

NEWSLETTER

January 2022

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2021 IN REVIEW

- Centaur was named best in client service for the third consecutive year at the 2021 HFM US Services Awards. Centaur was also named Best Administrator, Fund of Hedge Funds at the HFM European Awards.
- Centaur added sixty new funds during 2021, split evenly between North America and Europe and evenly between hedge funds and private equity
- Centaur moved to its expanded London office in the heart of the West End.
- Michael Marisca was appointed US Head of Business Development, based in New York City.
- Centaur Private Equity expanded with several new senior hires.



INDUSTRY UPDATE: CAYMAN ISLANDS MAKES PROGRESS ON FATF GREY LISTING



The government of the Cayman Islands recently announced some welcome progress in its work to enhance the jurisdiction's regulation and reputation with regard to anti-money laundering and anti-terrorist finance ("AML/CFT") regimes.

It was widely reported back in February 2021 that the Financial Action Task Force ("FATF") had added Cayman to its grey list of jurisdictions requiring "increased monitoring". These jurisdictions are deemed by FATF to have strategic deficiencies in their AML/CFT regimes.

Since February, the Cayman Islands have worked hard to address forty specific FATF recommendations relating to their AML/CFT regime and the government of the Cayman Islands recently requested that the Caribbean FATF revisit their ratings in light of the work carried out.

The government of the Cayman Islands have now announced that the jurisdiction has been rated as "compliant" or "largely compliant" with all of the forty recommendations. The Cayman Islands remains on the FATF grey list but it is good to see progress is being made.



Ronan Daly, Founding Partner of Centaur Fund Services

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Take a look as what our clients have to say:

We are delighted to see that our expertise and excellent client service have been recognized. Working closely with our clients is fundamental to our culture and our teams work tirelessly to ensure our clients receive the service they desire and deserve.

Thank you for your positive comments, Grafine Partners and Lavaca Capital.

GRAFINE PARTNERS

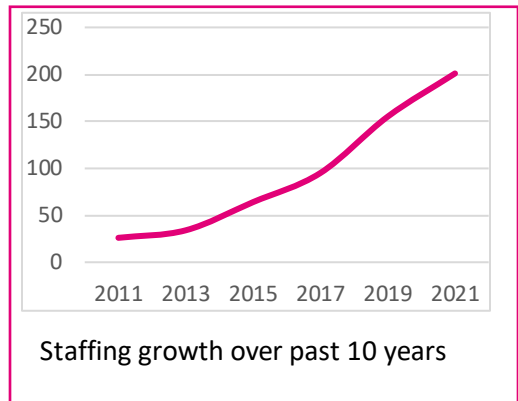
"We are delighted with the level of client service provided by Centaur. From our initial onboarding to our use of advanced features, the Centaur team has been by our side to make sure that we succeed. We highly recommend them."

LAVACA CAPITAL
LLC

"Working with Centaur has brought efficiencies to our business. Their experienced and knowledgeable team ensure we keep up to date with industry and regulatory changes. They have a complete understanding of our business and their team is available 24x7."

COMPANY METRICS FOR 2022

- **25%** increase in assets under administration in the last 12 months to \$53B globally
- **NINE** locations globally spanning two continents: North America: New Jersey, New York, Canada, Bermuda, Cayman Islands, Europe: London, Luxembourg, Dublin, Maynooth (Ireland).
- **30%** increase in clients in the last 12 months.
- **300%** growth in depositary assets in 2 years.
- **100%** client retention since Centaur's inception 12 years ago.
- **25%** increase in number of staff in the last 12 months to over 200.



INDUSTRY UPDATE: ESG TO BECOME MAINSTREAM IN 2022



Sustainability will remain top of the agenda for 2022. The pandemic, societal changes and climate change are all driving investors to feel they can no longer sit idly by and they are driving ESG changes in the funds industry. According to a recent [Barclays survey](#), 22% of investors indicated that they are placing a high priority on ESG in their hedge fund allocation decisions — more than double the year prior.

Barclays also found that investors with higher assets under management tend to prioritize ESG products when allocating to hedge funds.

Given current trends, these numbers are likely to increase over time. Recent research from Collier Capital suggests that over 50% of European LPs, nearly 25% of North American LPs and a third of Asia Pacific LPs have rejected investing in private equity funds on ESG grounds.

I have no doubt that sponsors promoting ESG content in their funds will be able to access deeper pools of investment in the coming years. At Centaur, we are seeing first-hand that investors will demand that fund promoters fully embrace ESG factors in their investment process.



Karen Malone, Founding Partner of Centaur Fund Services

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