

Preface

Over the past decade and a half, private credit has evolved from a boutique financing alternative into a robust and formidable asset class. As of 2025, global private credit assets under management have surpassed US\$2 trillion – a staggering tenfold increase since 2009. This meteoric growth initially was driven by the retreat of traditional banks following the Global Financial Crisis, spurred by regulatory constraints and capital pressures. The resulting void provided an opportunity for private credit funds to step in and fulfil the growing demand for non-bank lending. Since then, private credit's expansion has been fuelled by borrowers partnering with asset managers for more customisation of deal terms, quicker speed, and certainty of execution.

Looking ahead, the future of private credit appears set for further acceleration and mainstream integration across geographies. The demand for quick, flexible capital solutions, particularly in private equity-backed transactions, continues to surge and drive innovation in the sector. As a result, the asset class is broadening – from its direct lending origins into asset-backed financing, infrastructure, net asset value lending, and other specialised strategies – signalling an evolving ecosystem of diversified credit solutions as private debt investors have adapted to meet the increasing demand from borrowers.

Investor demand for private credit also remains exceptionally strong. Traditionally dominated by large institutional investors like pension funds, sovereign wealth funds, and endowments, private credit has seen an influx of new entrants over the last several years. Insurance companies have become prominent investors, drawn by the asset class's ability to generate stable, attractive yields that align with their long-term liabilities and structured products intended to address regulatory capital requirements. New structures and products, such as publicly and privately offered non-traded business development companies and other semi-liquid evergreen vehicles, also have increased opportunities for high-net-worth and retail investors to participate in private credit, offering more accessible entry points to the asset class.

It is with this backdrop that we are pleased to present the first edition of *GLI – Private Credit*. We have endeavoured to provide a comprehensive guide to arm legal practitioners across geographies with the market insights, trends, and regulatory developments needed to navigate the increasingly complex landscape of private credit. This volume begins with 11 product and market-oriented chapters and then shifts to seven jurisdiction-specific update chapters.

We extend our sincere thanks to all the contributors for sharing their valuable experience and expertise. We also thank Global Legal Group Ltd. for their support and partnership.

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