



Managing through challenging times: tax and legal impacts

Keeping Connected Global Tax & Legal & Mobility Virtual Meeting Series — Part 8

COVID-19 and beyond: What Asset Managers need to know

—

May 2020

Topics for discussion



1 Asset Management: Global update

2 Panel discussion: Business impacts

3 Panel discussion: Financial impacts

4 Panel discussion: Investing trends

5 Q&A

Administration

Polling questions

- Polling questions will appear as we proceed through the presentation.
- As mentioned, in order to receive the certificate of attendance, we require participants to take part in at least five of the seven polling questions.
- If you qualify for the certificate of attendance, it will be sent to you following the webcast.

Attendee questions

- You may submit questions in the Ask a question button on the left. We will answer as many questions as we can during Q&A. If we are unable to answer your question during the webcast, someone from KPMG may reply via phone or email following the webcast.
- For technical issues, please use the Question Mark button in the upper-right hand corner of the media player.

Your feedback

- When the webcast is over, the webcast player will automatically refresh to display an exit survey. Feel free to complete the survey, as your comments are very valuable to us.

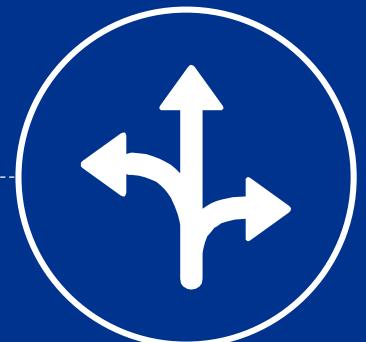




The Asset Management journey



Global Head of Asset
Management Tax
KPMG International
E: dneuenhaus@kpmg.com



COVID-19 and beyond: the journey continues

1. Initial reaction

Consistent responses



2. Strategic response

Divergences developing



3. The new reality

Forward thinking



STAKEHOLDERS



Business operations • Financial impacts • Investment effects

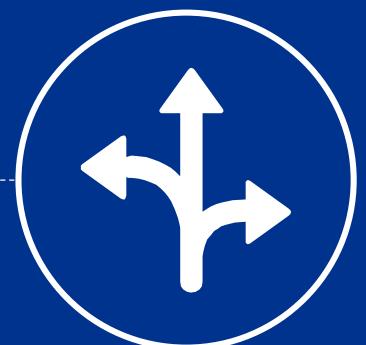


Asset Management: Global update



Andrew Weir
Global Head of Asset Management and
Global Chair of Real Estate and
Construction, KPMG International; Regional
Senior Partner and Vice Chairman
KPMG China

E: andrew.weir@kpmg.com





Panel discussion: Business impacts



Nathan Hall
Partner, Asset Management and
Operational Taxes
KPMG in the UK
E: Nathan.Hall@KPMG.co.uk



Deanna Flores
Global Tax Hub Leader
KPMG in the US
E: djflores@KPMG.com



Marc Burrows
Head of Global Mobility Services
KPMG International
E: Marc.Burrows@KPMG.co.uk



Julie Patterson
Wealth & Asset Management
KPMG in the UK
E: Julie.Patterson@KPMG.co.uk



From Reaction through Resilience and Recovery to the New Reality

“Total initial economic loss in the euro area is estimated at 30% of GDP, with a further 2%–2.5% of GDP for each additional month of lockdown.”

“The pandemic will shrink the economies of advanced countries by at least 15 percent. France, Germany, Italy, Spain, UK and the US will see their GDP shrink by more than 25 percent.”

“It’s amazing how slowly habits change, where people get stuck in the ruts of doing things, and then you have a shock like this that can change everything. It forces people to overcome the switching costs, figure out something new and say, ‘Hey, this is way better.’”

“The coronavirus (COVID-19) outbreak has already brought considerable human suffering and major economic disruption. Output contractions in China are being felt around the world, reflecting the key and rising role China has in global supply chains, travel and commodity markets. Subsequent outbreaks in other economies are having similar effects, albeit on a smaller scale. Growth prospects remain highly uncertain.”

“Due to COVID-19, [US unemployment insurance claims] have risen to unprecedented levels, with 30 million workers having initiated claims to unemployment insurance benefits from Sunday, March 15, through Saturday, April 25.”

Sources: Assistant Secretary Michael Faulkender Economy Statement for the Treasury Borrowing Advisory Committee of the Securities Industry and Financial Markets Association; European Central Bank, May 2020; Organisation for Economic Co-operation and Development, March 2020; OECD, Interim Economic Assessment, March 2020; Erik Brynjolfsson, director of the MIT Initiative on the Digital Economy from The Washington Post (<https://www.washingtonpost.com/business/2020/03/21/economy-change-lifestyle-coronavirus/>)



Panel discussion: Financial impacts



Kevin Valek
National Leader, Asset
Management Tax Partner
KPMG in the US
E: kvalek@kpmg.com



Brian Bouchard
Partner, Tax, Economic &
Valuation Services
KPMG in the US
E: bbouchard@KPMG.com



Mikael A. Johnson
Senior Lead Partner, Alternative
Investments
KPMG in the US
E: majohnson@kpmg.com



Up for discussion

Valuation

- 1Q valuations
- Impact on NAV
- Financial statement disclosures
- Impact to investor reporting

Liquidity issues

- CARES Act and other tax responses
- Investor considerations
- Fund raising
- Counterparty considerations



Panel discussion: Investing trends



Yesenia Scheker
Partner, Tax
KPMG In the US
E:yscheker@kpmg.com



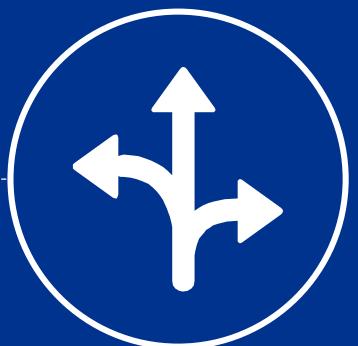
Glenn Mincey
Partner, Tax
KPMG In the US
E:gmincey@KPMG.com



Darren Bowdern
Head of Alternative Investments
KPMG in China
E: darren.bowdern@kpmg.com



Naz Klendjian
Partner, Infrastructure M&A Tax
KPMG in the UK
E: Naz.Klendjian@KPMG.co.uk



Up for discussion

Capital trends

Fund Raising; Deployment of Capital; Sector Trends

Deal trends

Private Equity; Real Estate and Infrastructure

Other trends

ESG; Governments and Private Capital



Questions?



Resources

Responding to challenging times

KPMG site dedicated to business implications of COVID-19 on a global scale – tax, legal and mobility focus

<https://home.kpmg/xx/en/home/insights/2020/03/responding-in-a-crisis.html>

Tax News Flash — COVID-19

KPMG's ongoing roundup of COVID-19 measures taken around the world in response to the situation

<https://home.kpmg/us/en/home/insights/2020/04/taxnewsflash-coronavirus-covid-19-developments.html>





Thank you



Kindly note that some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

home.kpmg/socialmedia



© 2020 KPMG International Cooperative ("KPMG International"), a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.