over 50% of respondents
Source: PwC ManCo Survey 2026

Data & digital transformation

05

Digital transformation playbook

92% of ManCos are already investing in digital transformation. The real question is no longer whether to invest, it's how well

1 How much do ManCos invest?

- **Below €5bn AuM** 50% spend under €100K annually
- **€5bn-€20bn AuM** 50% spend under €100K annually
- **€20bn-€50bn AuM** one-third spend over €1mn annually
- **Over €50 bn AuM** Over half spend over €1mn annually

2 What are you looking to solve?

- Improve data quality, consistency and accessibility
- Improve reporting
- Improve efficiency of operational flows
- Increase scalability
- Improve business/operational resilience

3 Build, buy, or partner

- Internal Development (Group / In House)
- External solutions
- Working with external consultation
- Partnerships with Fintech companies

4 Where do you start?

- Risk Management
- AML
- Compliance
- Oversight of delegates
- Governance/ Corporate Secretary

5 How do you measure success?

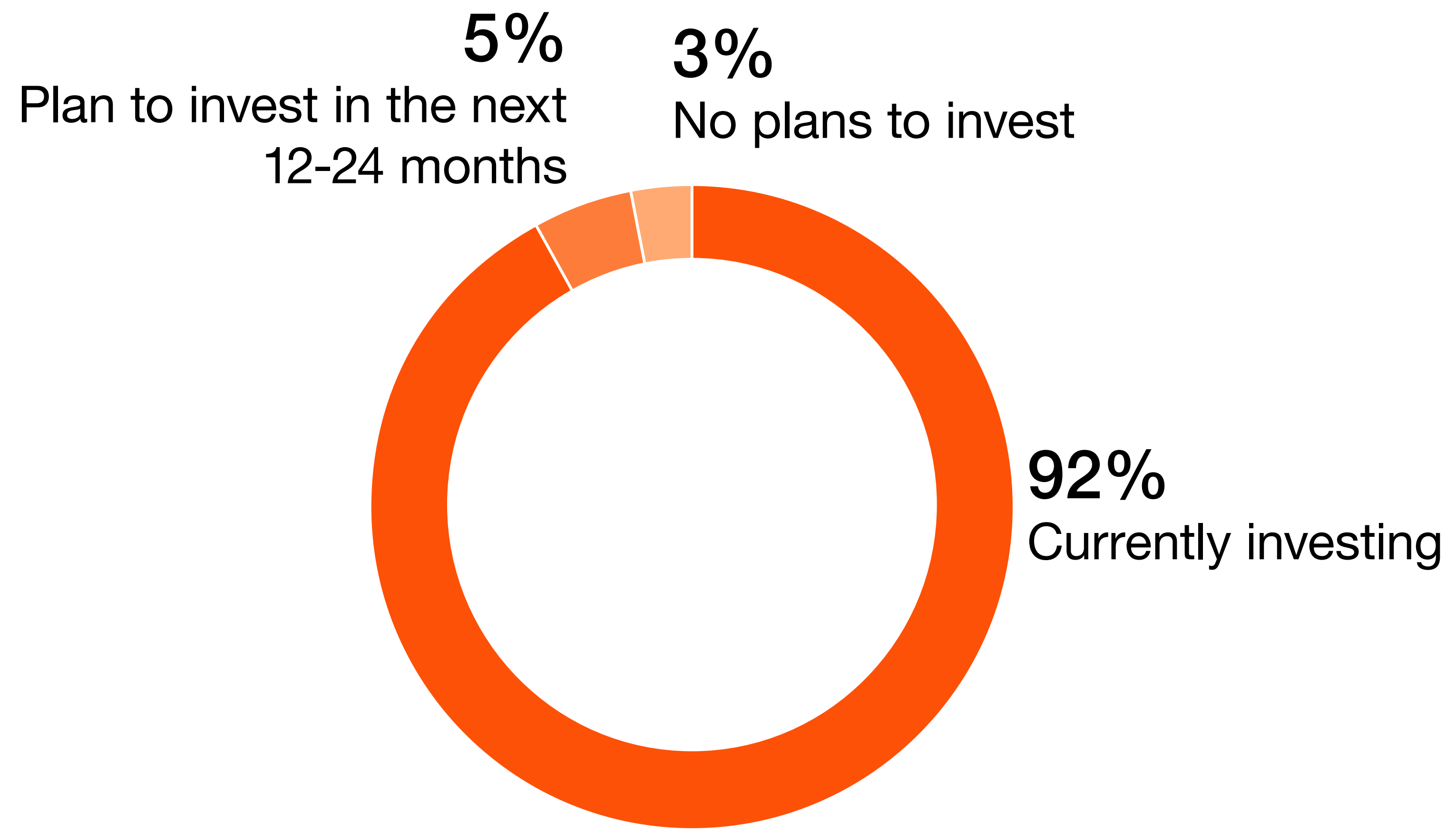
- 49% through defined KPIs
- 31% Informal assessment
- 20% Not currently assessed

Digital transformation assessment

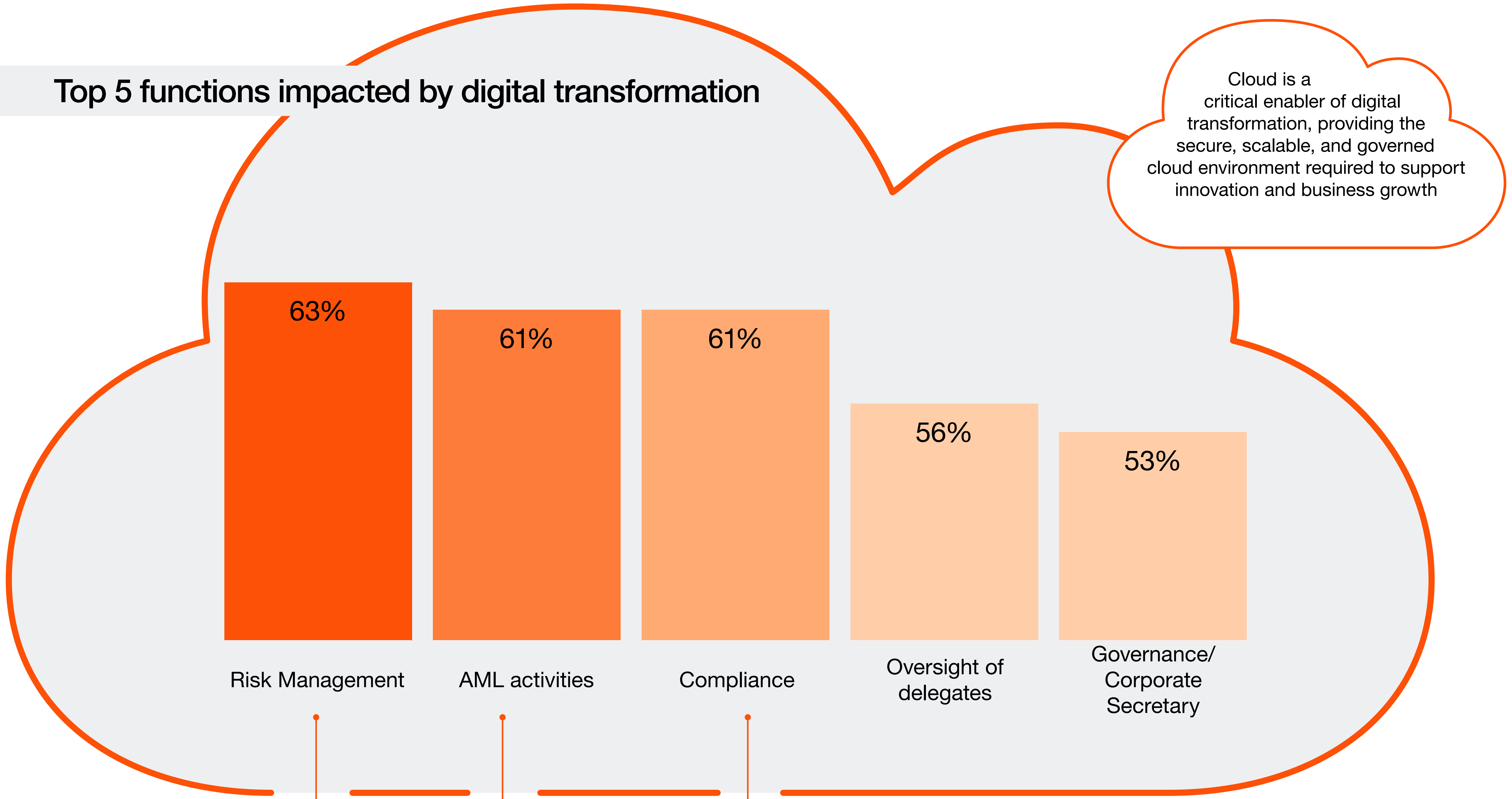
Top 5 drivers shaping digital transformation initiatives

01	02	03	04	05
83%	78%	73%	69%	59%
Automatised manual/ repetitive tasks	Enhancing data quality	Access to new tools	Strengthening Internal Governance and controls	Support business growth

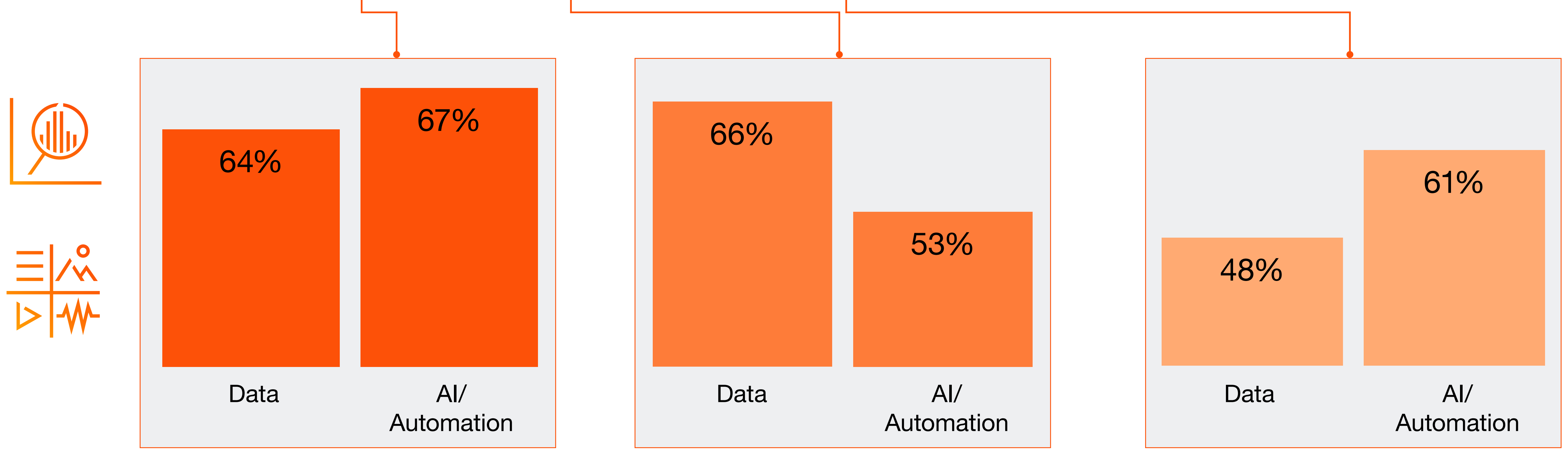
Where do ManCos stand today?



Top 5 functions impacted by digital transformation



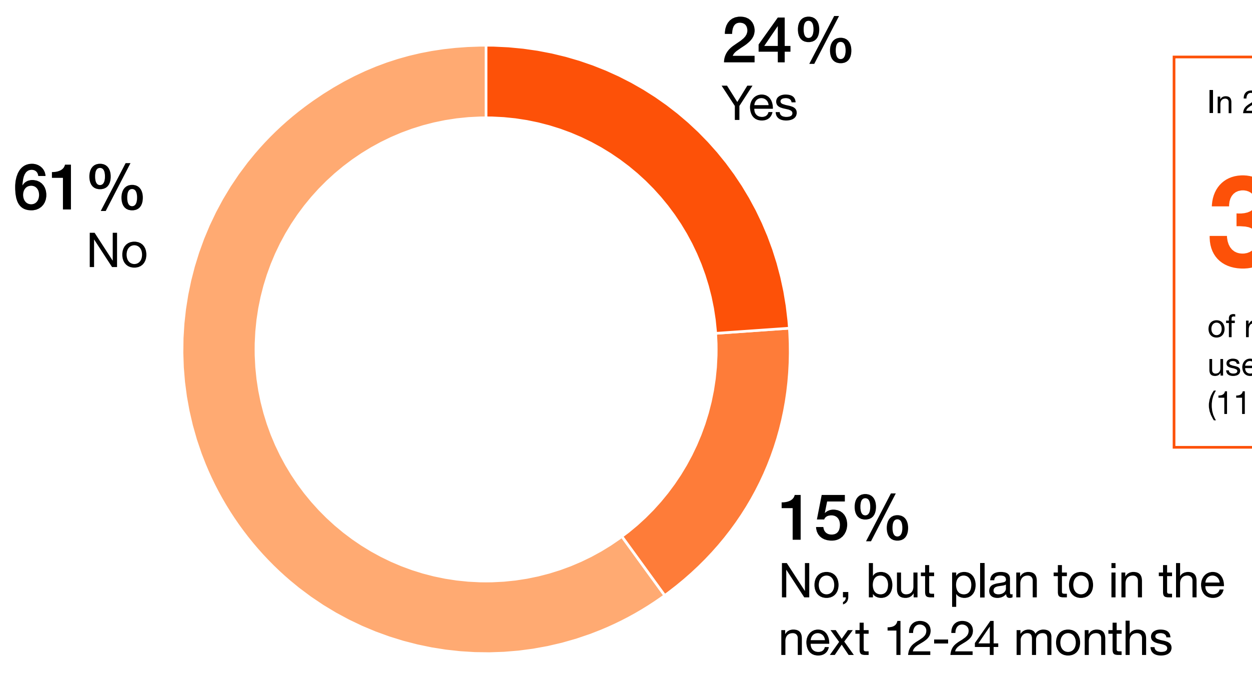
How digital transformation happens across the top 3 functions



Source: PwC ManCo Survey 2026

Digital transformation strategy

Use of the Investment Tax Credit for digital transformation

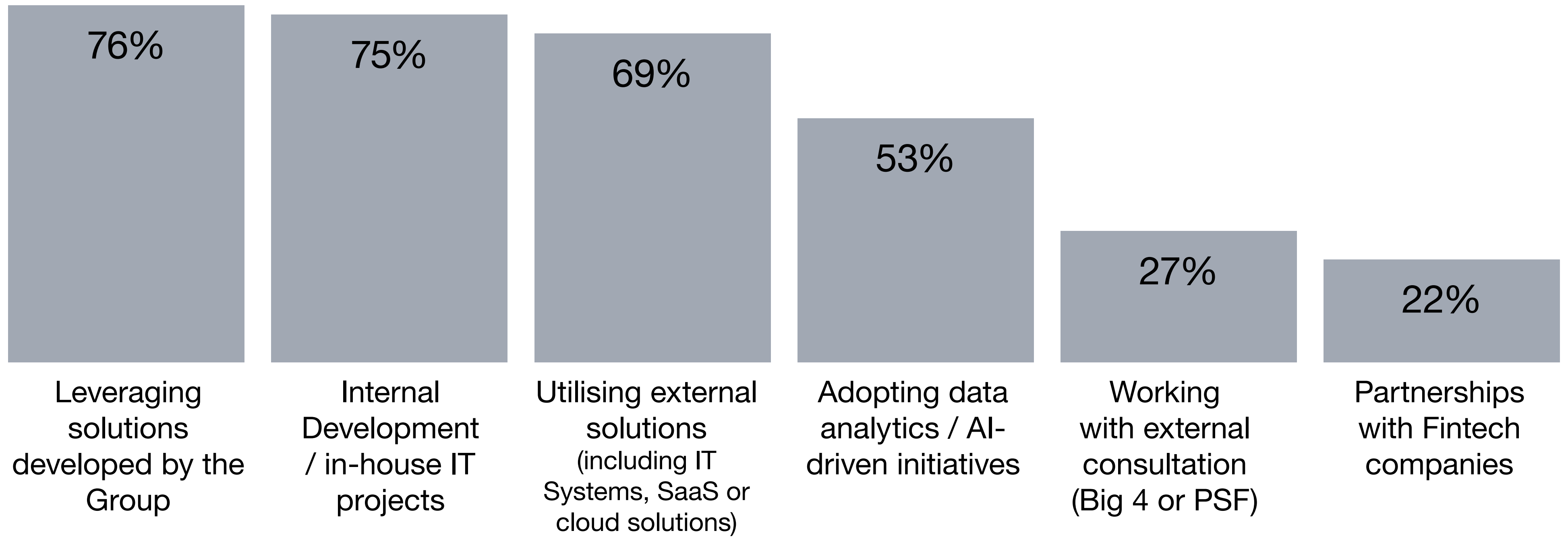


In 2025,

39%

of respondents are using or planning to use the ITC for digital transformation. (11% in 2024)

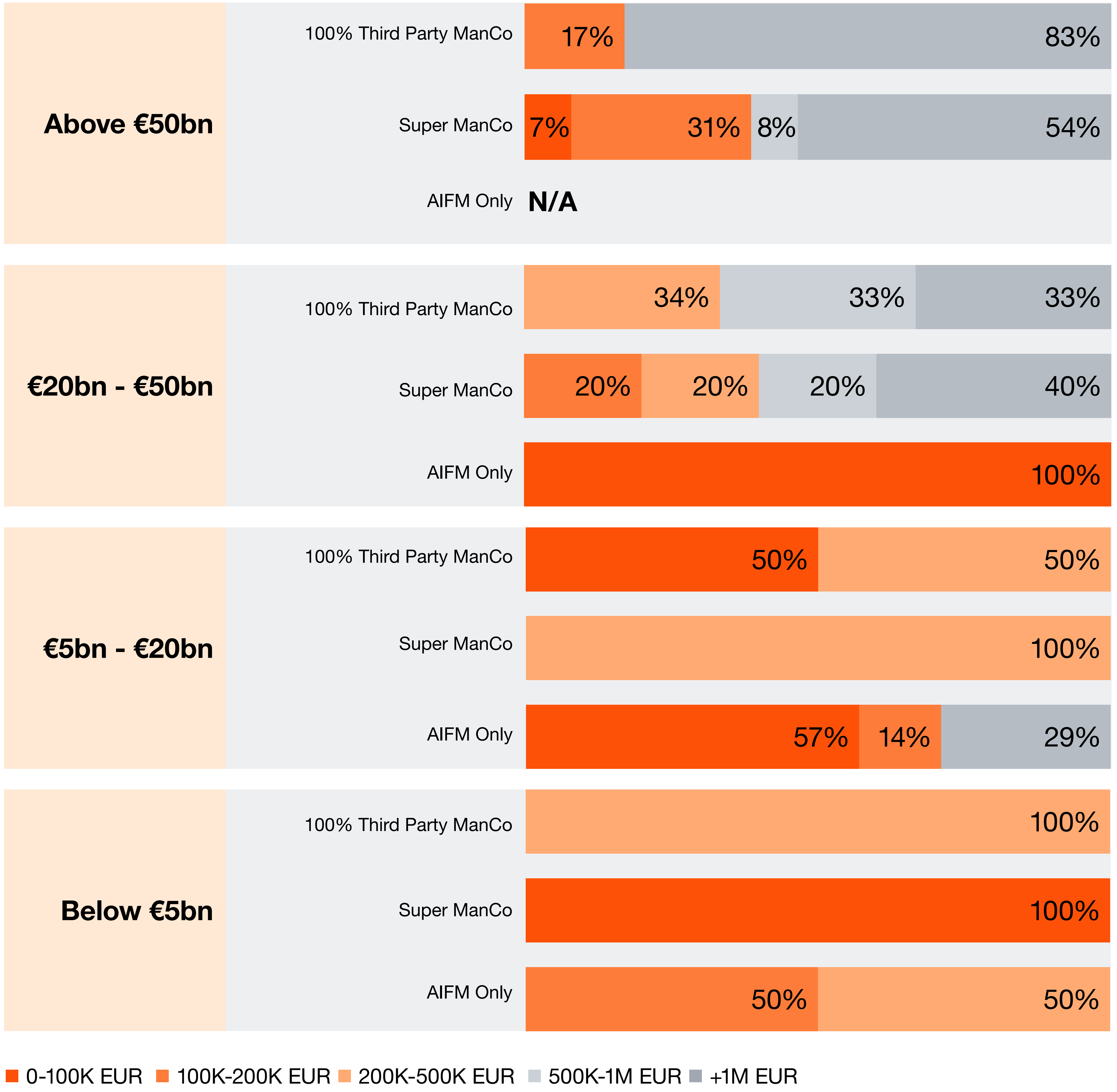
Strategies to implement digital transformation



Despite the convergence of wealth management and FinTech solutions being the number one trend identified by Europeans asset managers as having the greatest impact on revenue growth by 2030*,

only **22%** of respondents utilise partnerships with Fintech companies

Annual budget for digital transformation by AuM range and ManCo type



42%

of ManCos where digitalisation is driven by group or head office spend over €1mn

50%

of ManCos have defined or partially defined KPIs to measure the impact of digital transformation

Main benefits of the total digital transformation are **improved data quality, consistency and accessibility** (81%) and **improved reporting** (73%)

*Note: According to PwC AWM Revolution 2025
Source: PwC ManCo Survey 2026, PwC AWM Revolution 2025

Cloud: the technological foundation

ManCos' top 3 cloud related priorities over the next two years

01	44%	**Leveraging cloud for Artificial Intelligence/ machine learning capabilities and automation**
02	36%	**Cloud compliance with DORA, NIS2, and CSSF requirements**
03	36%	**Modernising applications to be cloud-native**

Cloud priorities reflect a "build for the future, stay compliant" posture

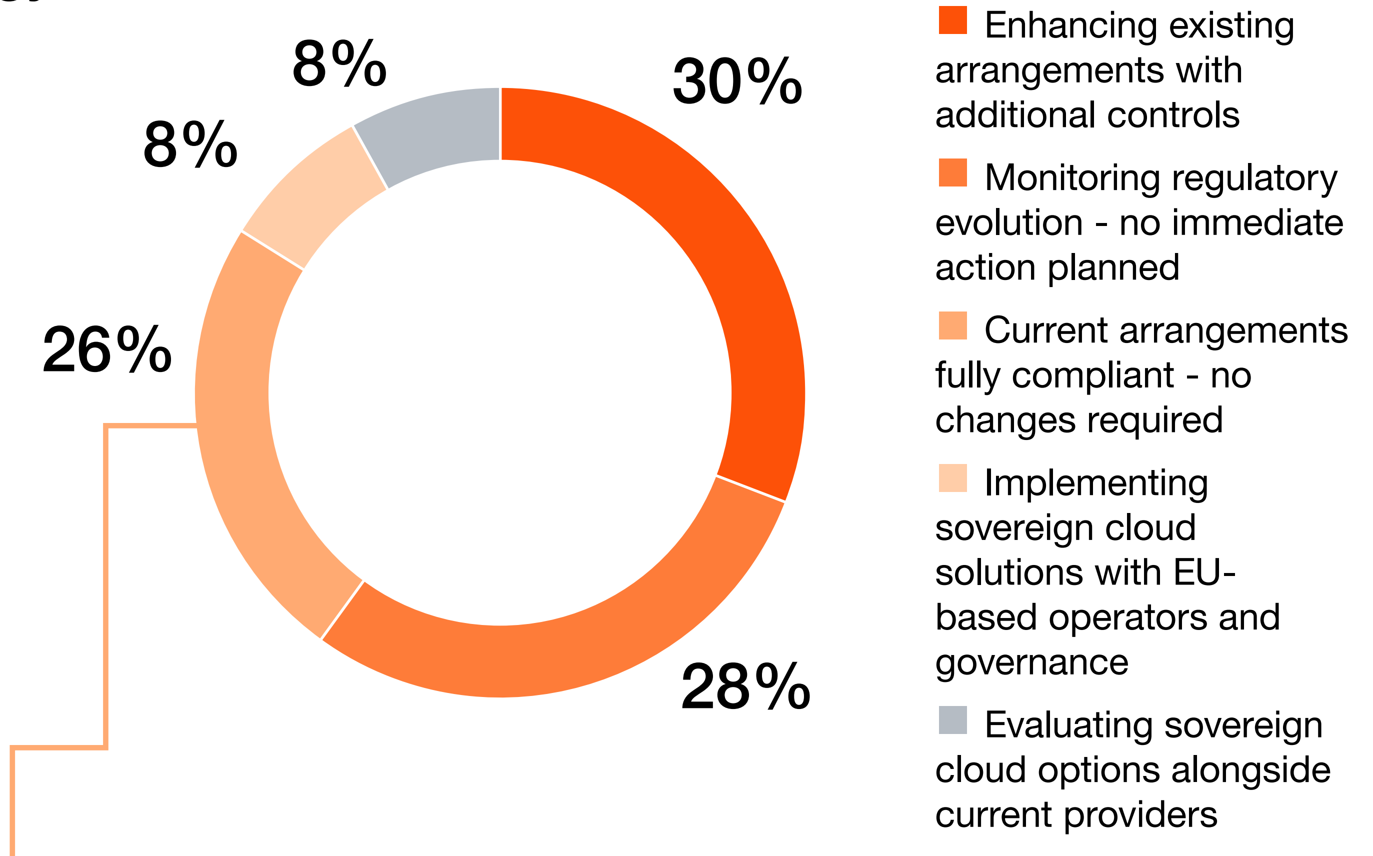
ManCos are concentrating their cloud investments on what generates value (AI/ML capabilities) and what is non-negotiable (regulatory compliance), a natural response for organisations navigating simultaneous strategic and regulatory pressure. Yet as AI/ML adoption grows, so will cloud spending, making cloud cost management and optimisation governance a discipline worth embedding early in the journey.

58% of European asset managers identified development of cloud infrastructure and technology as a top priority*

More than **50%** of ManCos are focusing on Cloud transformation

51% of ManCos are implementing GenAI through development on Cloud (e.g. AWS Bedrock, Azure AI, Google Gemini, etc.)

Geopolitical concerns influence on ManCos' cloud strategy



8% of ManCos are implementing sovereign cloud solutions with EU-based operators and governance

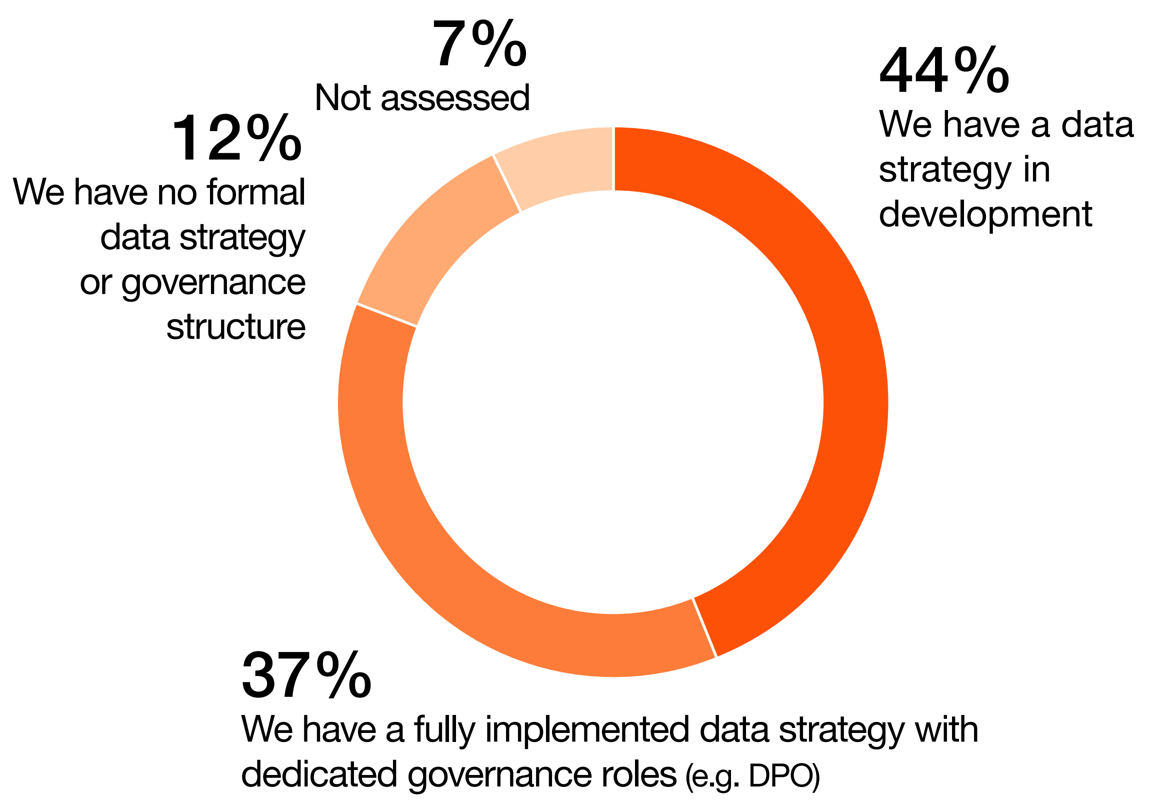
While, **82%** of organisations are already refining their cloud approach in response to geopolitical and regulatory change, with sovereign cloud options increasingly being considered**

*Note: According to PwC AWM Revolution 2025
**Note: PwC EMEA Business Survey 2025
Sources: PwC ManCo Survey 2026, PwC AWM Revolution 2025, PwC EMEA Business Survey 2025

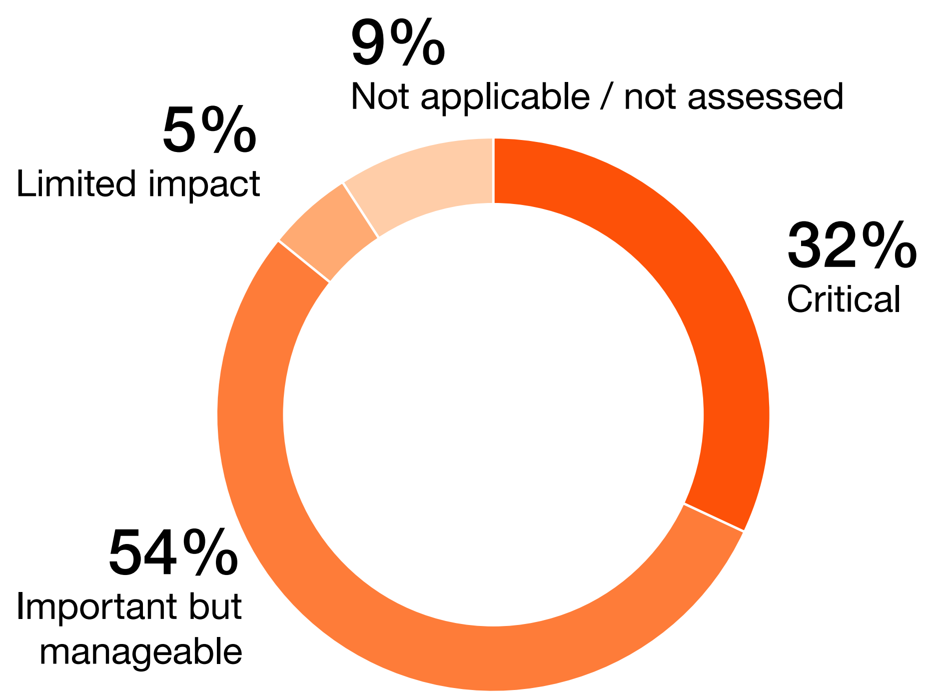
Data & emerging technologies

Data

ManCos' data governance strategy



Impact of data quality on ManCos' digital transformation initiatives



93% of respondents actively use cloud storage solutions as part of their data storage infrastructure

Key drivers behind for data collection

96%	Operational efficiency
89%	Risk & compliance
49%	ESG reporting

Main data challenges

55%	Limited data standardisation across systems
55%	Dependency on spreadsheets or manual retrieval
50%	Manual reconciliations required to validate data

AI & automation

Stage of GenAI adoption

	Concrete use cases	Experimenting some AI technologies	Plan to experiment/use in the next 12 months	Not planning to use AI in the next 12 months
Internal tools	38%	40%	9%	13%
External tools	42%	38%	7%	13%

Top 3 GenAI use cases

01	85%	**Personal productivity**
02	79%	**Process optimisation & RPA**
03	71%	**Research & knowledge work**

Top 3 challenges with GenAI implementation

01	66%	**Technical** (data quality, prompting rules)
02	49%	**Organisational** (skills gap, change resistance)
03	34%	**Trust-related** (algorithm confidence, client acceptance)

Source: PwC ManCo Survey 2026

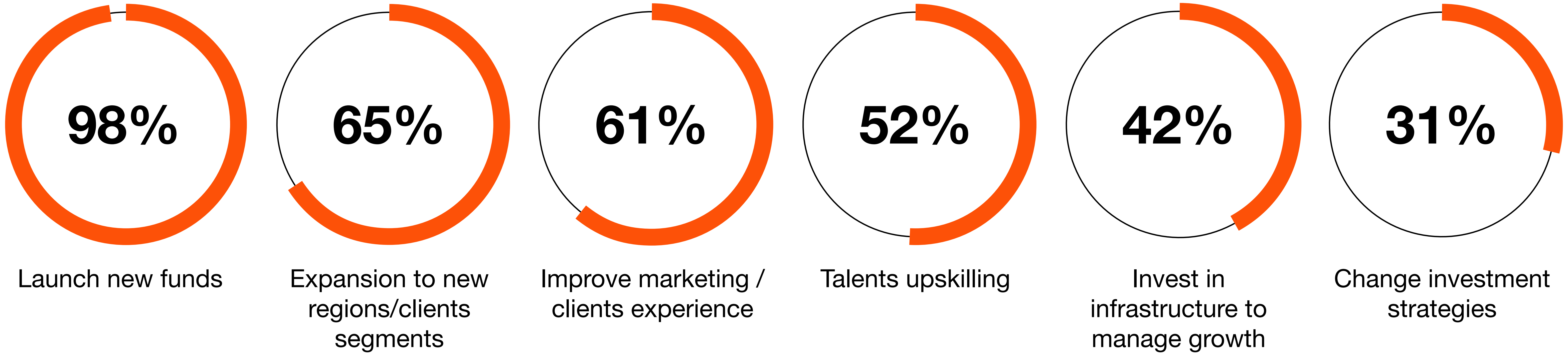
Combatting cost pressure

06

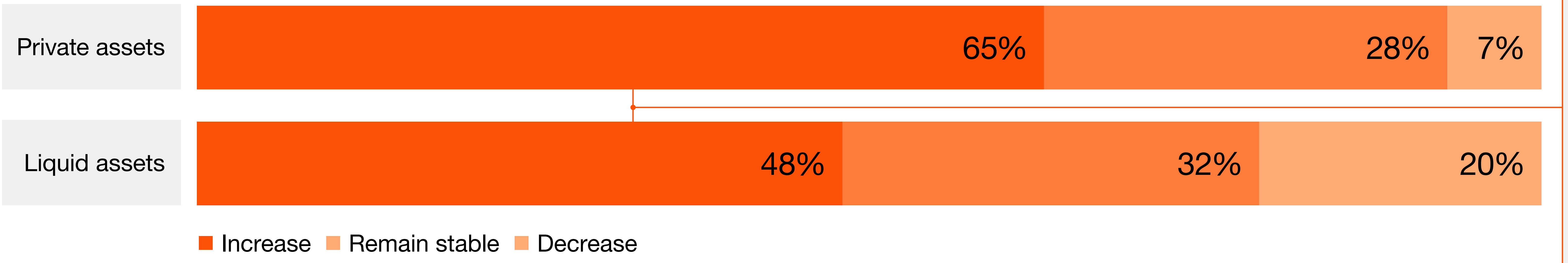
Combatting cost pressure

Combatting cost pressure

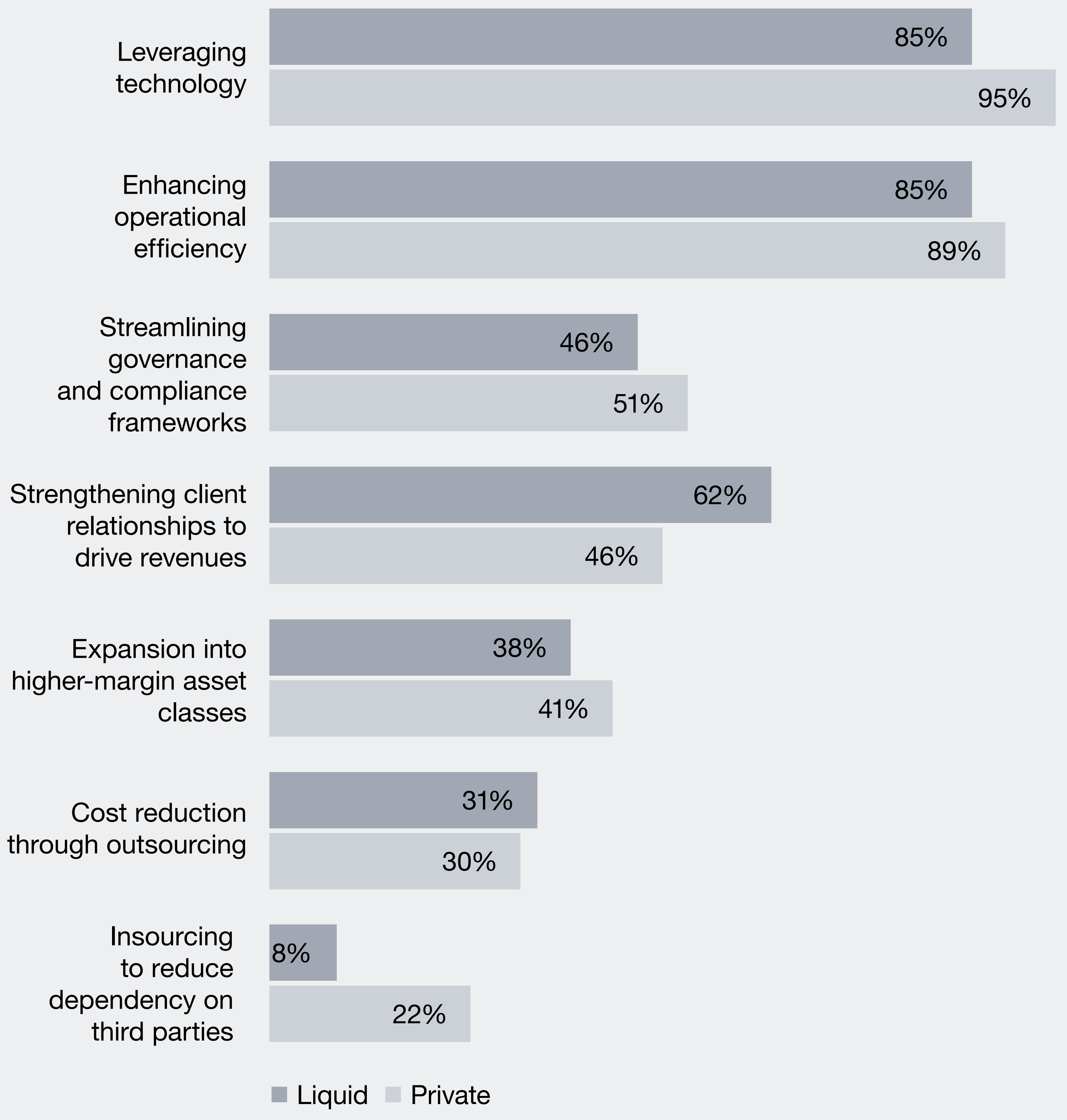
Main strategies used by ManCos to drive AuM growth



Expected evolution of ManCo profit margins within the next two years



Strategies identified by ManCos to improve profit margins



27.3%

CAGR of Luxembourg private markets AuM 2020-2024

66%

of respondents view cost pressure and margin compression as the main challenge over the next two years

Sources: Monterey Insight, PwC ManCo Survey 2026

Looking forward

07

Looking forward

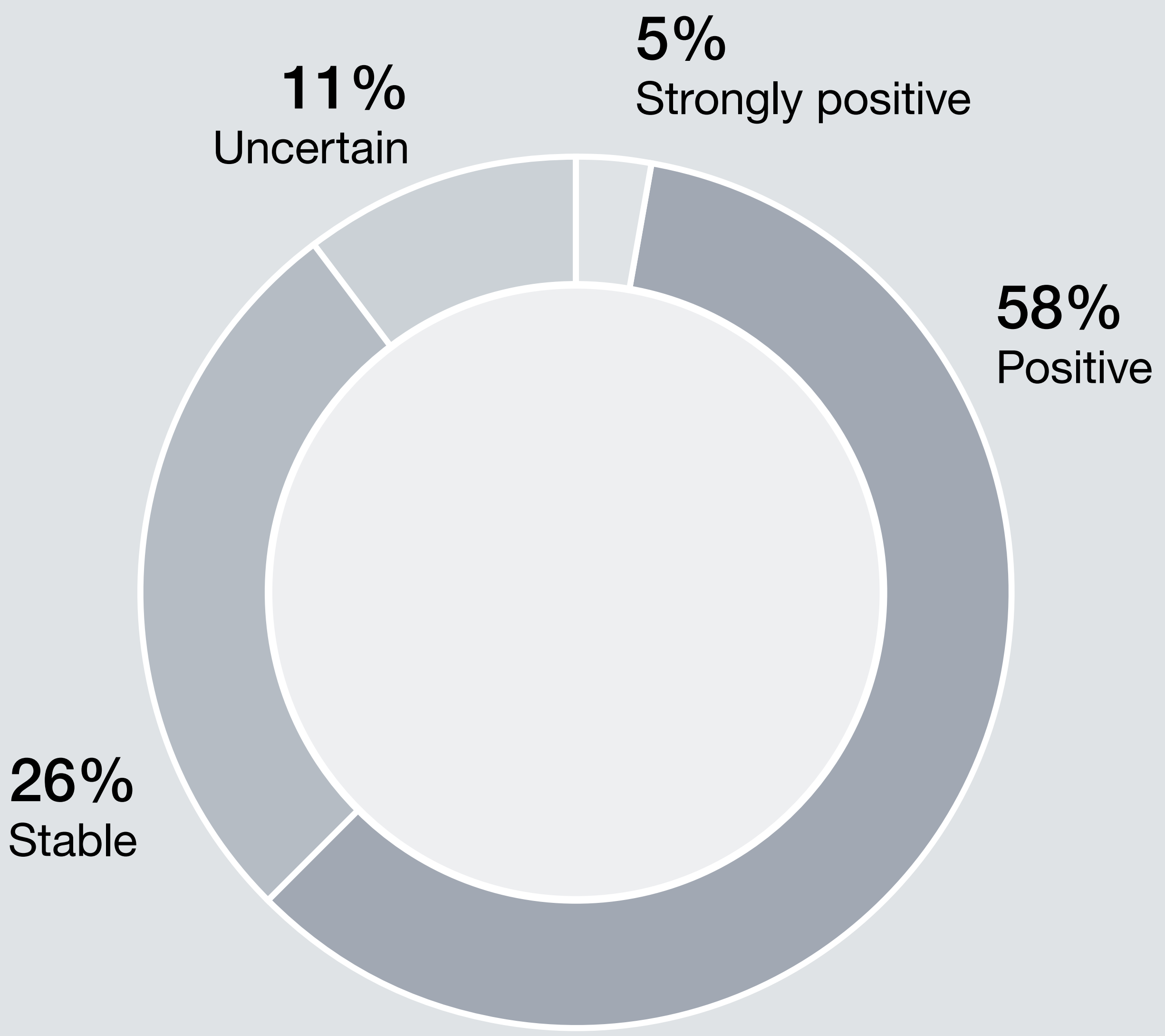
Looking forward

Over the next two years ...

... ManCos' perspective on the greatest opportunities

Growth in private markets (private equity, private debt, real estate, infrastructure)	60%
Digitalisation of fund operations and reporting / adoption of innovative technologies	55%
Increased demand for alternative investment funds (retailisation)	45%
Continued attractiveness of Luxembourg as a fund domicile	29%
Increased cross-border distribution opportunities	27%
Development of crypto-assets and tokenised funds	21%
Consolidation of market players	19%
Demand for regulated and well-governed structures	15%
Enhancement of front-office capabilities	7%

... ManCos' market outlook



89%

The vast majority of ManCos anticipate a stable or positive market outlook over the next 2 years.

... Top 3 challenges for ManCos

01 Regulatory pressure and complexity — 77%

02 Cost pressure / margin compression — 66%

03 Market conditions / investor demand — 35%

Source: PwC ManCo Survey 2026

Services & contacts

08

Services

Contacts

Services

Supporting ManCos through their challenges

We offer one of the most extensive service ranges in the industry.

We work alongside ManCos to design tailored solutions that fit their needs.

Our services include:

- Entity set-up (CSSF licence filing, licence extensions and passporting)
- People, Governance and Organisations
- Strategy, Operating models review, business analysis
- Internal audit, External audit,..

Observatory for Management Companies

Mergers and acquisitions

Marco Houscheid
Advisory Partner, Corporate Finance

GenAI and Tokenisation

Sébastien Schmitt
Digital assets & tokenisation, Advisory Partner

Digital Assets

The GenAI Revolution

Regulatory / Internal Audit services

Anthony Bianco
Internal Audit and Regulatory Advisory Partner

Michael Horvath
Regulatory Advisory Partner

Regulatory

Internal Audit services

Managed Services

Benjamin Gauthier
AWM MS Leader, Advisory Partner

Alexandre Igel
Alternatives MS Market Leader, Accounting and Tax Partner

Mike Hakkens
Business Development Leader, MS

Valorisation

Talat Kadret
Audit Partner, Valuation Leader

Tax

Sidonie Braud
Asset Management Tax Leader, Tax Partner

Contacts

Laurent Butticè
Management
Company Leader, Audit Partner
+352 621 33 2713
laurent.buttice@pwc.lu

Laura Geisen
Internal Audit Director
+352 621 33 4373
geisen.laura@pwc.lu

Michael Delano
AWM Leader, Audit Partner
+352 49 48 48 2109
michael.delano@pwc.lu

René Paulussen
Alternatives Leader, Audit Partner
+352 49 48 48 2385
rene.paulussen@pwc.lu