Verus

PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS

OCTOBER 2023

Private Equity Outlook

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Observations driving Verus outlook

Executive summary

Private equity deal activity remains weak in the face of rising interest rates. Rising interest rates and falling public market indexes in 2022 are having a direct impact on the current pricing environment. In many cases, with the cost of debt rising, the proportion of equity has also risen. Multiples are coming down, and, until a more stable environment has been established, deal activity will likely remain subdued. Though deal activity is down broadly, transactions for high quality assets and add-ons still occur.

Exit activity is down a considerable margin, year over year. Considering falling market values, sponsors are opting to retain their portfolio companies instead of selling them at less favorable prices. Public listings were closed due to the decline in public equities and risk premiums in 2022, but upcoming IPOs and market rebound could lead to increased IPO activity.

A higher rate for longer scenario may benefit prospective investors. Deal activity may pick up alongside motivations borne out of stress and liquidity in a weak macro-environment. Investors who can creatively handle complex situations and cater to seller preferences may find opportunities in stressed situations. Buyers will have leverage in these negotiations and will push for friendlier deal terms and may benefit from discounted purchase prices. We expect distressed opportunities to increase but not to the level of prior market downturns.

With decreasing premiums on risk, reduced inflows to private equities have occurred. Fundraising has decreased across most of U.S. Private Equity and Venture Capital, especially in the late-stage. LPs who remain active may find a multitude of benefits from the tough fundraising environment, and GPs who remain active may find less competitive markets to be beneficial.

Direct lending is more attractive than prior years despite increasing attention from the investor community. Floating rate debt benefits from higher base rates. Pullback from bank broadly syndicated loans has culminated into opportunities for Private Credit lenders who now have more power in negotiating wider spreads, better documentation, and stronger downside protection. Increasing attention to the space from GPs and both institutional and retail investors may eventually lead to future overcrowding. In this upcoming environment, it may prove prudent to select managers who are focused on less trafficked market segments and have the ability and experience of managing credits that may worsen in poor macroenvironments.

Liquidity needs may result in an uptick of alternatives to full monetization events. Fundraising difficulties have caused GPs to lean into alternative avenues of generating liquidity for their existing LP base, one being continuation vehicles. GP-led secondary investors may benefit from persisting capital overhang that may widen with increasing GP-led supply. The execution of minority sales may also increase for GPs who desire to prolong their ownership in anticipation of a more favorable exit environment.

Industry-wide efforts in DEI and ESG are gaining traction. Many fund managers have begun to incorporate Diversity, Equity and Inclusion (DEI) and Environmental, Social, and Governance (ESG) policies and programs into both corporate governance and investment strategies, although there remains mixed perspectives on the extent to which these considerations should factor in investment decisions. Despite traction in DEI initiatives, representation amongst senior ranks will take time to culminate.

Summary of findings

Summary of findings (cont.)

Outlook		
Unattractive	Neutral	Attractive
○	◐	●

Strategy		Stage	'22	'23	Commentary
Buyout	*U.S.*	*Small/Mid Mkt*	●	●	Market instability can affect small businesses, making owners more likely to sell even as valuations decline. The difficult macroeconomic situation is leading larger funds to pursue smaller acquisitions. Companies are focusing on improving their businesses instead of growing, so add-on activity will continue to be a path to exit for the smaller market. Managers who focus on value can handle complex situations and benefit from market distress. The current macro environment suits growth managers who invest in minority positions with small checks and no debt financing. It also suits managers who can provide creative, non-dilutive solutions to companies in need of liquidity.
		Large Mkt	◐	◐	Interest rate rises will impact over-levered, large market companies and deter capital deployment, resulting in return degradation. Economic challenges create buying opportunities, but with higher interest rates and surplus cash, GPs need to be cautious, leading to more capital concentration for quality companies. Given their scale and cost cutting optionality, large market companies may find resiliency through a downturn.
	Euro		◐	◐	The headwinds troubling the pan-European market may lead to valuation resets to prior marks that crept higher in certain regions (e.g. UK and Nordics). Fragmented capital markets and resilient fundraising may limit European investors' chances to benefit from the buying opportunity.
Venture Capital		*Early Stage*	◐	◐	Companies must prove progress in product development, product-market fit, and strong traction to get equity financing. With dwindling capital availability and more stringent deal terms, investors wield an upper hand at the deal negotiation table.
		Late Stage	○	○	Headwinds continue to challenge the market. Late-stage deal activity is being pressured due to the closed IPO window and high demand for capital. Market narratives of strong returns during downturns haven't convinced traditional and nontraditional investors due to unclear VC deal metrics. VCs are investing carefully in companies that are strong enough to survive and have a clear path to high growth. Investors must be weary of valuation pullbacks in a prolonged higher rate environment.

Summary of findings

Outlook		
Unattractive	Neutral	Attractive
○	◐	●

Strategy	Stage	'22	'23	Commentary
Private Credit	*Senior Debt*	◐	●	Lenders are benefitting from higher base rates and pricing at wider spreads, better documentation, and more protection without having to take on risky borrowers. New capital inflows may compress spreads and loosen covenants / terms, although any overcrowding effect is yet to be seen in the figures currently observed, such as fundraising and total spreads over base rates. Regardless of any newfound competition, differentiated and narrowly focused strategies may mitigate competition.
	Subordinated Capital	◐	◐	Higher returns can be achieved through increased equity participation and higher spreads, but this also comes with higher risk. Borrowers are increasingly using subordinated debt for financing acquisitions and growth capital. The pricing for this investment has gotten better with some structures offering cash payments instead of in-kind payments.
	Credit Opportunities	●	●	Attractive pricing and target returns in niche markets with less correlated drivers and better risk-adjusted returns benefit credit opportunities. Flexible capital solutions help borrowers with liquidity challenges and company growth initiatives since senior lenders have tighter underwriting standards. Companies are now opting for private financing instead of relying on regional banks.
	Stressed / Distressed	◐	◐	We remain positive on investment managers who can generate strong returns through all economic cycles, with an expectation that returns may increase alongside stress and/or distressed opportunities. A meaningful distressed for control ("DFC") opportunity is not yet broadly present and the likelihood of one in the coming years is uncertain. Strong companies have options to stay afloat and lenders are more willing to amend and extend loans to troubled companies, reducing the distressed opportunity set. Irrespective of market environment, we find the distressed for control thesis to be less compelling given the execution risk and volatility, though we remain favorable on special situations funds that could execute on distressed for control as a smaller allocation of a total fund that can execute on stress.
Secondaries		◐	◐	More supply is expected in GP-led secondaries because of challenges, such as unfavorable exit markets, maturity walls, capital needs, and prolonged ownership desires, while there may be less supply in LP-led secondaries due to a diminishing denominator effect. Discounts have risen YoY to a point where deal activity has picked up. Secondaries remain a strong option for budding private equity programs in need of a J-curve mitigant and immediate diversification.

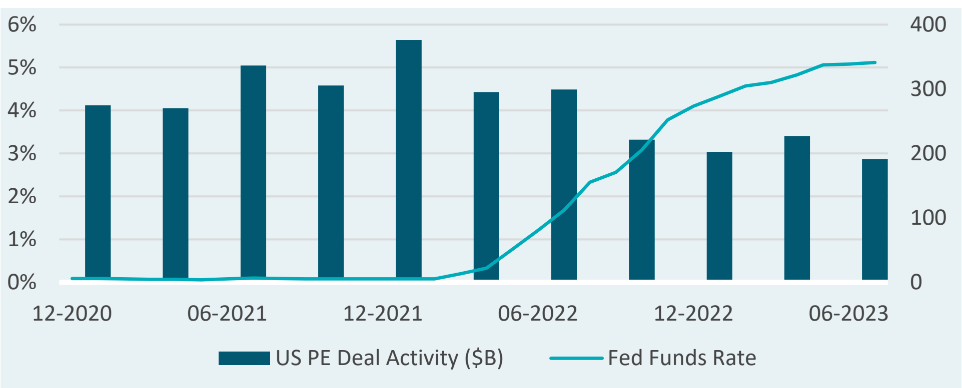
Spotlight

Spotlight – Higher rates for longer

Existing portfolios impacted…

- Private equity valuations fell as a result of a multitude of factors, such as public equity drawdowns in 2022 and decreasing investor premiums on risk, deterring private equity sellers from transacting.
- Even if bid-asks spreads narrow with the public market's rebound in 2023, costlier debt financing deters the consummation of leveraged buyouts as returns are harder to come by. It also increases the cost for companies with existing debt, increasing stress for particularly over-levered businesses unable to sustain margins amidst a falling earnings environment. Interest coverage averaged 3x for issuers levered less than 4x and 1.5x for borrowers levered more than 6x (Pitchbook LCD).
- Owners of second-rate assets who are motivated to sell may acquiesce in negotiation to buyers. GPs seeking to generate distributions in a difficult fundraising environment will be impacted the most. We expect these challenges to continue in a prolonged higher rates scenario.
- Ultimately, capital deployment, monetization, and unrealized valuations are all impacted by the rising rate environment and will likely result in return degradation for most active funds. With costlier debt, changes to existing holdings' value-add plans and new deal underwriting will have to occur to maintain return expectations. Managers with difficulty deploying capital will magnify fee drag for LPs.

U.S. PE DEAL ACTIVITY VS COSTLIER DEBT



Source: Pitchbook Q2 2023 & Fed Reserve System

U.S. LEVERAGED LOAN ISSUERS – QUARTERLY EBITDA GROWTH

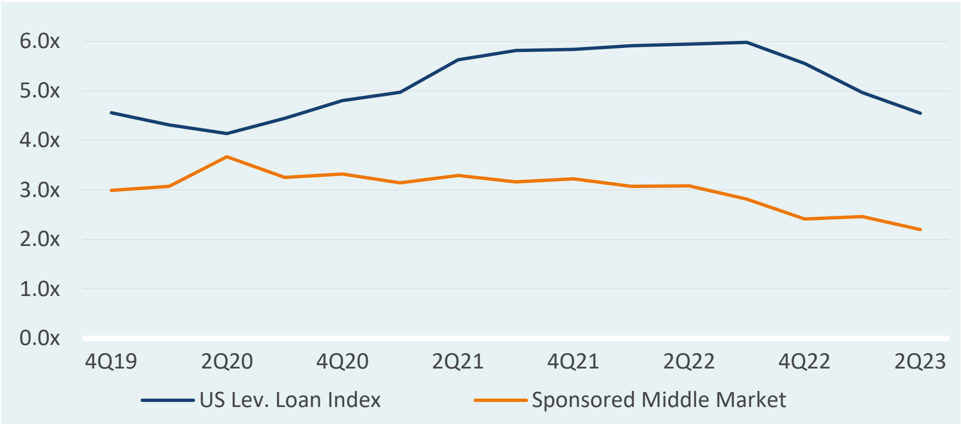
Source: Pitchbook LCD Q2 2023

Spotlight – Higher rates for longer (cont.)

…to the benefit of prospective investors in a higher rates for longer scenario

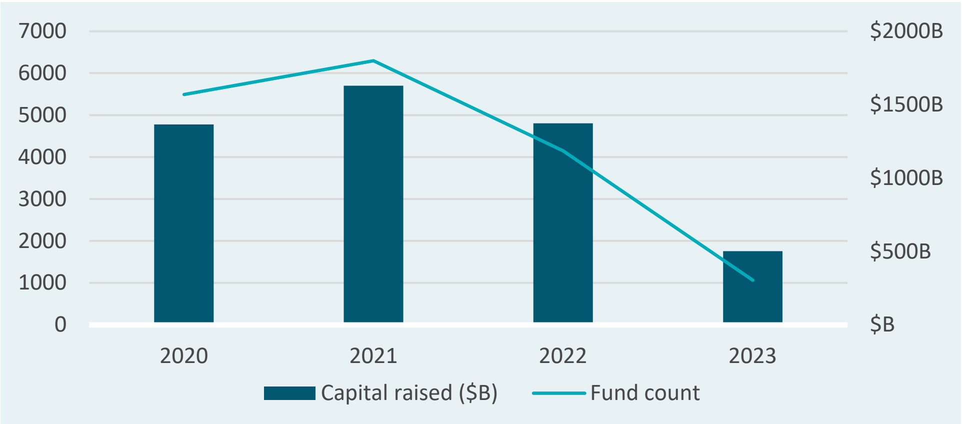
- Headwinds for existing asset owners may become tailwinds for prospective ones.
- Although buyers haven't been able to take advantage of valuation resets yet due to bid-ask spreads, seller motivations borne out of stress and liquidity may spur deal activity. These scenarios will allow for friendlier buyer terms and a widening deal funnel for managers who can identify and execute through complexity.
- Add-ons may be looked towards as an avenue to maintain capital deployment and buttress slowing organic growth as owners consolidate value in anticipation of narrowing bid-ask spreads.
- The tough fundraising environment benefits prospective LPs, acting as a hurdle to AUM growth, core competency shifts, blind pool risk, and access constraints.
- Prospective deal makers should find benefits from a less competitive market. Beneficiaries will include not just equity investors, such as early-stage VCs with the ability to pivot from a growth at all cost to a sustainable growth mindset or an operationally-focused lower middle market buyout investor acquiring from outside traditional channels, but also private credit lenders who find opportunity in incumbent lender pullback from portfolio company support.

INTEREST COVERAGE (EBITDA / INTEREST EXPENSE)



Source: LCD / Pitchbook Q2 23 & Lead Left / Refinitiv Q2 23

PRIVATE CAPITAL FUNDRAISING



Source: Pitchbook Q2 2023

Buyouts

U.S. buyout – Small/middle market

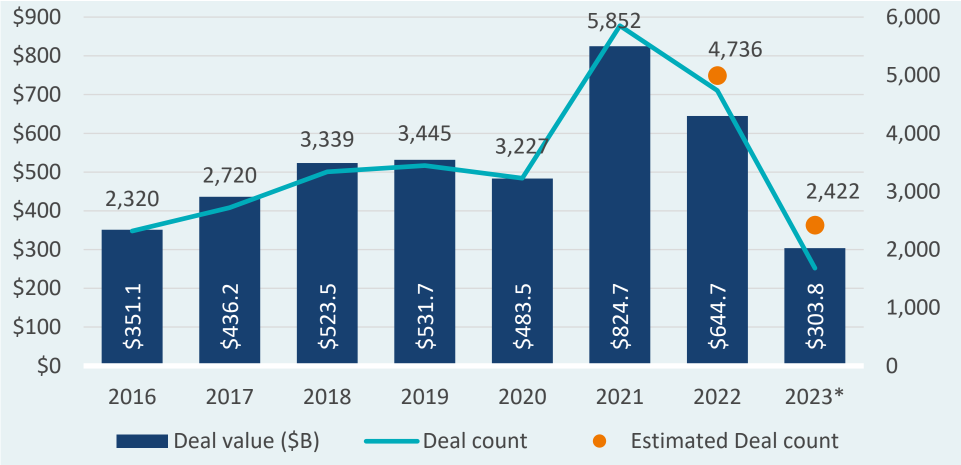
Purchase price multiples in correction mode

— Private equity deal activity in the middle market has decreased in five of the last six quarters and remains unstable. Since peaking in Q4 2021, quarterly volumes are down 12% by deal count and 49% by deal value.

— Using enterprise value (EV) to EBITDA as a metric, middle market PE buyout multiples peaked at 13.9x in 2019 and have slid down to 10.8x in the past year. On an EV-to-revenue basis, the broader measure inclusive of technology peaked at 3.3x in 2021 before falling to 2.3x in the trailing 12 months.

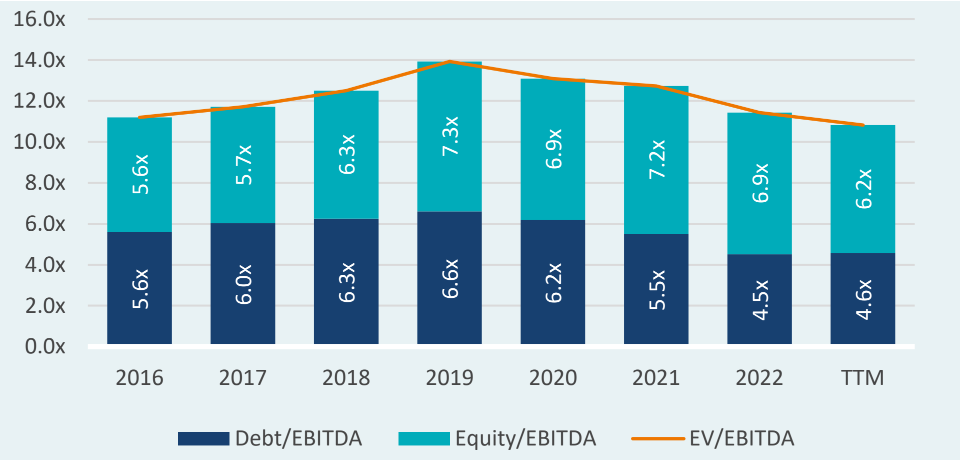
— Leverage multiples across buyouts have remained constant at 4.6x in 2023 vs. the range of 5.5x to 6.6x over prior years. A recession and higher interest payments can harm small and middle market companies, highlighting the importance of an experienced management team.

DEAL ACTIVITY BY COUNT AND VALUE



Source: Pitchbook Q1 2023

MEDIAN EV/EBITDA MULTIPLES



Source: Pitchbook Q1 2023

U.S. buyout – Small/middle market (cont.)

Amid the rise of add-ons, sponsor to sponsor deals decline

— PE managers have had to adapt to facilitate smaller deals that are easier to finance. Many are add-ons, which have helped to keep the PE flywheel spinning during this period of tight credit and market dislocation.

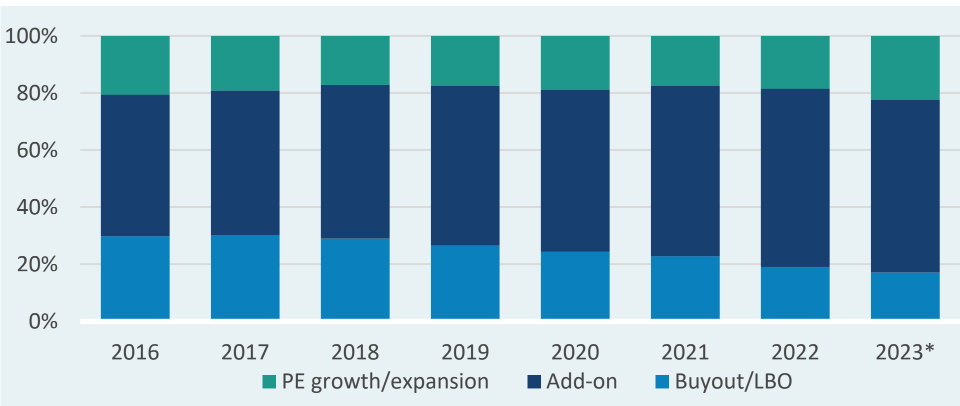
— Add-on investments allow sponsors to continue deploying capital while taking down deal size and biding time until lending markets can support larger platform buyouts. When executed well, an add-on can accelerate the top and bottom line for the acquiring company, providing revenue and cost synergy and creating value for the PE owner and potential buyer. Smaller add-ons are easier to finance since they can use the existing credit lines of the larger platform.

— Growth equity deals continue to see increased deal activity and unlike larger deals, don't rely on debt but on a PE firm's ability to apply active management to increase company growth and returns through operational leverage instead of financial leverage.

— Sponsor-to-sponsor exit activity decreased because of various challenges. Private equity firms were cautious in their dealmaking, resulting in fewer sponsor transactions. Lending market disruptions limited the ability of GPs to take on big deals, causing a slowdown in sponsor-to-sponsor exit activity.

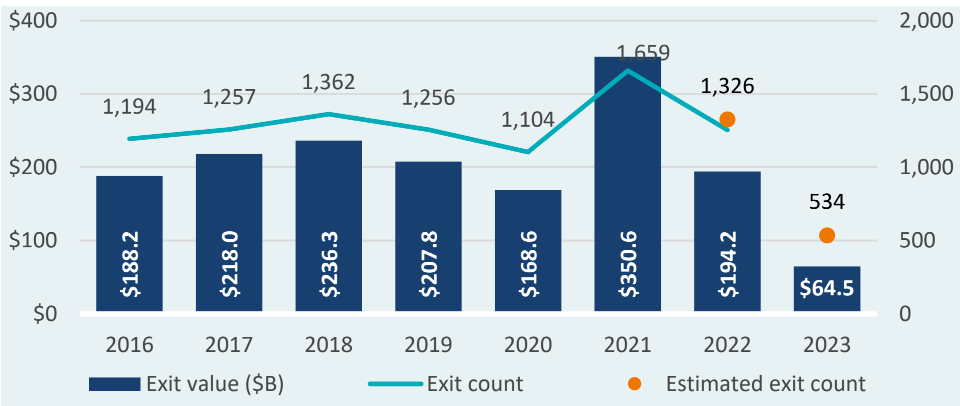
— Recent developments indicate IPOs may soon recover, while PE exits remained silent in this area. Interest rate and valuation volatility could make PE investors cautious about exit options.

DEAL ACTIVITY COUNT BY TYPE



Source: Pitchbook Q2 2023

EXIT ACTIVITY



Source: Pitchbook Q2 2023

U.S. buyout – Large market

Lack of funding and exit opportunities

— Historically a steady returner, the large segment of the buyout market may experience near term return degradation because of costlier debt financing, resulting in a deterrence to new deal activity. This notion is proven by the decrease in 1H 2023 activity (deals above $1.0B in value, as a % of all buyout activity, decreased from 34% in both 2021 and 2022 to 25% in 2023).

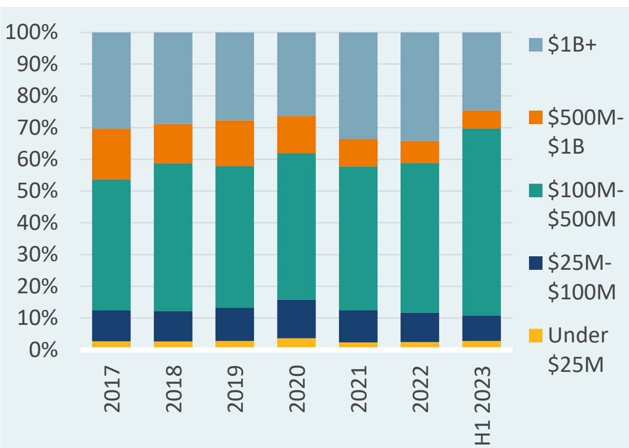
— Holding periods may be extended due to unfavorable exit markets, particularly the IPO market to which the large market has closest proximity.

— Exits may see additional headwinds should the FTC continue their propensity of blocking mergers and acquisitions.

— Despite headwinds, the larger market does offer some resiliency in persistent turmoil given their scale and opportunities for cost-cutting.

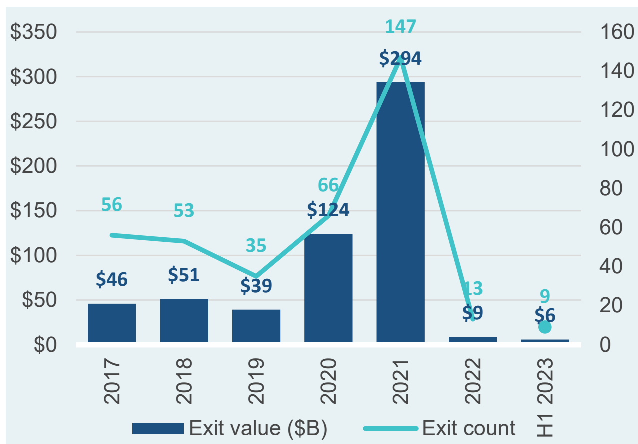
— Mega funds are receiving less buyout allocation dollars, mitigating implications that may arise from undue fund size growth and competition.

DEAL FLOW ($) BY SIZE



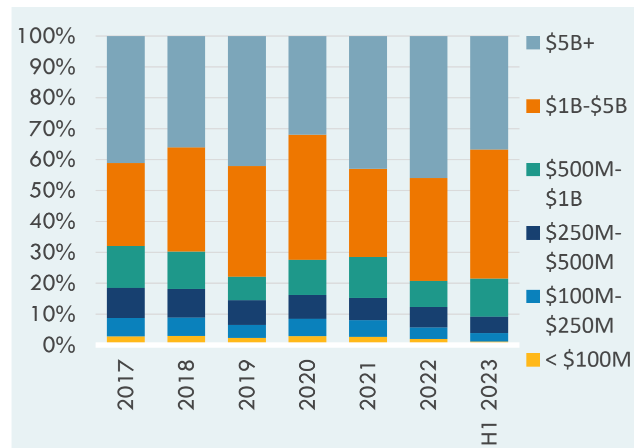
Source: Pitchbook Q2 23

EXITS BY PUBLIC LISTING



Source: Pitchbook Q2 23

FUNDS RAISED ($) BY SIZE



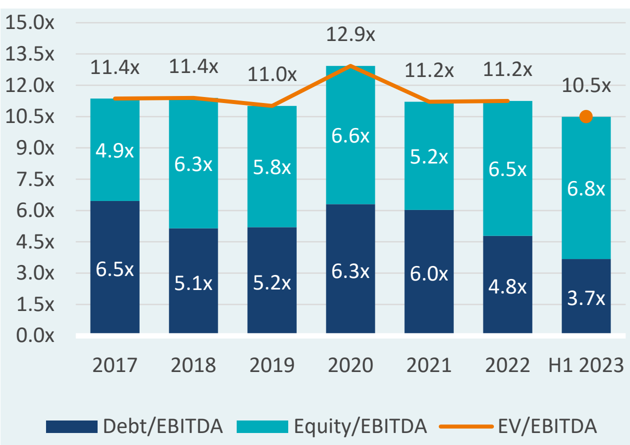
Source: Pitchbook Q2 23

European buyout

Resilience in broader fundraising

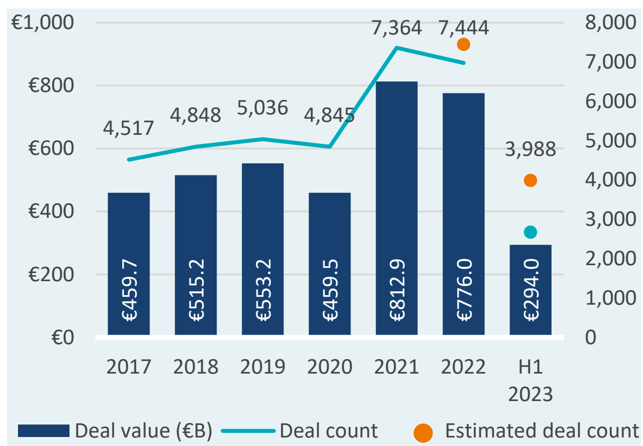
- Investment return prospects in Europe may be less resilient to headwinds than the U.S., especially with the proximity to wide-effecting geopolitical conflict and fragmented capital markets. Leverage multiples for new deals decreased significantly, from 6.0x to 2021 to 3.7x in 2023, acting as a hurdle to investment performance endeavors.
- The current pace of fundraising may indicate a shorter window for discounted purchase prices relative to the U.S. markets. Interestingly, fundraising activity in Europe is on pace to reach pre-2021 level of activity, albeit in a more concentrated vintage.
- On a YoY run-rate basis, deal value decreased across all regions (46% in Southern Europe, 30% in DACH, 22% in UK & Ireland, 16% in Central & Eastern Europe, 15% in Nordics, and 12% in France & Benelux). France exhibited the most relative resilience with value falling 7%.
- With the passing of ELTIF and ELTIF 2.0, access to the European Private Markets is made easier for retail investors. Although meaningful inflows from the investor class may take years to materialize, new market participants may benefit from favorable exit environments in the long-term.

VALUATIONS: DEBT & EQUITY ENTRY MULTIPLES



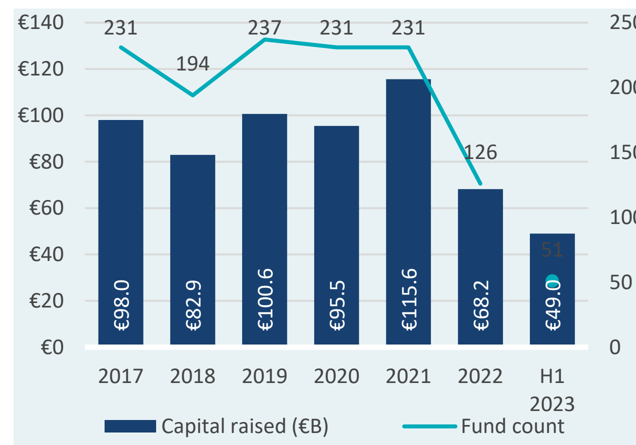
Source: Pitchbook Q2 23

VALUATION AND DEAL ACTIVITY



Source: Pitchbook Q2 23

FUNDRAISING



Source: Pitchbook Q2 23

Venture capital

Venture capital – Early stage

Deal speed continues to slow, despite availability of cash

— Lack of liquidity and pressure on late-stage values is impacting early-stage deals. Early-stage deal size and pre-money valuations are lower than recent record highs.

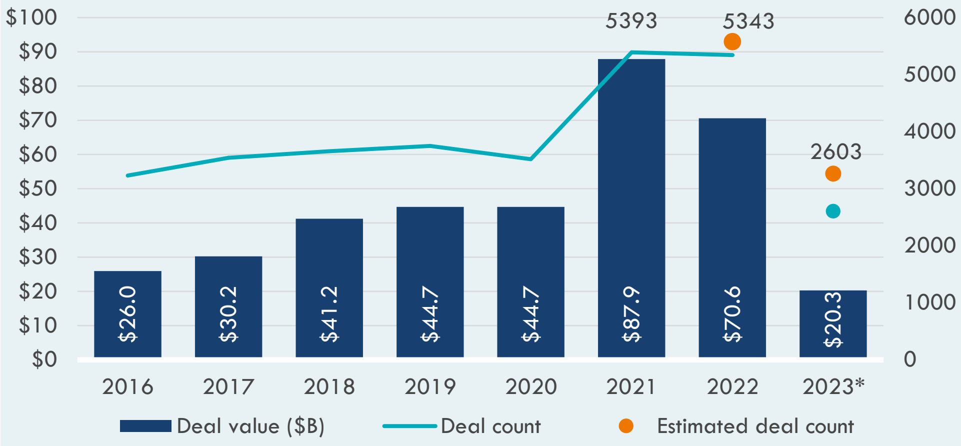
— Amid a harsh equity financing environment, the bar for raising an early-stage VC round has gone up across the board. Investors supplied only $1.00 for every $1.50 sought by startups in the first half of 2023. This capital-demand to-supply ratio is the second-highest level seen in over 10 years.

— Startups are giving up more equity and adding structure to deal terms to extend their cash runway, as there are no hints of a market rebound and founders want to preserve valuations. Companies need to show progress in product development, product-market fit, and strong traction to secure equity financing.

— The increasing competitiveness in securing venture debt is pushing founders to be more accepting of this new norm. The collapse of banks specializing in early-stage startup lending has decreased the number of lenders willing to take on risks, making it harder for startups to find funding.

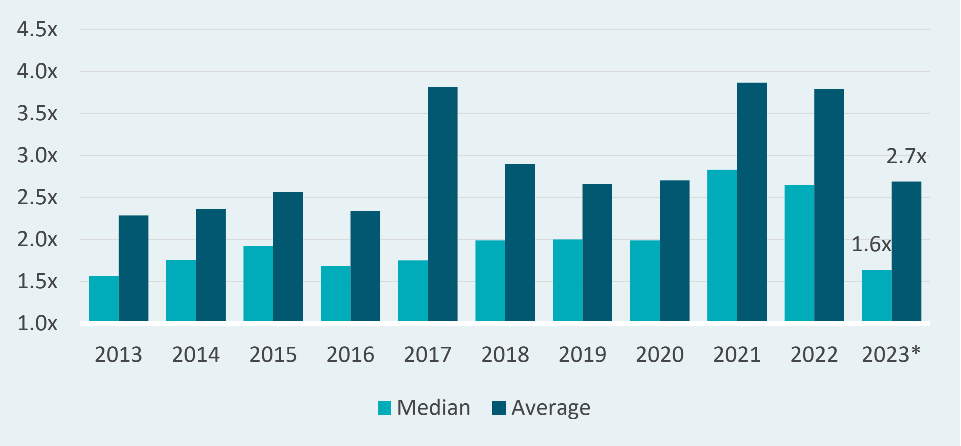
— The compression in early-stage and seed deal metrics in the last 18 months has negatively impacted value progression between stages. The decline in early-stage step-ups will negatively impact GPs by limiting the extent to which they can mark up their portfolios between rounds. Managers without strong networks and investment records may have a harder time raising funds, especially if they don't have paper gains to show LPs.

U.S. EARLY-STAGE VC ANNUALIZED DEAL ACTIVITY



Source: Pitchbook NVCA Venture Monitor as of June 2023

MEDIAN AND AVERAGE EARLY-STAGE VC VALUATION STEP-UP BY YEAR



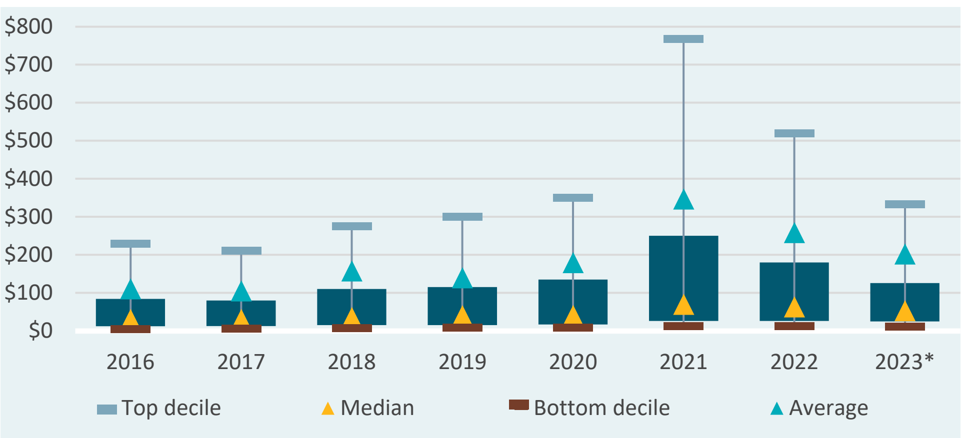
Source: Pitchbook Q2 2023 U.S. VC Valuations Report

Venture capital – Late stage

Falling valuations

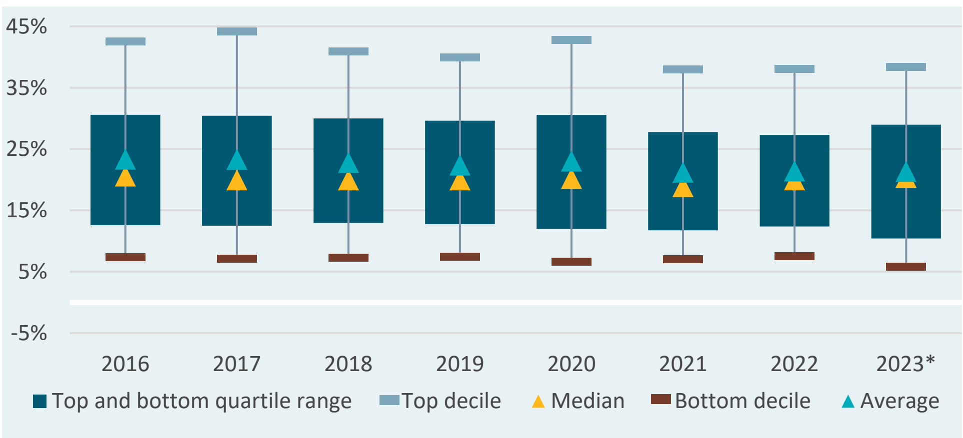
- The closed IPO window and high demand for capital continue to put pressure on late-stage deals. While they do not represent all possible exits, they signal that hold times may be extending, forming a headwind in performance.
- Amid a harsh financing and public exit environment, many late-stage startups have opted to preserve cash and raise insider rounds to cope with market turbulence. However, runway extensions are not a sustainable solution for late-stage startups that need to demonstrate growth momentum. Current late-stage funds may not have sufficient cash reserves to back portfolio companies and are discerning about additional investments, highlighting the requirement for new dollars deployed into portfolio companies.
- Value creation between rounds has also been heavily impacted, meaning GPs will have a tougher time raising their next fund.
- Startups at the venture-growth stage face challenges due to limited liquidity avenues, less interest from nontraditional investors, and increased scrutiny of growth-focused business models.
- As valuations decline, cash-rich companies have a chance to acquire valuable assets and intellectual property; however, organizations may choose to conserve capital and observe the potential for an economic recession.

LATE-STAGE PRE MONEY VALUATION DOWN 30.3% YEAR OVER YEAR



Source: Pitchbook NVCA Venture Monitor as of June 2023

LATE-STAGE VC YEARLY VALUATION



Source: Pitchbook Q2 2023 U.S. VC Valuations Report

Private credit

Private credit

The opportunity in Direct Lending still relatively attractive

— Limited bank broadly syndicated activity has driven sponsors to private markets for credit solutions. LPs have also caught wind of the opportunity, with some increasing their allocation target to private credit. Because of increasing investor attention, concerns about overcrowding are warranted.

— Direct lending fundraising is significantly lower than prior years. There were 21 funds raised in 1H 2023, much less than the 59 and 102 raised in 2022 and 2021, respectively. A similar trend was observed on dollars raised. This is due in part to LPs having to pace to private credit targets over a multi-year horizon. Slowdown on the institutional level is offset somewhat by traction in BDCs, which are more readily accessible for retail.

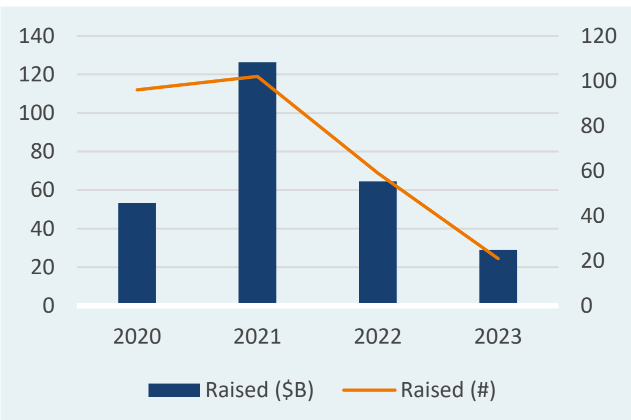
— At the private company level, demand for debt remains at a record high, with $140B in loans coming due at the end of 2025.

— From a returns perspective, the strategy is more attractive now than before when interest rates were low and equity realizations were strong. Brand new loans comprise higher total yields and stronger lender protections. In August 2023, LCD reported quality borrowers having to pay a 10.5% yield to maturity.

— Spreads above base rates are relatively consistent since January 2022, with recent marginal compression potentially indicating an uptick in competition. Despite newfound competition, base rates in a higher rate for longer environment will be attractive relative to years prior.

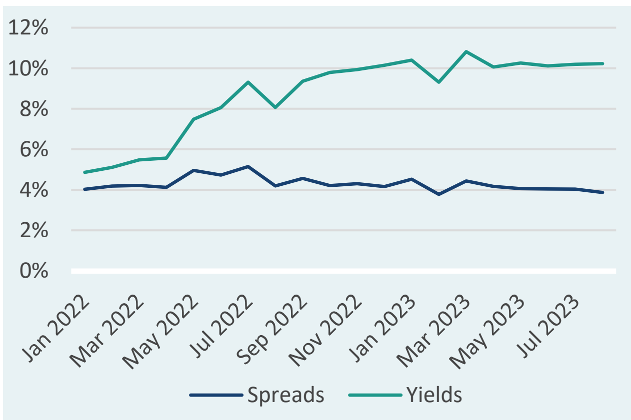
— In this upcoming environment, it may prove prudent to select managers who are focused on less trafficked market segments and have the ability and experience of managing credits through poor macroenvironments.

DIRECT LENDING FUNDRAISING



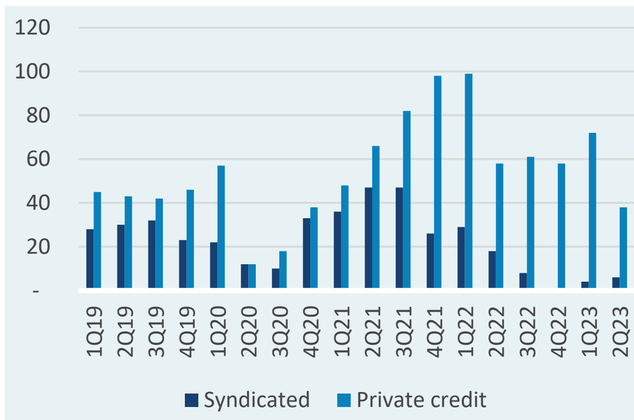
Source: Pitchbook Q2 23

U.S. LEVERAGED LOANS SPREADS & YIELDS



Source: Pitchbook /LCD August 2023

LBO FINANCING ACTIVITY: BSL VS PC



Source: Pitchbook/LCD Q2 23

Private credit (cont.)

Distressed opportunity trending higher since 2021… but not in a straight line

— With increasing market sentiment of a dislocation opportunity, competition for distressed loans has increased. Despite increasing sentiment, a distressed opportunity akin to the Global Financial Crisis or the COVID-19 dislocation is not present yet. Comparing year-end 2022 to July 2023, outstanding U.S. distressed bank loan volume fell from $103B to $75B, with $16B of the delta attributed to defaults. From June to September this year, the LSTA Lev. Loan Index default rate dropped from 1.71% to 1.27%. Though a meaningful investable opportunity for distressed isn't here yet… it may come in the foreseeable future alongside the persistence of poor economic conditions.

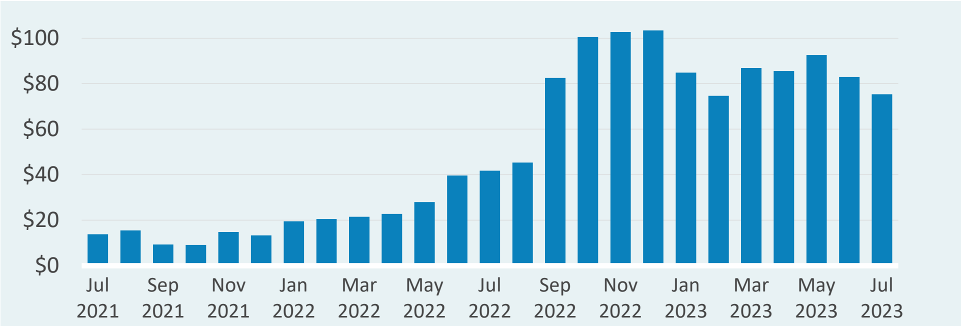
— Distressed figures are trending higher from 2021 and some key markers, such as the treasury yield inversion, do indicate future economic stress, giving credence to market sentiment.

- As of June 2023, the U.S. bank leveraged loan default rate is up 143 bps YoY and beginning to brush against the 10-year average of 1.86% (Morningstar LSTA U.S. Leveraged Loan Index). S&P Global Ratings predicts an uptick to 2.75% (by issuer count) by June 2024.
- Moody's Analytics predicts U.S. Speculative Grade bonds will reach a 6% annualized default rate by end of 2023, up from ~4% in August 2023.

— We remain positive on investment managers who can generate strong returns through all economic cycles, with an expectation that returns may increase alongside stress and/or distressed opportunities:

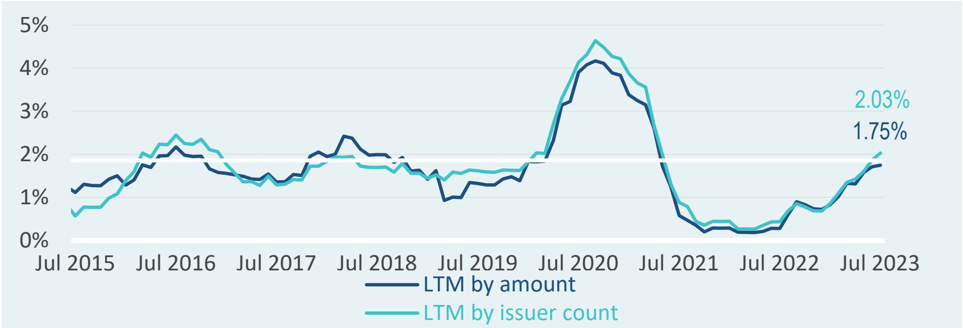
- Relatively liquid strategies targeting stressed opportunities are currently seeing an uptick in actionable opportunities, a trend that should persist in a downturn and interim periods of market volatility. These strategies offer investors quicker distributions and a potential offset over time to headwinds in public markets, both equities and fixed income.
- A meaningful distressed for control ("DFC") opportunity is not yet broadly present and the likelihood of one in the coming years is uncertain. The distressed opportunity will fluctuate with the number of financing options fundamentally strong companies can rely on to stay afloat. From May to August of this year, S&P U.S. HY Corporate Bond Index's distressed ratio was down to 6.8% from 9.3%. Although DFC may outperform in distressed environments, the strategy has historically produced lukewarm results in other environments. Irrespective of market environment, we find the distressed for control thesis to be less compelling given the execution risk and volatility, though we remain favorable on special situations funds that could pivot to DFC as a smaller allocation of the total fund.

OUTSTANDING U.S. DISTRESSED LOAN VOLUME



Source: Pitchbook LCD July 2023 / Morningstar LSTA U.S. Leveraged Loan Index

U.S. LEVERAGED LOAN DEFAULT RATE



Source: Pitchbook LCD July 2023 / Morningstar LSTA U.S. Leveraged Loan Index

Secondaries

Global secondaries

Increasing supply of GP-led transactions due to liquidity crunch

— The denominator effect, whereby an entire portfolio's value decreases due to a portion of the portfolio, narrowed with recent public market rebounds, resulting in less growth (relative to 2022) in the supply of LP-led transactions.

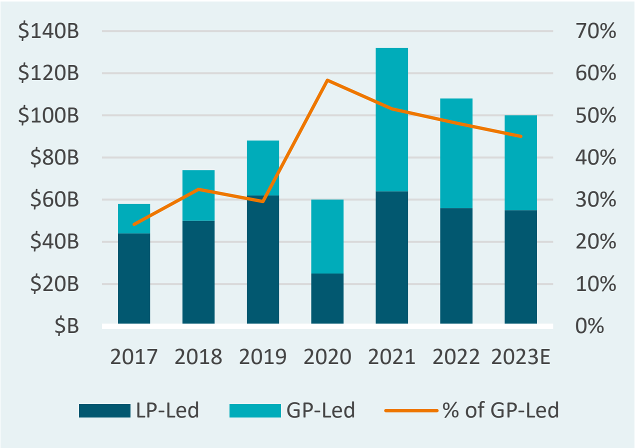
— The supply of GP-led transactions may increase as GP's seek liquidity amidst a challenging exit environment, which may persist in a higher rates for longer scenario.

— Although discounts have narrowed from 2022, they remain higher than historical levels and may solve for bid-ask spreads, spurring deal activity.

— Capital overhang at 2.3x continues to remain at post pandemic levels, allowing buyers of secondaries to exercise discipline on asset quality and transaction dynamics such as sponsor alignment and pricing.

— With funds hitting maturity walls and bid-asks spreads for directs remaining elevated, continuation vehicles usage trended higher, taking 80% share of all GP-led deals. The increase in continuation vehicles, an investment vehicle used by investment managers solely to buy one or multiple assets from one of their existing funds, may potentially increase return expectations for diversified secondary portfolios.

DEAL FLOW AND MARKET VOLUME

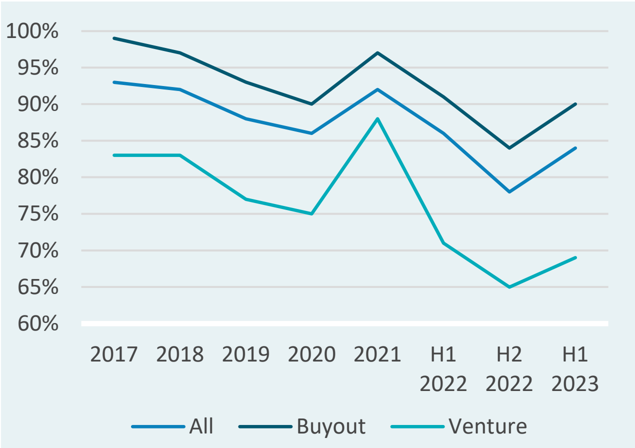


Source: Jefferies, Global Secondary Market Review – July 2023

SECONDARY MARKET OVERHANG

Source: Jefferies, Global Secondary Market Review – July 2023

DISCOUNTS ON LP PORTFOLIO SECONDARIES



Source: Jefferies, Global Secondary Market Review – July 2023

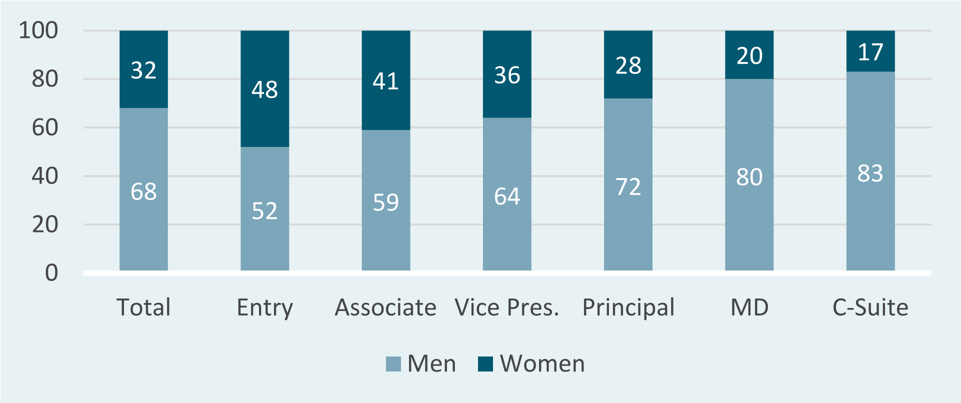
ESG / DEI

Diversity, equity, and inclusion

Increased DEI awareness across the industry

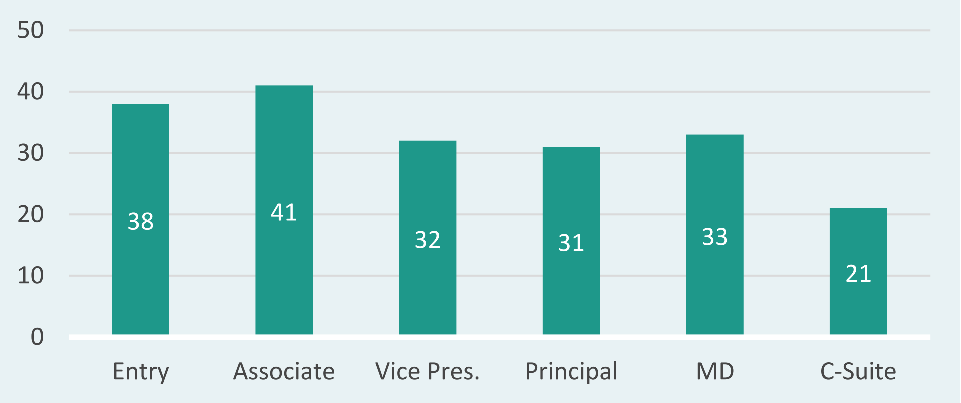
- DEI advocacy and action continues to increase across the industry, leading to further diversity representation. For example, the U.K. has shown considerable traction in this regard. Women representation in senior investment roles in U.K. incorporated firms with $100M+ in AUM nearly doubling from 6% in 2018 to 11% in 2023 (BVCA and Level 20) and women representation amongst the partner level in VC increasing from 11% in 2016 to 19% in 2022 (Deloitte).
- Changes in diversity amongst senior leadership in established PE firms has been slow but is notably increasing within the junior ranks (women in mid-level roles in UK PE increased YoY from 20% to 24% and in junior-level roles, 33% to 38% (BVCA and Level 20)).
- A survey conducted across ILPA DIA signatories observed meaningful participation in DEI-minded practices, such as the conduction of unconscious bias training (60%+) and implementing diversity targets for applicant pools when communicating with recruiters (75%). Private equity firms are increasingly partnering with Employee Resource Groups, such as NASP, PEWIN, SEO, Toigo, and WAVE, who will assist in diversity recruitment (22%), and reaching out directly to college students (12%).
- Growth in ILPA DIA membership can be used as a proxy for industry wide DEI awareness. The endeavor launched in December 2020 with 46 founding signatories and has grown to 279+ organizations. A similar trend can be observed in VC. In a Deloitte survey (315 GPs), VC firms with a diversity strategy increased from 15% in 2016 to 44% in 2020, and VC firms with an inclusion strategy increased from 17% in 2016 to 44% in 2022.
- Female founders are finding increased success raising capital for startups from Venture Capital. Companies with at least one female founder constituted 28.1% of U.S. VC deal values, up from 17.6% in 2022.

GENDER REPRESENTATION BY ROLE IN PE GLOBALLY (%)



Source: McKinsey 2022

SHARE OF NON-WHITE EXTERNAL HIRES IN U.S. AND CANADA (%)



Source: McKinsey 2022

Environmental, social, and governance

Some traction in ESG implementation across the industry

— ESG implementation has increased in recent years with LPs requiring GPs to incorporate ESG considerations in long-term investment decisions, although there is a considerable portion of the LP community who are indifferent. A Pitchbook survey of 178 LPs reported 69% of respondents currently have or are having plans to include a fund manager's implementation of an ESG risk factor framework as part of their diligence. In 2021, 15% of respondents had no plans of doing so. This number increased to 31% in 2023.

— ESG implementation amongst GPs has increased alongside LP attention, with 80% of respondents (210 GPs) either planning to or have already increased attention to ESG risk factors in their respective internal and investment processes. Respondents' key focus area in regards to sustainability in an investment context consisted of ESG impacts (58%), improving investment returns (23%), improving portfolio company performance (12%), and mitigating risks (8%). The results suggest the necessity of LP deliberation regarding the purpose of an ESG fund commitment.

— PRI signatories may be used as a proxy to ESG prevalence in the industry. The number of GPs who are PRI signatories has grown from 155 in 2010 to 2,341 in 2023, now representing $2.5 trillion in capital raised. There are limitations in this proxy as not all GPs with an ESG program are PRI signatories and not every PRI signatory have a strong practice to ESG alignment. PRI signatories have simply made a commitment to the PRI and to ESG (Pitchbook).

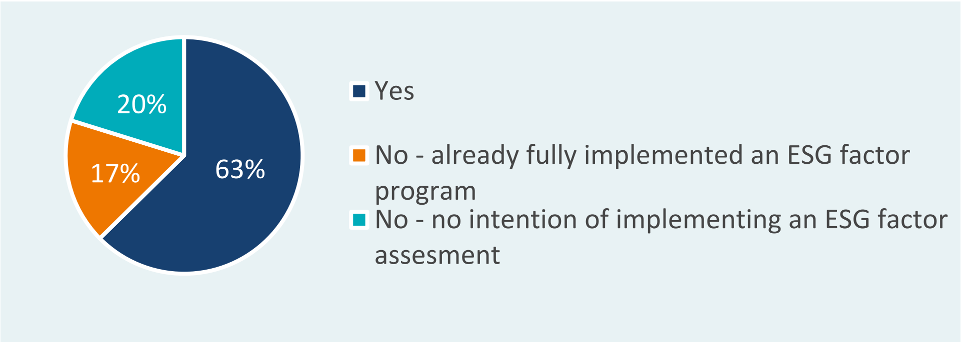
— Impact investing (i.e. allocating with dual goals of achieving financial returns and ESG promotion) is gaining traction, with 63% of Pitchbook survey respondents offering Impact strategies and another 13% in process of developing an Impact strategy. Energy, Climate, and Agriculture are receiving the most focus.

— With Federal regulators taking a pro-ESG stance since 2021, anti-ESG legislation on the state level received considerable traction and 19 bills became law as of June of 2023 (Pleiades Strategy). Anti-ESG regulation may deter ESG adoption in some pockets of the industry.

LPS PLANS TO INCREASE ATTENTION TO GP ESG IMPLEMENTATION

Source: Pitchbook 2022 year-end

GP PLANS TO INCREASE ATTENTION TOWARDS ESG RISK FACTORS



Source: Pitchbook 2022 year-end

Appendix

Verus private equity philosophy

— Private equity is a long-term asset class:

- Funds deploy capital into new investments over a three- to five-year period
- After investment, portfolio companies are held for a period of four to seven years on average prior to exit
- This typical investment course drives fund lives to often last beyond 10 years, during which significant changes can occur

— To address this phenomenon, investors generally "average in" to the market by building portfolios of discrete private equity funds over multiple vintage years

— For these reasons, significant tactical shifts are not easily implemented in private markets portfolios

— Our top-down review of the asset class incorporates current trends, which if sustained, can potentially impact returns over the long term

We believe that careful manager selection is the primary driver of returns

That said, macro and top-down conditions have the potential to impact portfolio returns over the long term

Detailed returns by geography

Pooled Returns by Geography	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
U.S. All Private Equity *	(7.4)	20.9	18.5	16.7	14.1	4,382	3,378.5
Europe All Private Equity *	(8.4)	15.2	14.1	13.3	14.7	865	937.9
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
Outperformance vs. Public Index							
U.S. All Private Equity *	11.8	13.8	9.7	4.5	4.2		
Europe All Private Equity *	6.7	13.8	12.3	8.7	8.3		

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*

Source: Refinitiv as of December 31, 2022

Pooled returns by implementation approach

Pooled Returns by Implementation Approach	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
U.S. Pooled Returns							
U.S. All Private Equity Direct*	(7.4)	20.9	18.5	16.7	14.1	4,382	3,378.5
U.S. Fund of Funds	(11.5)	25.5	19.9	15.3	11.4	519	173.0
U.S. Secondary Funds	(4.2)	18.8	15.8	13.4	13.3	253	254.6
Europe Pooled Returns							
Europe All Private Equity Direct*	(8.4)	15.2	14.1	13.3	14.7	865	937.9
Europe Fund of Funds	(12.3)	13.0	10.7	9.9	9.4	67	31.4
Europe Secondary Funds	(12.8)	10.2	9.7	12.0	13.3	40	20.7
Global Pooled Returns							
Global All Private Equity Direct**	(13.3)	13.9	11.2	11.4	10.6	216	286.3
Global Fund of Funds **	(17.5)	17.3	15.2	13.0	12.0	85	35.7
Global Secondary Funds **	(7.4)	15.3	13.0	14.3	12.9	25	36.8
All Region Pooled Returns							
All Regions Private Equity Direct*	(7.8)	18.3	16.2	15.1	13.7	6,489	5,129.5
All Regions Fund of Funds	(12.0)	21.4	17.3	14.1	11.2	745	266.8
All Regions Secondary Funds	(14.4)	23.3	22.1	18.5	15.6	415	454.3
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
MSCI ACWI	(18.4)	4.0	5.2	8.0	8.0		

* *All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
** *Global Funds invest across the globe, without any targeted regions for investment.*
Source: Refinitiv as of December 31, 2022

Pooled returns outperformance

Outperformance vs. Public Index	1 Year	3 Year	5 Year	10 Year	20 Year
U.S. Outperformance					
U.S. All Private Equity Direct*	11.8	13.8	9.7	4.5	4.2
U.S. Fund of Funds	7.7	18.4	11.1	3.1	1.6
U.S. Secondary Funds	15.0	11.7	7.0	1.2	3.4
Europe Outperformance					
Europe All Private Equity Direct*	6.7	13.8	12.3	8.7	8.3
Europe Fund of Funds	2.7	11.6	8.8	5.3	2.9
Europe Secondary Funds	2.3	8.8	7.8	7.4	6.8
Global Outperformance					
Global All Private Equity Direct**	5.1	9.9	5.9	3.4	2.6
Global Fund of Funds **	0.9	13.3	9.9	5.0	4.0
Global Secondary Funds **	10.9	11.3	7.8	6.3	-
All Region Outperformance					
All Regions Private Equity Direct*	10.6	14.3	10.9	7.1	5.7
All Regions Fund of Funds	6.3	17.4	12.0	6.1	3.1
All Regions Secondary Funds	4.0	19.3	16.9	10.6	7.6

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
*** Global Funds invest across the globe, without any targeted regions for investment.*
Source: Refinitiv as of December 31, 2022

U.S. returns

U.S. Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Venture Capital	(20.8)	24.9	22.5	18.7	12.2	2,344	588.2
U.S. Growth Equity	(14.4)	23.3	22.1	18.5	15.6	415	454.3
U.S. Buyouts	(0.3)	20.0	17.5	16.9	15.2	1,081	1,762.6
U.S. Debt-Related	5.3	15.3	12.3	11.3	11.8	542	573.5
U.S. All Private Equity *	**(7.4)**	**20.9**	**18.5**	**16.7**	**14.1**	**4,382**	**3,378.5**
Public Index							
S&P 500	(18.1)	7.7	9.4	12.6	9.8		
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
Bloomberg Aggregate	(13.0)	(2.7)	0.0	1.1	3.1		
Outperformance							
All PE Outperformance*	11.8	13.8	9.7	4.5	4.2		
Debt-Related Outperformance	18.3	18.0	12.3	10.3	8.7		

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*

Source: Refinitiv as of December 31, 2022

Europe returns

Europe Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
Europe Venture	(18.9)	31.5	28.8	20.6	12.3	199	43.4
Europe Growth Equity	(9.2)	19.2	17.5	15.1	15.1	65	26.3
Europe Buyouts	(8.1)	15.2	14.2	13.4	15.5	508	750.2
Europe Debt-Related	(0.9)	5.9	5.7	7.3	7.7	93	118.1
Europe All Private Equity *	**(8.4)**	**15.2**	**14.1**	**13.3**	**14.7**	**865**	**937.9**
Public Index							
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
Bloomberg Pan-Europe TR	(23.9)	(7.1)	(2.9)	0.2	2.4		
Outperformance							
All PE Outperformance*	6.7	13.8	12.3	8.7	8.3		
Debt-Related Outperformance	23.0	12.9	8.6	7.2	5.3		

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*

Source: Refinitiv as of December 31, 2022

Sub-asset class returns

U.S. Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Venture Capital	(20.8)	24.9	22.5	18.7	12.2	2,344	588.2
U.S. Growth Equity	(14.4)	23.3	22.1	18.5	15.6	415	454.3
U.S. Buyouts	(0.3)	20.0	17.5	16.9	15.2	1,081	1,762.6
U.S. Debt-Related	5.3	15.3	12.3	11.3	11.8	542	573.5
U.S. All Private Equity *	**(7.4)**	**20.9**	**18.5**	**16.7**	**14.1**	**4,382**	**3,378.5**

Europe Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
Europe Venture	(18.9)	31.5	28.8	20.6	12.3	199	43.4
Europe Growth Equity	(9.2)	19.2	17.5	15.1	15.1	65	26.3
Europe Buyouts	(8.1)	15.2	14.2	13.4	15.5	508	750.2
Europe Debt-Related	(0.9)	5.9	5.7	7.3	7.7	93	118.1
Europe All Private Equity *	**(8.4)**	**15.2**	**14.1**	**13.3**	**14.7**	**865**	**937.9**

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
Source: Refinitiv as of December 31, 2022

Sub-asset class returns – Fund of funds

Fund of Funds by Geography	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Fund of Funds	(11.5)	25.5	19.9	15.3	11.4	519	173.0
Europe Fund of Funds	(12.3)	13.0	10.7	9.9	9.4	67	31.4
Global Fund of Funds **	(17.5)	17.3	15.2	13.0	12.0	85	35.7
All Fund of Funds	**(12.0)**	**21.4**	**17.3**	**14.1**	**11.2**	**745**	**266.8**
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
MSCI ACWI	(18.4)	4.0	5.2	8.0	8.0		
Outperformance							
U.S. Fund of Funds (1)	7.7	18.4	11.1	3.1	1.6		
Europe Fund of Funds (2)	4.9	13.8	10.5	5.5	2.4		
Global Fund of Funds ** (3)	(17.5)	17.3	15.2	13.0	12.0		

*** Global Funds invest across the globe, without any targeted regions for investment.*
(1) Performance vs. Russell 3000 index.
(2) Performance vs. MSCI Europe index.
(3) Performance vs. MSCI ACWI index.
Source: Refinitiv as of December 31, 2022

Sub-asset class returns – Fund of funds (cont.)

Fund of Funds by Sub Asset Class [(1)]	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Buyout Fund of Funds	(1.4)	18.0	13.9	12.7	11.0	191	66.8
U.S. Venture Capital Fund of Funds	(20.6)	27.7	22.3	17.1	11.4	200	59.9
U.S. Venture Capital & Buyout Fund of Funds	(0.0)	28.7	22.1	16.3	12.3	128	46.3
U.S. Fund of Funds	**(11.5)**	**25.5**	**19.9**	**15.3**	**11.4**	**519**	**173.0**
Europe Buyout Fund of Funds	(13.6)	9.8	8.1	8.9	9.1	55	25.3
Europe VC & Buyout Fund of Funds	(11.3)	16.9	14.7	13.2	11.1	10	5.9
Europe Fund of Funds	**(12.3)**	**13.0**	**10.7**	**9.9**	**9.4**	**67**	**31.4**
Global Buyout Fund of Funds **	(9.1)	7.8	6.6	9.3	10.8	50	21.0
Global Venture Capital Fund of Funds **	(20.8)	25.0	24.6	21.8	18.2	19	10.2
Global VC & Buyout Fund of Funds **	(13.5)	12.3	11.6	10.8	9.3	16	4.4
**Global Fund of Funds ** **	**(17.5)**	**17.3**	**15.2**	**13.0**	**12.0**	**85**	**35.7**

Fund of Funds by Sub Asset Class [(1)]	1 Year	3 Year	5 Year	10 Year	20 Year
Public Index					
Russell 3000	(19.2)	7.1	8.8	12.1	9.9
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5
MSCI ACWI	(18.4)	4.0	5.2	8.0	8.0
Outperformance vs. Public Index					
U.S. Buyout Fund of Funds [(2)]	17.8	10.9	5.2	0.6	1.2
U.S. Venture Capital Fund of Funds [(2)]	(1.4)	20.7	13.5	5.0	1.5
U.S. Venture Capital & Buyout Fund of Funds [(2)]	19.2	21.7	13.3	4.1	2.5
U.S. Fund of Funds [(2)]	**7.7**	**18.4**	**11.1**	**3.1**	**1.6**
Europe Buyout Fund of Funds [(3)]	1.5	8.4	6.2	4.3	2.6
Europe VC & Buyout Fund of Funds [(3)]	3.7	15.6	12.9	8.6	4.6
Europe Fund of Funds [(3)]	**2.7**	**11.6**	**8.8**	**5.3**	**2.9**
Global Fund of Funds ** [(4)]	**0.9**	**13.3**	**9.9**	**5.0**	**4.0**

*** Global Funds invest across the globe, without any targeted regions for investment.*
(1) All Fund of Funds may occasionally co-invest in private companies and/ or invest in secondary transactions.
Europe and Asia Venture Capital Fund of Funds have less than 3 funds and therefore included in the All Europe and Asia FoF pooled returns.
(2) Performance vs. Russell 3000 index.
(3) Performance vs. MSCI Europe index.
(4) Performance vs. MSCI ACWI index.
Source: Refinitiv as of December 31, 2022

Sub-asset class returns – Secondaries

Secondary Funds	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Secondary Funds	(4.2)	18.8	15.8	13.4	13.3	253	254.6
Europe Secondary Funds	(12.8)	10.2	9.7	12.0	13.3	40	20.7
Global Secondary Funds **	(7.4)	15.3	13.0	14.3	12.9	25	36.8
All Secondary Funds (2)	**(14.4)**	**23.3**	**22.1**	**18.5**	**15.6**	**415**	**454.3**
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
MSCI ACWI	(18.4)	4.0	5.2	8.0	8.0		
Outperformance							
U.S. Secondary Funds	15.0	11.7	7.0	1.2	3.4		
Europe Secondary Funds	2.3	8.8	7.8	7.4	6.8		
Global Secondary Funds **	10.9	11.3	7.8	6.3	4.9		

*** Global Funds invest across the globe, without any targeted regions for investment.*
(2) Regions that have less than 3 funds are only included in the All Secondary Funds pooled returns.
Source: Refinitiv as of December 31, 2022

Geography and approach

Pooled Returns by Geography	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
U.S. All Private Equity *	(7.4)	20.9	18.5	16.7	14.1	4,382	3,378.5
Europe All Private Equity *	(8.4)	15.2	14.1	13.3	14.7	865	937.9
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
Outperformance vs. Public Index							
U.S. All Private Equity *	11.8	13.8	9.7	4.5	4.2		
Europe All Private Equity *	6.7	13.8	12.3	8.7	8.3		

Pooled Returns by Implementation Approach	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
U.S. Pooled Returns							
U.S. All Private Equity Direct*	(7.4)	20.9	18.5	16.7	14.1	4,382	3,378.5
U.S. Fund of Funds	(11.5)	25.5	19.9	15.3	11.4	519	173.0
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Europe Pooled Returns							
Europe All Private Equity Direct*	(8.4)	15.2	14.1	13.3	14.7	865	937.9
Europe Fund of Funds	(12.3)	13.0	10.7	9.9	9.4	67	31.4
Europe Secondary Funds	(12.8)	10.2	9.7	12.0	13.3	40	20.7
Global Pooled Returns							
Global All Private Equity Direct**	(13.3)	13.9	11.2	11.4	10.6	216	286.3
Global Fund of Funds **	(17.5)	17.3	15.2	13.0	12.0	85	35.7
Global Secondary Funds **	(7.4)	15.3	13.0	14.3	12.9	25	36.8
All Region Pooled Returns							
All Regions Private Equity Direct*	(7.8)	18.3	16.2	15.1	13.7	6,489	5,129.5
All Regions Fund of Funds	(12.0)	21.4	17.3	14.1	11.2	745	266.8
All Regions Secondary Funds	(14.4)	23.3	22.1	18.5	15.6	415	454.3
Public Index							
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
MSCI ACWI	(18.4)	4.0	5.2	8.0	8.0		

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
Source: Refinitiv as of December 31, 2022

Geography and approach (cont.)

Outperformance vs. Public Index	1 Year	3 Year	5 Year	10 Year	20 Year
U.S. Outperformance					
U.S. All Private Equity Direct*	11.8	13.8	9.7	4.5	4.2
U.S. Fund of Funds	7.7	18.4	11.1	3.1	1.6
U.S. Secondary Funds	15.0	11.7	7.0	1.2	3.4
Europe Outperformance					
Europe All Private Equity Direct*	6.7	13.8	12.3	8.7	8.3
Europe Fund of Funds	2.7	11.6	8.8	5.3	2.9
Europe Secondary Funds	2.3	8.8	7.8	7.4	6.8
Global Outperformance					
Global All Private Equity Direct**	5.1	9.9	5.9	3.4	2.6
Global Fund of Funds **	0.9	13.3	9.9	5.0	4.0
Global Secondary Funds **	10.9	11.3	7.8	6.3	-
All Region Outperformance					
All Regions Private Equity Direct*	10.6	14.3	10.9	7.1	5.7
All Regions Fund of Funds	6.3	17.4	12.0	6.1	3.1
All Regions Secondary Funds	4.0	19.3	16.9	10.6	7.6

** All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
*** Global Funds invest across the globe, without any targeted regions for investment.*
Source: Refinitiv as of December 31, 2022

Geographies with outperformance

U.S. Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Venture Capital	(20.8)	24.9	22.5	18.7	12.2	2,344	588.2
U.S. Growth Equity	(14.4)	23.3	22.1	18.5	15.6	415	454.3
U.S. Buyouts	(0.3)	20.0	17.5	16.9	15.2	1,081	1,762.6
U.S. Debt-Related	5.3	15.3	12.3	11.3	11.8	542	573.5
U.S. All Private Equity *	**(7.4)**	**20.9**	**18.5**	**16.7**	**14.1**	**4,382**	**3,378.5**
Public Index							
S&P 500	(18.1)	7.7	9.4	12.6	9.8		
Russell 3000	(19.2)	7.1	8.8	12.1	9.9		
Bloomberg Aggregate	(13.0)	(2.7)	0.0	1.1	3.1		
Outperformance							
All PE Outperformance*	11.8	13.8	9.7	4.5	4.2		
Debt-Related Outperformance	18.3	18.0	12.3	10.3	8.7		

Europe Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
Europe Venture	(18.9)	31.5	28.8	20.6	12.3	199	43.4
Europe Growth Equity	(9.2)	19.2	17.5	15.1	15.1	65	26.3
Europe Buyouts	(8.1)	15.2	14.2	13.4	15.5	508	750.2
Europe Debt-Related	(0.9)	5.9	5.7	7.3	7.7	93	118.1
Europe All Private Equity *	**(8.4)**	**15.2**	**14.1**	**13.3**	**14.7**	**865**	**937.9**
Public Index							
MSCI Europe	(15.1)	1.4	1.9	4.6	6.5		
Bloomberg Pan-Europe TR	(23.9)	(7.1)	(2.9)	0.2	2.4		
Outperformance							
All PE Outperformance*	6.7	13.8	12.3	8.7	8.3		
Debt-Related Outperformance	23.0	12.9	8.6	7.2	5.3		

* *All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
Source: Refinitiv as of December 31, 2022

Geographies with sub-asset classes excluding outperformance

Pooled Returns by Geography	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
U.S. All Private Equity *	(7.4)	20.9	18.5	16.7	14.1	4,382	3,378.5
Europe All Private Equity *	(8.4)	15.2	14.1	13.3	14.7	865	937.9

U.S. Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
U.S. Venture Capital	(20.8)	24.9	22.5	18.7	12.2	2,344	588.2
U.S. Growth Equity	(14.4)	23.3	22.1	18.5	15.6	415	454.3
U.S. Buyouts	(0.3)	20.0	17.5	16.9	15.2	1,081	1,762.6
U.S. Debt-Related	5.3	15.3	12.3	11.3	11.8	542	573.5
U.S. All Private Equity *	**(7.4)**	**20.9**	**18.5**	**16.7**	**14.1**	**4,382**	**3,378.5**

Europe Pooled Returns	1 Year	3 Year	5 Year	10 Year	20 Year	Fund Count	Total Capitalization ($B)
Private Equity Pooled Returns							
Europe Venture	(18.9)	31.5	28.8	20.6	12.3	199	43.4
Europe Growth Equity	(9.2)	19.2	17.5	15.1	15.1	65	26.3
Europe Buyouts	(8.1)	15.2	14.2	13.4	15.5	508	750.2
Europe Debt-Related	(0.9)	5.9	5.7	7.3	7.7	93	118.1
Europe All Private Equity *	**(8.4)**	**15.2**	**14.1**	**13.3**	**14.7**	**865**	**937.9**

* *All Private Equity excludes Natural Resource, Infrastructure, Real Estate, Fund of Funds and Secondary Funds.*
Source: Refinitiv as of December 31, 2022