



Barings AUM:
\$502bn (€440bn) as
of end-June 2026

Active in 20
countries

Around 800
investment
professionals

Diverse client
base consisting
of insurers, other
institutions and
retail

BARINGS

“The opportunity extends beyond direct lending”

Barings CEO **Michael Freno** tells Carlo Svaluto Moreolo about the firm’s strategy to build out its capabilities in public and private credit, insurance solutions, real assets and emerging markets

Barings, the household name in global finance once borne by one of England’s oldest merchant banks, is now very different from the company that went under due to fraudulent trading activity by one trader in 1995. The firm’s asset management business was integrated into ING Group after the collapse and acquired by US life insurer MassMutual in 2005. MassMutual consolidated its subsidiaries in 2016 to form Barings, as it operates today from its headquarters in Charlotte, North Carolina.

In terms of assets under management, the company sits in that increasingly awkward spot – neither large nor small at around \$500bn, including captive assets, but of sufficient scale to command influence as a leading investor. Some 90% of the assets are invested in credit, insurance and capital solutions and real asset strategies. The balance

consists of an actively managed emerging market business, covering both fixed income and equities.

“We are set up nicely for the tailwinds that are out in the market at the moment, thanks to being owned by an insurance company, and having been active in private markets and alternatives for decades. We have shown our ability to select assets in many different illiquid markets over a long period of time,” says Mike Freno, who has led Barings as chairman and CEO since 2020.

Earlier this year, the company’s ownership structure changed yet again, with Japan’s MS&AD Insurance Group acquiring an 18% stake from MassMutual. “We believe our ownership structure is a strategic advantage. Insurance capital is a natural fit for many areas where Barings has deep expertise, including private credit, asset-based finance, real estate debt and infrastructure,” Freno says.

Buy and build

In recent years, Barings has consolidated several US business development companies (BDCs) and expanded its footprint in real estate and asset-backed finance (ABF) through the acquisitions of Altis Property Partners, Artemis Real Estate Partners and Gryphon Capital. The overall strategy is to build global capabilities in Barings' three core areas – credit, insurance solutions and real assets – and the company is pursuing that by expanding both geographically, especially into Asia, and in terms of the depth of its expertise.

Half of Barings' assets are managed on behalf of insurance companies, including its parent and a number of third-party clients, and for the most part, the rest is managed on behalf of global institutions and intermediaries, but the company has a strong foothold in the global wealth and retail market.

Acquisitions will remain part of Barings' growth strategy, as long as the industry continues to consolidate and clients want broader capabilities, deeper expertise and access to a wider range of solutions through a smaller number of strategic relationships, says Freno. "We expect that consolidation trend to continue. But we have always taken a disciplined approach when it comes to acquisitions."

The aim is to fully integrate teams within the business and operate as one company, rather than a multi-manager business, but at the same time, investment teams joining Barings can expect to retain their independence in terms of the investment process and join a company that prizes a "team-based culture", as Freno puts it.

In the future, Barings will likely target acquisitions in the infrastructure equity space, looking to build on the primary side, but also in terms of secondaries, solutions and fund investments. In ABF, growth will be partly organic in nature, but the firm will also continue to seek growth through acquisitions, according to Freno.

There is plenty of potential for growth in its existing strategies across the portfolio, says the CEO. Recently, the firm announced an expanded partnership with the North Carolina Investment Authority, which has committed \$2.1bn across Barings' real estate debt, commercial mortgage-backed securities (CMBS) and capital solutions strategy.

Barings' global direct lending business has raised more than \$19bn in committed capital from institutional, insurance and wealth clients over a two-year fundraising period ending in April this year. In January, Barings launched its inaugural

infrastructure collateralised loan obligation (CLO), bringing together its infrastructure debt and structured credit capabilities.

Private credit plays

Freno does not seem in a hurry to get the business to a particular size. He says: "I don't feel compelled to look at acquisitions or go into a merger to get to the trillion-dollar AUM scale. I believe we have a certain scale and we have growth prospects in front of us. I want to make sure we are acquiring capabilities or building capabilities organically that will allow us to continue to grow at that mid-teen, compounded annual growth rate that we've achieved over the last decade. That's really my focus."

As the CEO of a leading global private credit player, Freno recognises the strategic importance of private markets for their increasingly enduring role in global capital formation. But this trend has also amplified the concerns about systemic risks building up in private credit as the global economy struggles to deal with elevated inflation. "While there have been isolated issues in parts of the market, we are not seeing broad-based weakness across our portfolios, and portfolio company performance has generally remained resilient," he says.

Freno sees the continued growth of wealth-related capital, including through evergreen and semi-liquid structures, as a positive driver that helps broaden the investor base for private credit, adding

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depth and flexibility to the market. "For us, the bigger story is the breadth of opportunity across private credit. Direct lending remains an important part, but the long-term growth opportunity extends across a broader range of private credit markets, including ABF, portfolio finance, and real estate debt," he says.

Taking advantage of that opportunity will require a measured approach to growth, notes Freno. "We will continue to invest where we have expertise and can scale responsibly, while maintaining the underwriting discipline and long-term perspective," he adds. ●

Mike Freno is chairman, president and CEO of Barings. He is also chair of the Barings board of managers and a member of the MassMutual executive leadership team. Having joined Barings in 2005, his experience spans two decades on the buy side, focusing on both equity and debt investments. Previously, Freno oversaw Barings' investments, sales, operations and technology organisations. He also served as chairman of the board of Barings BDC, an external business development company managed by Barings.
