

From tradition to innovation



How Private Equity vehicles are evolving, and more efficient structures such as evergreen funds are becoming key investment solutions.

Evergreen funds represent a significant evolution in private equity, designed not only to make the asset class accessible to a broader range of investors, but also to enhance the operational efficiency of private market investing.

As a specialized private markets boutique, SWISE is dedicated to expanding access to high-quality private equity opportunities through modern and efficient structures.

Founded by Fabrice Zosso and Boris Cont, the firm combines deep institutional expertise with a shared vision of making private markets more transparent, flexible and inclusive. In this paper, Zosso and Cont share their insights and perspectives on the rise of evergreen funds and their transformative impact on the future of private market investing.



02/

Why are evergreen funds becoming increasingly popular among institutional investors?

Zosso: Evergreen funds are increasingly gaining traction among institutional investors, as they provide more efficient and predictable means of accessing private market investments. Many institutions seek to manage their allocations dynamically while reducing the operational complexity and timing risks inherent in traditional fund structures.

The traditional private equity model is evolving, and more efficient formats are becoming increasingly sought after. Evergreen structures offer several key advantages, including more efficient cash management, custody eligibility, and simplified administration, all of which are critical considerations for professional investors.

In our case, investors are fully invested from day one in a globally diversified private equity portfolio, and they remain invested until making their individual exit decision.

01/

What are evergreen funds, and what advantages do they offer compared to traditional closed-end structures?

Zosso: Evergreen funds are open-ended structures with no fixed term, offering investors continuous access to investment opportunities and flexible liquidity options. Unlike traditional closed-end funds, capital in evergreen vehicles remains permanently invested through ongoing reinvestments, enabling more efficient participation in returns over time.

A key advantage of the evergreen model lies in its greater liquidity and flexibility, which is particularly attractive for professional investors with dynamic portfolio allocation needs.

In addition, it eliminates the complex vintage selection process, as the fund continuously deploys capital into new opportunities while maintaining a diversified and balanced portfolio.

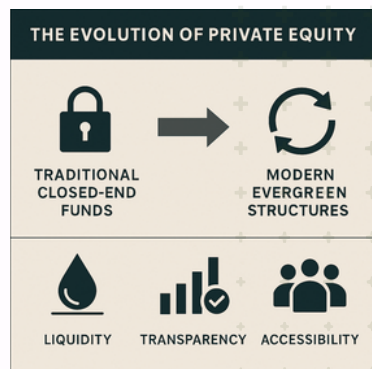
Lastly, unlike traditional private equity funds that involve blind-pool risk, evergreen funds typically have a clearly defined portfolio from the outset, allowing investors to understand exactly where their capital is allocated. This structure enhances transparency, trust, and predictability, aligning with the expectations of private wealth and institutional investors.

Achieving and maintaining this level of continuous exposure within traditional closed-end structures would require significant operational effort and resources, a challenge particularly relevant for institutional investors with clearly defined allocation objectives.

03/

How do evergreen funds enable more flexible portfolio allocation?

Cont: Evergreen funds provide investors with significantly greater flexibility in managing their private equity exposure compared to traditional closed-end structures. Rather than being constrained by fixed subscription periods and maturity dates, investors in an evergreen model can continuously adjust their commitments, increasing capital, redeeming portions of their investment, or reinvesting proceeds at a later stage, to optimize their own long-term allocation to the asset class.



This approach opens up new possibilities for strategic portfolio management. Depending on market conditions, capital can be efficiently reallocated towards specific sectors or regions, allowing investors to actively fine-tune their private equity exposure within their broader portfolio. As a result, evergreen funds enable a more dynamic and responsive investment strategy that aligns closely with the needs of long-term-oriented investors.

04/

What mechanisms ensure liquidity for investors within evergreen structures?

Cont: Liquidity plays a central role in private markets and evergreen funds offer distinct advantages in this respect.

In our case, liquidity is available following an initial lock-up period through quarterly redemption windows, during which investors can submit redemption requests with five business days' notice.

To safeguard all investors, market-standard gating mechanisms ensure that redemptions are processed in line with the fund's underlying liquidity profile, thereby preventing any forced or distressed asset sales. Furthermore, regular distributions from realizations, dividends, or interest income generate recurring cash flows, enabling investors to either meet liquidity needs or remain invested to support long-term compounding.

A smaller portion of the portfolio is allocated to short-duration private debt instruments with quarterly coupon payments, further enhancing liquidity and providing predictable cash flow visibility. The inclusion of these yield-generating assets supports smoother liquidity management and allows the fund to meet redemption requests without disrupting long-term investment allocations.

Overall, this structure strikes a careful balance between long-term value creation and near-term flexibility, offering investors controlled access to liquidity while maintaining the integrity of the portfolio and protecting long-term performance.

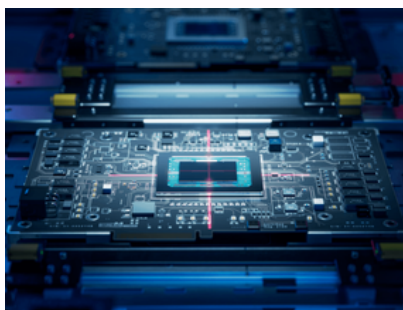
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How do evergreen structures ensure that capital remains efficiently deployed and that investors benefit from consistent value creation across market cycles?

Cont: At SWISE, we place strong emphasis on the quality of the underlying portfolio and its realization potential.

In the secondaries space, we closely monitor DPI (Distributions to Paid-In Capital) to ensure that underlying managers maintain robust exit pipelines and are actively returning capital, a key indicator of portfolio maturity and resilience. For direct investments, we ensure that each company has a tangible and achievable exit route, supported by a well-defined value creation plan that enhances visibility and execution potential.

In parallel, our active portfolio management approach, rooted in our agile investment DNA, enables us to adapt quickly across market environments. We continuously optimize capital allocation by divesting from less productive or “ghost” funds with extended timelines and reallocating capital towards high-conviction opportunities. This dynamic, whole-portfolio perspective ensures that every dollar of investor capital is consistently and efficiently deployed, maximizing both capital productivity and long-term compounding.



06/

Are there any challenges or risks associated with evergreen funds?

Zosso: Yes, evergreen funds do present certain challenges; however, these can be effectively managed through robust governance and disciplined processes.



One key consideration is valuation transparency. Because evergreen structures do not have predefined exit events, regular, independent valuations must be conducted to ensure that the fund’s net asset value (NAV) accurately reflects the underlying portfolio. These valuations should be reviewed and verified by third-party specialists and external auditors, providing investors with confidence that valuations are both objective and reliable.

Another critical aspect is liquidity management. To ensure that redemptions can be processed without triggering forced sales, the fund must maintain a stable and well-monitored liquidity profile. Experienced portfolio managers play a vital role here, continuously assessing cash flows, managing liquidity buffers, and ensuring that sufficient resources are available to meet redemption requests without compromising the fund’s long-term investment strategy.

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*Last but not least,
what is the story
behind SWISE?*

Zosso: SWISE was founded by former Partners Group colleagues with experience across investments, portfolio management, and private wealth divisions.

Boris Cont and I previously worked together at Partners Group and later at a Zurich-based family office, where we encountered the limitations of traditional investment solutions, including outdated paper-heavy processes and structural inefficiencies for both institutional and private wealth clients.

Drawing on these experiences and the solutions we developed, we decided to establish our own asset management firm, one designed to offer simple, transparent, and efficient access to private markets. Today, our team comprises ten professionals, bringing deep expertise in private equity, hedge funds, and portfolio management.

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About Fabrice Zosso



Fabrice Zosso is a seasoned investment professional with extensive experience in private markets strategy, product development, and business leadership. Before co-founding SWISE in 2022, where he serves as Chief Executive Officer, he held senior roles at Partners Group, leading product strategy and business development initiatives across global markets. He later joined the investment team of a family office focused on private markets, where he was responsible for building strategic partnerships with top-tier managers and expanding the firm's investment platform. Fabrice holds a Master's degree in Banking and Finance from the University of Zurich and an Executive MBA from HEC Paris.

About Boris Cont

Boris Cont is a seasoned investment professional with extensive experience in evergreen private markets and multi-asset portfolio management. Before co-founding SWISE in 2022, where he serves as Chief Investment Officer, he co-managed evergreen private markets strategies at Partners Group, one of the world's leading private markets investment firms. He later joined a multi-family office, where he oversaw the design and management of global private equity and private debt portfolios. Boris holds a Master's degree in Aerospace Engineering from TU Delft and a Master's in Finance from ESSEC Business School.



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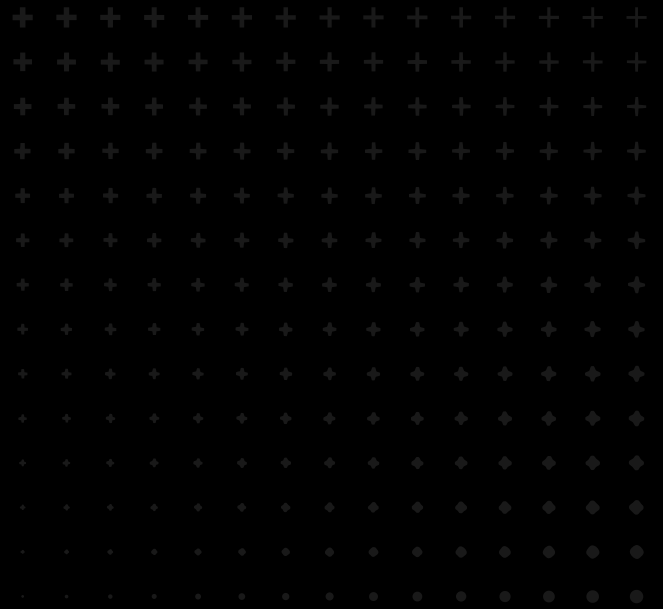
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