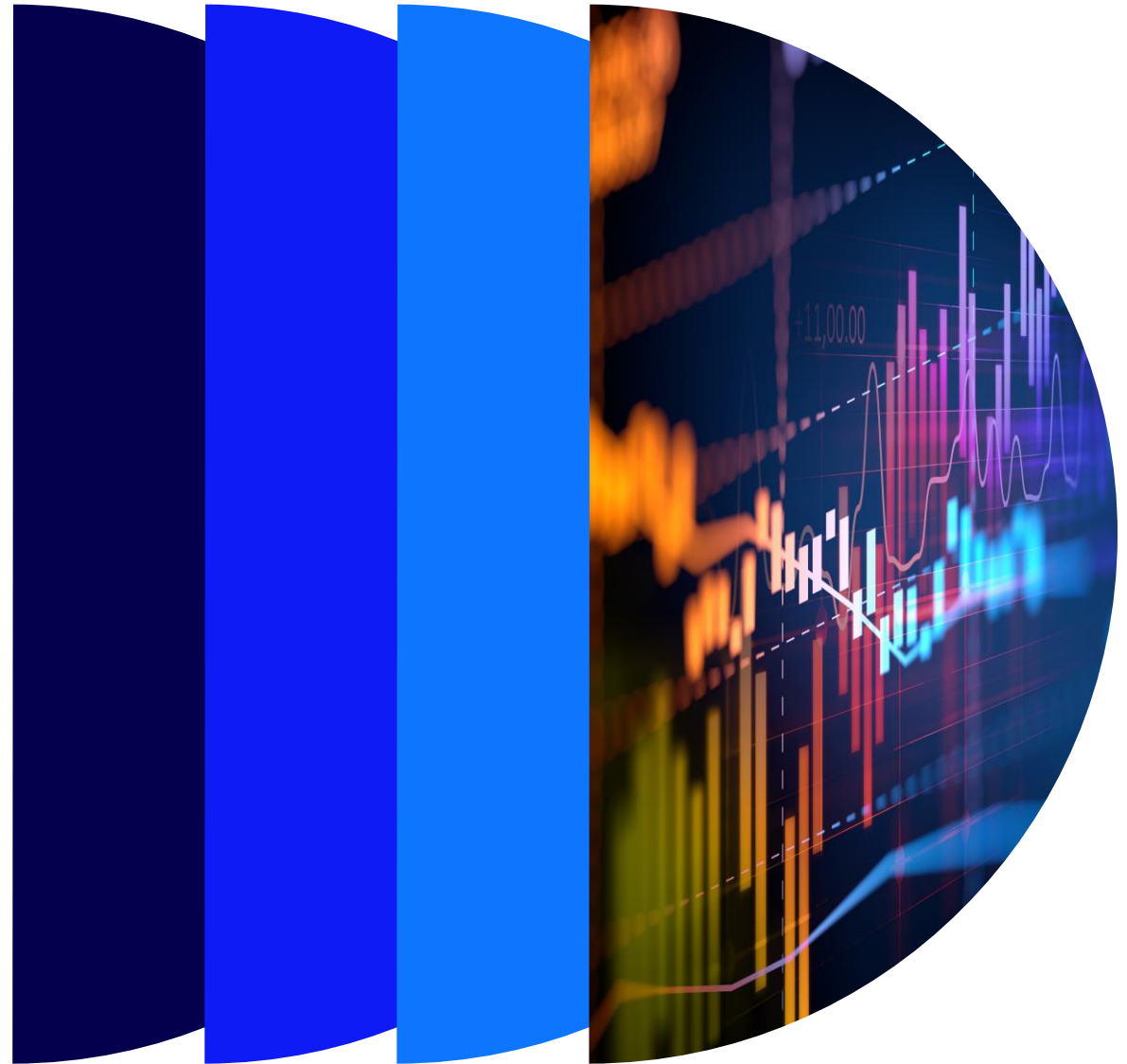


2024 Limited Partner Survey on Private Capital

4-Market Survey of Limited Partners



Representative
sample of 400+
Limited
Partners
globally

4-market online quantitative survey among

405 GLOBAL LIMITED PARTNERS*

APAC n=

101

Europe n=

100

Middle East n=

104

North America n=

100

* Each region has been equally weighted (25% each) for the purposes of the **All Market** averages

PE = Private Equity

LP = Limited Partner

GP = General Partner

SWF = Sovereign Wealth Fund

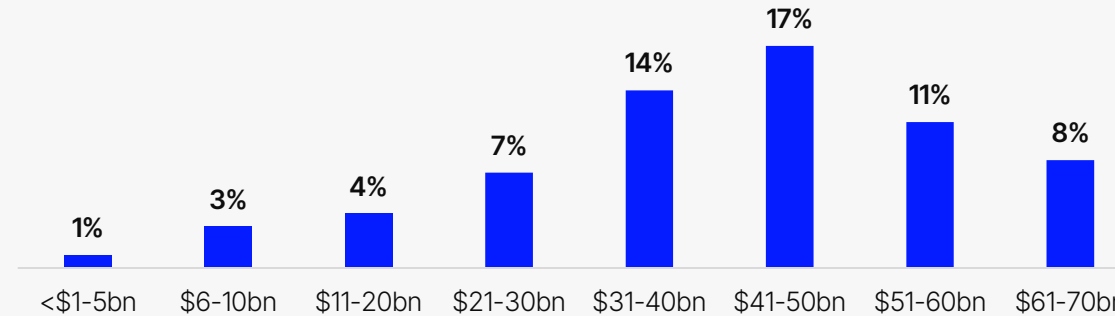
HNWI = High Net Worth Individual

LP sample details

LP Type

Pension Fund	21%
Family Office	22%
HNWI or Wealth Manager for HNWI	12%
Insurer	12%
Foundation	9%
SWF	15%
Endowment	9%

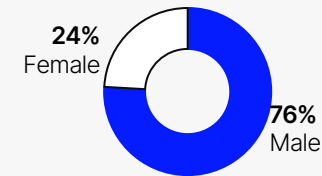
AUM



Countries

Australia	France	Japan	Singapore
Bahrain	Germany	Kuwait	UAE
Canada	Hong Kong	Oman	USA
Egypt	India	Saudi Arabia	United Kingdom

Gender



Asset classes that LPs surveyed commit to

Private Debt	65%
Private Equity	61%
Real Estate	62%
Infrastructure	57%
Natural Resources	28%

2024 LP Survey on Private Capital. Qa. In which country is your organization headquartered? Qe. What type of organization do you work for? Qf. What is the AUM (assets under management) range of your organization as of 31 March 2024? Qh. What proportion of your organization's investing capital is currently allocated to Private Markets?

The impact of reputation and leadership on allocation decisions



46% of LPs Say Reputation and Diversity of senior management are more important than investment returns

When deciding which private capital funds to commit capital to

2024 LP Survey on Private Capital. Q2. What factors, if any, are more important than investment returns in your decision-making regarding which private capital funds to commit capital to? (Tick all that apply)

Top six considerations that LPs say are more important than investment returns

46% +9 YOY ▲

Good reputation in the market*

46%

Diversity of senior management

More than any other LPs type, 64% of Endowments cited good reputation in the market as more important than investment returns

45%

Healthy corporate culture

45%

High quality leadership team

45%

Positive public perception of the CEO

39%

Strong ESG program

Poorly managed leadership and public profile stops LPs from allocating to funds, regardless of their performance

2024 LP Survey on Private Capital. Q1. Which factors, if any, would stop you from investing into a particular private capital fund, even if it was likely to generate strong returns?



Sovereign Wealth Funds and High Net Worth Individuals
most likely to not invest in a fund due to negative press

53%

of SWF respondents

47%

of HNWI respondents

Middle Eastern LPs
most likely to not invest in a fund due to poor evidence of succession planning

50%

of Middle Eastern respondents

Outside of day-to-day business, the values of an individual GP matters to LPs

2024 LP Survey on Private Capital. Q10. Do you want to see GP executives making personal statements about geopolitical or societal issues?



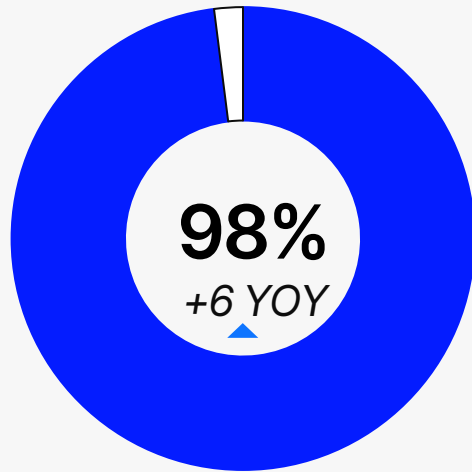
Do you want to see GP executives making personal statements about geopolitical or societal issues?

85%

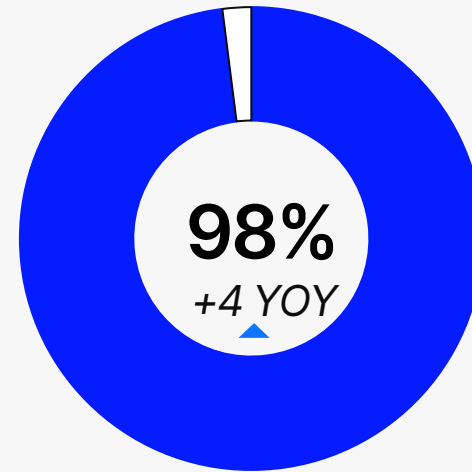
of LPs responded "Yes"

The role that social media plays in informing LPs

Firm and individual social media profiles are key sources of information for LPs...



Say that a private capital firm's social media content (e.g., LinkedIn) is important when deciding to invest in a fund*



Say that the social media profiles of key firm personnel (e.g., LinkedIn) are important when deciding to invest in a fund*

2024 LP Survey on Private Capital. Q11. To what extent, if at all, is private capital firm's social media content (e.g., LinkedIn) important when it comes to informing your investment decision in a specific private capital fund? Q12. To what extent, if at all, are the social media profiles of (e.g., LinkedIn) of key private capital firm personnel important when it comes to informing your investment decision in a specific private capital fund?

... but content needs to be executed in the right way.

Social media is a risk as well as an opportunity.

2024 LP Survey on Private Capital. Q15. Have you ever decided not to allocate to a GP because of content you have seen from their personnel on social media?



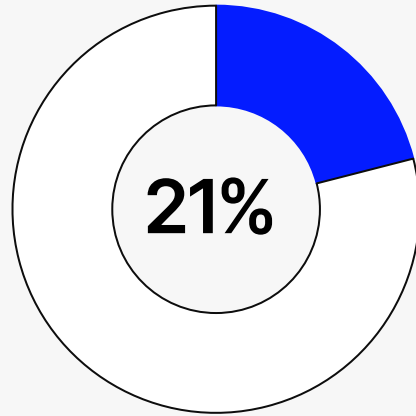
Have you ever decided not to allocate to a GP because of content you have seen from their personnel on social media?

85%

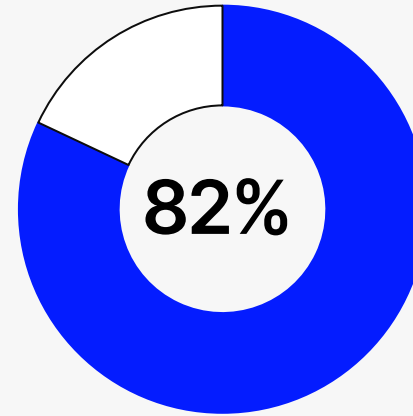
responded "Yes"

ESG interests fragment into single issues

LPs begin to question the value of ESG as a catch-all concept...



Say ESG considerations have decreased in importance over the past two years when deciding on allocating to a private capital fund



Say that private capital's focus on ESG has gone too far



North American LPs are most likely to say that private capital's focus on ESG has gone too far (94%), followed by LPs in the Middle East (84%), Europe (78%) and APAC (73%).

2024 LP Survey on Private Capital. Q5. Over the past two years, has ESG become a more or less important factor to you when deciding which private capital funds to allocate to? Q22. Do you think that private capital's focus on ESG has gone too far?

... but individual issues, particularly within the S of ESG, retain importance.



Are DEI considerations important in your decision-making on whether to commit capital to a specific private fund?

Yes – **94%**



Which types of content, if any, do you look at on GP's social media channels (e.g., LinkedIn)?

Examples of the GP's positive societal and/or economic impact – **33%**



What, if anything, is the single biggest reputational issue facing the private capital industry?

Impact on workers at PE portfolio companies – **20%** of HNWI LPs, **30%** of German LPs

2024 LP Survey on Private Capital. Q4. Are DEI considerations important in your decision-making regarding which specific private capital funds to commit capital to? Q13. Which types of content, if any, do you look at on GP's social media channels (e.g., LinkedIn)? Q9. What, if anything, is the single biggest reputational issue facing the private capital industry?

Evolution of the industry

LPs want AI to drive efficiency, rather than make the decisions, in dealmaking

Do you want to see GPs incorporate AI into the dealmaking process?

99%

Of Respondents Say "Yes"

2024 LP Survey on Private Capital. Q16. Do you want to see GPs incorporate AI into the dealmaking process? (Tick all that apply)

66%

Yes, I want to see AI used in the diligence process

48%

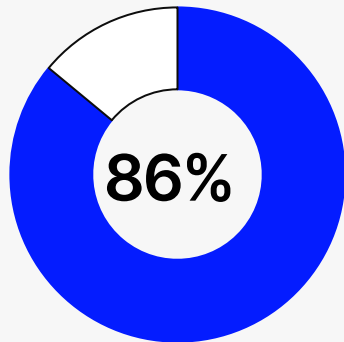
Yes, I want to see AI incorporated in deal sourcing

45%

Yes, I want to see AI used within the Investment Committee process

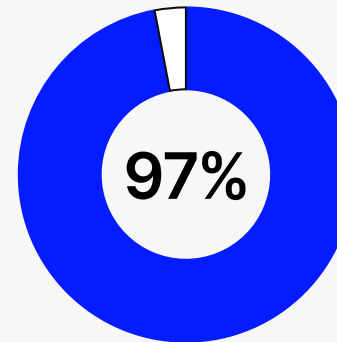
LPs view GPs going public and pushing into the private wealth channel as distractions

When GPs go public, do you think the process and new responsibilities distract the company from generating value for LPs?



Of Respondents
Say "Yes"

Do you think that a GP's launch or management of a private wealth offering would distract the GP from generating strong returns for institutional investors?



Of Respondents
Say "Yes"

2024 LP Survey on Private Capital. Q19. When GPs go public, do you think the process and new responsibilities distract the company from generating value for LPs?
Q21. Do you think that a GP's launch or management of a private wealth offering would distract the GP from generating strong returns for institutional investors?

What this means for GPs

1

Reputation is a critical issue in fundraising



Understand how 'soft' factors outside of performance play a key role in how LPs determine fund allocation. Matters such as reputation, high quality leadership and clear succession all need to be carefully managed and explained to investors.

2

Social media is part of the diligence process for LPs



The overwhelming majority of LPs use social media to assess firms and individuals, prior to making allocation decisions. Your social media content needs to reflect the best of your firm at every level.

3

ESG priorities are splintering into separate issues



LPs are beginning to turn away from using 'ESG' as the badge that reflects all of their expectations for responsible investment. Instead, focus is growing on individual issues, particularly in the social category.

4

The IPO and private wealth trends are a cause for concern for LPs



GPs looking to IPO or launch a private wealth product need to take steps to explain to their existing institutional investor bases how such changes will not change the DNA or performance potential of their firms.



Thank you

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