PUBLIC REPORT · JULY 2026

LUXEMBOURG VALUATION SURVEY 2026

The state of Valuation practice in Luxembourg.

A benchmark of how Luxembourg Management Companies govern, operate and scale their valuation function across the major asset classes.

PUBLISHED BY

ALFI · Association of the Luxembourg Fund Industry

IN PARTNERSHIP WITH

Kroll Advisory Luxembourg Portfolio Valuation

DATE

02 July 2026

Table of Contents

Foreword

A factual snapshot of how assets are being valued in Luxembourg.

Christopher Georgeson

SENIOR VICE PRESIDENT · INDUSTRY AFFAIRS
ASSOCIATION OF THE LUXEMBOURG FUND INDUSTRY (ALFI)

This survey gives the industry a chance to take stock and think about the next steps.

For ALFI, this benchmark reflects a member-led priority: equipping our community with a factual peer reference for how the Luxembourg valuation function operates today, where firms are focusing their technology efforts and how they might grow in future

The response: 65 Management Companies (ManCos) representing approximately 50% of Luxembourg's industry AuM, demonstrate that valuation is a focus for ManCos and fund boards. We thank every contributing firm.

This benchmark gives Luxembourg's fund industry a shared factual basis to strengthen valuation governance, support board accountability and guide the next phase of market-wide dialogue.

For ALFI · on behalf of the Valuation Working Group

Elena Moisei

HEAD OF PORTFOLIO VALUATION
KROLL ADVISORY LUXEMBOURG

In partnership with ALFI, we set out to answer a simple question:
how does the Luxembourg valuation function actually work in 2026?

The findings show that valuation has moved beyond a periodic NAV exercise. It is now a strategic capability - shaping governance, investor confidence, risk management and board-level decision-making.

Three patterns emerge clearly: Valuation expertise is growing in Luxembourg; governance frameworks are widespread but uneven in depth; and the operating model has not yet caught up with the governance.

This report provides a factual peer benchmark for the industry. It highlights where Luxembourg is already strong - substance, governance and engagement - and where the next phase will focus: stronger data architecture, deeper challenge, scalable processes and greater consistency in judgement-led situations.

For Kroll · Portfolio Valuation Service Line, Luxembourg

Executive Summary

The state of valuation practice in Luxembourg – at a glance.

THE BENCHMARK

65

Respondents
~25% of Lux ManCo population

€4.1 tn

AuM represented
~50% of €8.4tn Lux industry

43 /22

In-house / third-party ManCos
5 firms operate both models

8

Asset classes covered
39 questions · Feb–May 2026

WHY THIS REPORT

This benchmark gives Conducting Officers and fund boards a factual peer reference across regulated & unregulated structures and the major asset classes.

FIVE FINDINGS

01 **Genuine valuation capability now sits in Luxembourg** — 44%
The Luxembourg entity is the centre of accountability for the valuation function.

02 **High intent across technology levers** — 83%
Implementation is building beyond template standardisation.

03 **Independent valuers strengthen governance and transparency** — 50%
An independent challenge to the marks adds transparency and confidence.

04 **Governance frameworks are well established** — 77%
Local valuation committee meeting at least quarterly.

05 **Automation scales with size, not asset class** — 2.5x
A case for proportionate, size-appropriate expectations.

Methodology & Respondents

65 respondents covering ~50% of AuM domiciled in Luxembourg.

AUM REPRESENTED	POPULATION COVERAGE	MANCO OPERATING MODEL
€4.1tn / €8.4tn	**65** / ~260	**43** / 22
Survey respondents represent ~50% of total Luxembourg fund industry AuM (approx. €8.4tn March 2026, ALFI / CSSF).	Luxembourg ManCos — approximately 25% of the authorised population participated.	43 internal-only ManCos (group-integrated) · 22 third-party ManCos serving external promoters — 5 of which also operate an internal ManCos.

65

Respondents, 100% completion

All 39 questions answered

39

Questions across governance, process, controls, tooling

8 asset classes covered

3.9 average

Average classes per respondent

250 asset class level control assessments captured

86 %

Asked for a follow-up roundtable

57 of 66 respondents

Survey Design Note

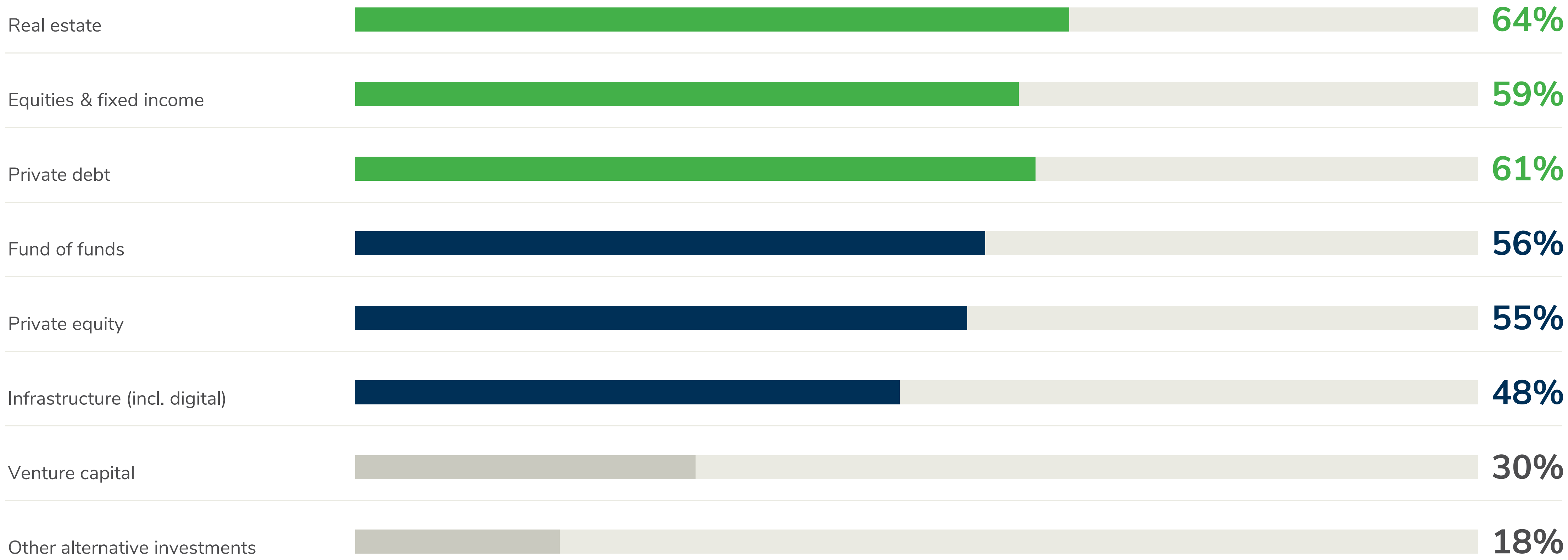
Respondents selected all approaches applicable to their operating model from a broad universe of process, governance and technology options. Percentages reflect peer adoption rates across the cohort - not compliance rates against a required standard.

The purpose is to identify early trends and give firms a practical reference point for what peers are considering and adopted across the industry.

Methodology – Coverage

Asset classes valued by respondents.

Respondents may value more than one asset class.



Survey At A Glance

Local expertise, independent oversight, calibrated to the assets.

44 %

Perform full valuations in Luxembourg

Conduct the full valuations directly in Luxembourg

77 %

Operate a local valuation committee

80% meet at least quarterly

22%

Now include independent directors on the valuation committee

Rising to 2 in 5 among real-estate specialists

73 %

Operate as internal ManCo (group-integrated)

27% provide third-party ManCo services

83 %

Have implemented template standardisation

The most widely deployed scalability lever

95 %

Data requests well matched to their assets

A strong signal that expectations are well-calibrated to Luxembourg's diverse asset base

Key Findings

Five patterns from the 2026 benchmark.

01

Genuine valuation capability now sits in Luxembourg

The Luxembourg ManCo is the centre of the valuation function.

44%

Conduct and perform valuations in Luxembourg

02

High intent across technology levers

Implementation is building beyond template standardisation; technology investment pipeline is strong.

83%

Template - standardisation

03

Independent valuers strengthen governance and transparency

An independent challenge to the marks adds transparency while the ManCo retains responsibility.

54%

Private debt use a fully independent third-party valuer

04

Governance frameworks are well established across the industry

Local valuation committees meeting quarterly are the foundation across the industry.

77%

Local valuation committee in place

05

Automation scales with size, not asset class

Scale - not asset class - enables automation: a case for proportionate, size-appropriate expectations.

2.5x

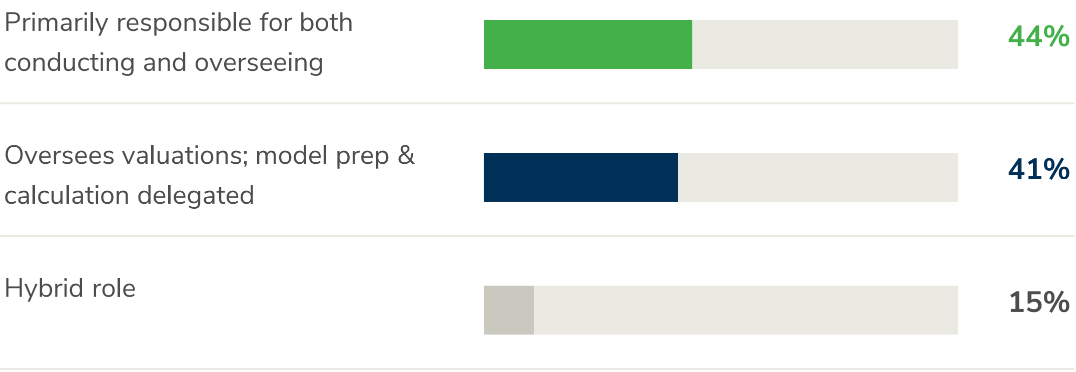
Large firms vs. small firms

Findings 6 and 7 expand on operating model and technology adoption.

Finding 01 – Valuation Expertise

Luxembourg is increasing its valuation expertise.

LUXEMBOURG ENTITY'S ROLE IN THE VALUATION PROCESS



MANCO OPERATING MODEL

73%

Operate as an **internal ManCo** integrated within an investment management group.

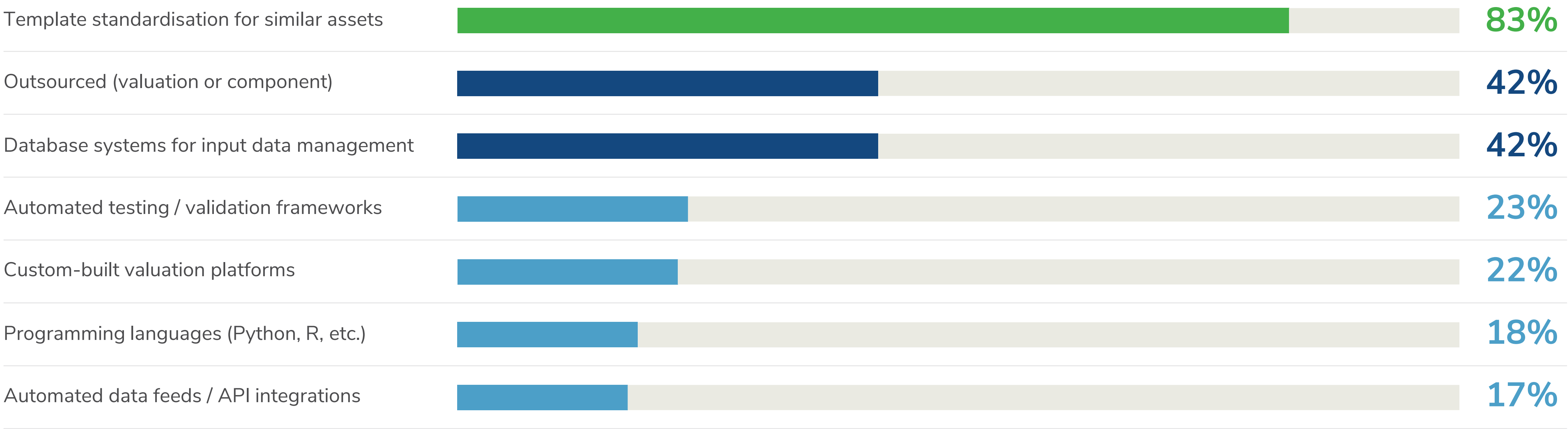
27% provide third-party ManCo services to external promoters (Noting 8% do both).

TAKEAWAY

44% don't just oversee - they build and run the valuation. Modelling, calculation and controls, performed in Luxembourg.

Finding 02 – Technology Adoption

Strong intent across all technology levers – building beyond template standardization.



Q13 – share of respondents who have **implemented** each technical lever (n = 65)

READING THE CURVE

Excel template standardisation is near-universal at 83% - the foundation is firmly in place. For database systems, automated testing and API integrations, "considered but not implemented" reflects active evaluation rather than inaction. The pipeline of technology investment across the industry is strong. Looking ahead, the knowledge from large language model (LLM) assisted tools are creating new opportunities to automate data aggregation and exception reporting - the next wave of implementation is taking shape.

Finding 03 – Independent Valuers

Independent valuers strengthen governance and transparency.

As private-asset books grow, more ManCos engage a fully independent valuer to add capacity and an independent challenge to the marks.

Private Debt
Use a fully independent third-party valuer

Real Estate
Use a fully independent third-party valuer

Private Equity
Use a fully independent third-party valuer

Infrastructure
Use a fully independent third-party valuer

TAKEAWAY

Engaging a fully independent valuer reinforces governance and transparency – an independent challenge to the marks that gives investors and boards greater confidence, while the ManCo retains responsibility for the valuations.

Finding 04 – Governance

Clear roles, layered oversight: committees review, boards assure.

VALUATION COMMITTEE — KEY FEATURES

Meets at least quarterly	80%
Local valuation committee in place	77%
Strategic oversight, addresses exceptions	70%
Regional valuation committee in place	36%
Separate committees by asset class	24%
Independent directors on committee	20%

FUND BOARD'S ROLE IN VALUATION OVERSIGHT

Rely on ManCo expertise for use of models	80%
Confirm ManCo has policies; rely on ManCo	79%

TAKEAWAY

Luxembourg's valuation governance runs on a clear division of roles. The valuation committee is the working layer reviewing, challenging and escalating. The fund board sits deliberately above the mechanics, 80% reported their emphasis on the ManCos expertise for models and confirming that valuation policies are in place, whilst 20% indicate they are getting more involved operationally.

Finding 05 – Proportionality, Scale and Automation

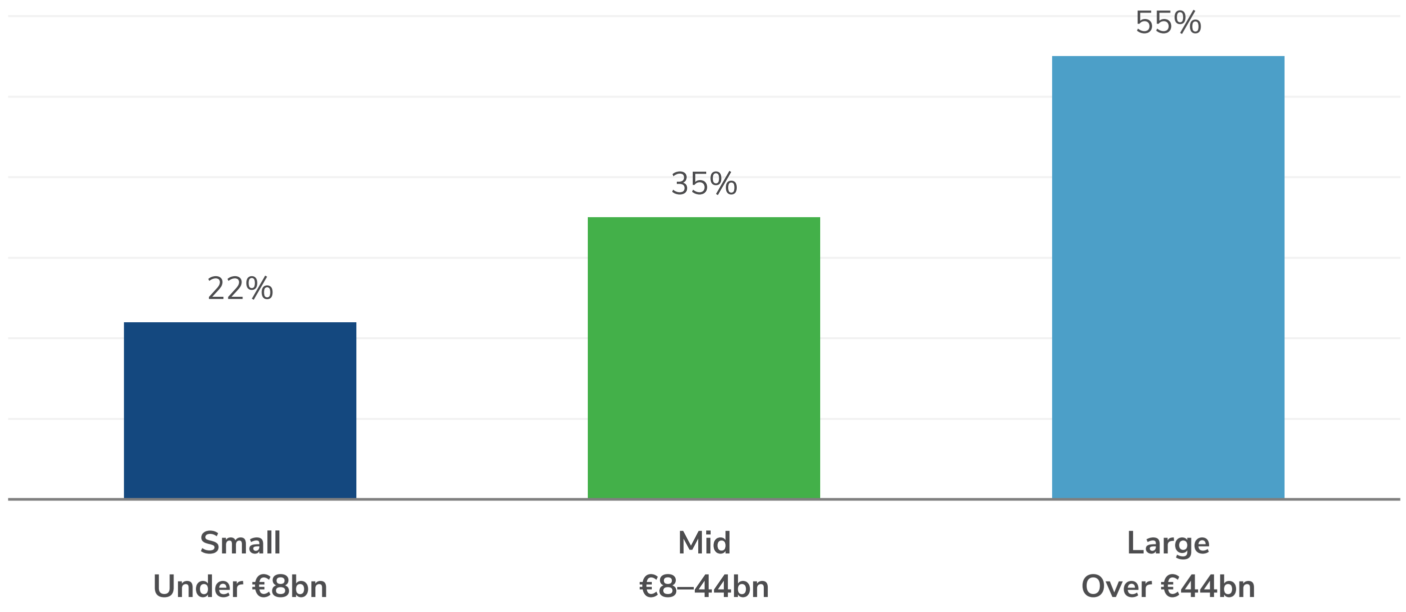
Automation scales with size - not with asset class.

SCALE EFFECT

2.5x

Large firms are 2.5× as likely as small firms to run 3+ automated controls (55% vs 22%).

The relationship holds within both liquid and illiquid books (r = 0.46 and 0.49) - scale, not asset class, enables automation.



TAKEAWAY

Automation adoption scales with firm size, and the relationship holds within every asset class. Scale enables investment in automated controls - uniform expectations would fall hardest on the smallest firms. This is the case for proportionate, size-appropriate expectations.

Finding 06 – Scalability

Data standardisation and integration are the industry's shared scalability priorities.

BIGGEST CHALLENGES TO SCALABILITY — RANKED

1	Information sourced largely manually (Excel, emails)	20×
2	Lack of standardisation of data across the industry	12×
3	Dependent on client or group processes to effect change	10×
4	Uncertainty about regulatory / auditor acceptance	10×
5	Too many manual data points to automate controls	7×
6	Client / group control environment not transparent enough	3×
7	Existing software solutions are inadequate	2×
8	Inability to rely on third-party tools or services	1×
9	Concerns about reduced transparency ("black box")	0×

Number of respondents ranking each as their #1 barrier (Q12, n = 66).

IN THE WORDS OF RESPONDENTS

"There is no industry-wide data taxonomy. Every promoter, valuer and administrator delivers inputs in a different shape."

TAKEAWAY

The top three priorities are structural and industry-wide – shared challenges that benefit from collective action across promoters, administrators and valuation functions.

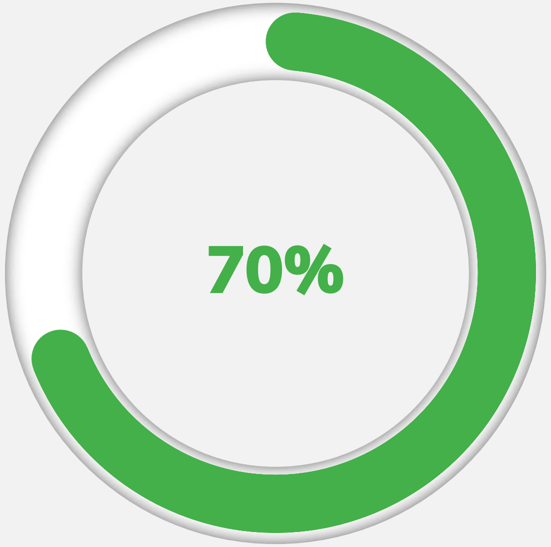
Notably, software inadequacy ranks last. Tools are broadly adequate. The opportunity lies in integration and standardisation.

Finding 07 – Third Party Pricing Adoption

Where liquid or traded reference data exists, independence is anchored in external pricing sources rather than a single valuer.

Equities & Fixed Income

Source Pricing Automatically From Third-party Feeds



Private Debt

Use Third-party Pricing Feeds - Highest of The Private Classes

TAKEAWAY

Equities & fixed income is the most automated cohort in the survey: 56% also run automated systems for sourcing independent inputs, the highest of any asset class. Where the market provides the price, independence is carried by the data itself.

Closing Observations

Three patterns to take into the next 12 months.

01

Valuation expertise in Luxembourg will keep deepening

More of the work - modelling, calculation and controls - will be performed in Luxembourg, with expertise and headcount following.

We expect this to continue alongside constructive, growing focus from the regulator, reinforcing Luxembourg's position as the centre of the valuation function.

02

Valuation operating models will industrialise

Data, controls and automation become the next focus. Template standardisation is already in place across the industry; database systems, automated testing and application programming interface (API) integrations will move from "considered" to implemented as technology - including large language model (LLM)-assisted tooling is rolled out at scale.

03

Independence is crucial

Independence - delivered through observable prices, independent valuer sign-off, the upstream NAV chain and disciplined expert judgement - remains the foundation of investor confidence. We expect it to be reinforced across every asset class as the market continues to mature.

86% of respondents asked to be contacted for a follow-up roundtable on these findings.

ALFI × KROLL · 2026

THANK YOU

Let's continue the conversation.

We are organising follow-up roundtables in the coming months and welcome individual benchmarking conversations.

FOR ALFI

Christopher Georgeson

Senior Vice President · Industry Affairs

Association of the Luxembourg Fund Industry Valuation Working Group

FOR KROLL

Elena Moisei

Head of Portfolio Valuation

Kroll Advisory Luxembourg Alternative Asset Advisory