

# Employees Retirement System of Texas

## Private Equity Tactical Plan for Fiscal Year 2022



August 25, 2021

**Section 1: Introduction**

The primary purpose of the private equity tactical plan is to outline the Employees Retirement System of Texas ("ERS") private equity plan for the fiscal year from September 1, 2021, to August 31, 2022. The tactical plan for fiscal 2022 includes a review of ERS' exposures, and performance. In addition, it includes an updated portfolio pacing analysis which creates the foundation for the program's fiscal 2022 commitment schedule.

All ERS portfolio information in this plan reflects values as of December 31, 2020, the latest information available at the time of writing, unless otherwise noted.

**Portfolio Statistics**  
**As of December 31, 2020 (\$ in millions)**

|                                    | <b>12/31/2019</b> | <b>12/31/2020</b> |
|------------------------------------|-------------------|-------------------|
| Committed Capital:                 | 9,131.2           | 9,979.4           |
| Unfunded Capital:                  | 2,981.4           | 3,087.0           |
| Net Contributed Capital:           | 6,102.4           | 6,864.4           |
| Net Distributed Capital:           | 4,185.8           | 4,680.7           |
| Recallable Capital:                | 978.5             | 1,020.6           |
| Fair Market Value:                 | 4,460.9           | 5,648.5           |
| Net Gain / (Loss):                 | 2,544.3           | 3,464.8           |
| Total Value:                       | 8,646.7           | 10,329.2          |
| Total Exposure:                    | 7,442.3           | 8,735.4           |
| Distributed to Paid-In (DPI):      | 0.69x             | 0.68x             |
| Total Value to Paid-In (TVPI):     | 1.42x             | 1.50x             |
| Net Internal Rate of Return (IRR): | 11.7%             | 12.5%             |

## Section 2: Portfolio Exposures

The private equity portfolio is well diversified and should remain so over time. Aksia evaluates portfolio exposures based on both fair market value and total exposure. Although fair market value reflects the current portfolio position, total exposure incorporates both committed but undrawn capital, which provides additional insight into the future direction of the portfolio. The following table shows exposure by strategy, geography, and structure.

| <b>Strategy</b>    | <b>Committed</b> | <b>FMV</b> | <b>Exposure</b> | <b>Target</b> |
|--------------------|------------------|------------|-----------------|---------------|
| Buyout             | 46.5%            | 44.6%      | 41.3%           | 35-60%        |
| Secondaries        | 20.7%            | 18.0%      | 23.4%           | 5-30%         |
| Venture / Growth   | 16.1%            | 20.7%      | 18.1%           | 10-30%        |
| Real Assets        | 8.0%             | 8.9%       | 7.9%            | 5-20%         |
| Debt               | 5.9%             | 6.2%       | 5.8%            | 0-15%         |
| <b>Geography</b>   |                  |            |                 |               |
| North America      | 48.6%            | 43.9%      | 44.3%           | 40-60%        |
| Global             | 19.9%            | 21.6%      | 23.2%           | 15-25%        |
| Asia Pacific       | 12.1%            | 17.8%      | 15.1%           | 10-20%        |
| Europe             | 17.4%            | 14.4%      | 15.8%           | 10-25%        |
| Latin America      | 1.9%             | 2.2%       | 1.7%            | 0-5%          |
| <b>Structure</b>   |                  |            |                 |               |
| Primary Fund       | 63.0%            | 57.8%      | 57.3%           | NA            |
| Secondaries Fund   | 18.1%            | 16.4%      | 20.3%           | NA            |
| Managed Account    | 7.0%             | 11.1%      | 8.8%            | NA            |
| Co-Investment      | 5.5%             | 9.3%       | 6.3%            | NA            |
| Fund of Funds      | 4.0%             | 2.7%       | 4.9%            | NA            |
| Co-Investment Fund | 2.1%             | 2.8%       | 2.4%            | NA            |
| Secondary Interest | 0.3%             | 0.0%       | 0.0%            | NA            |

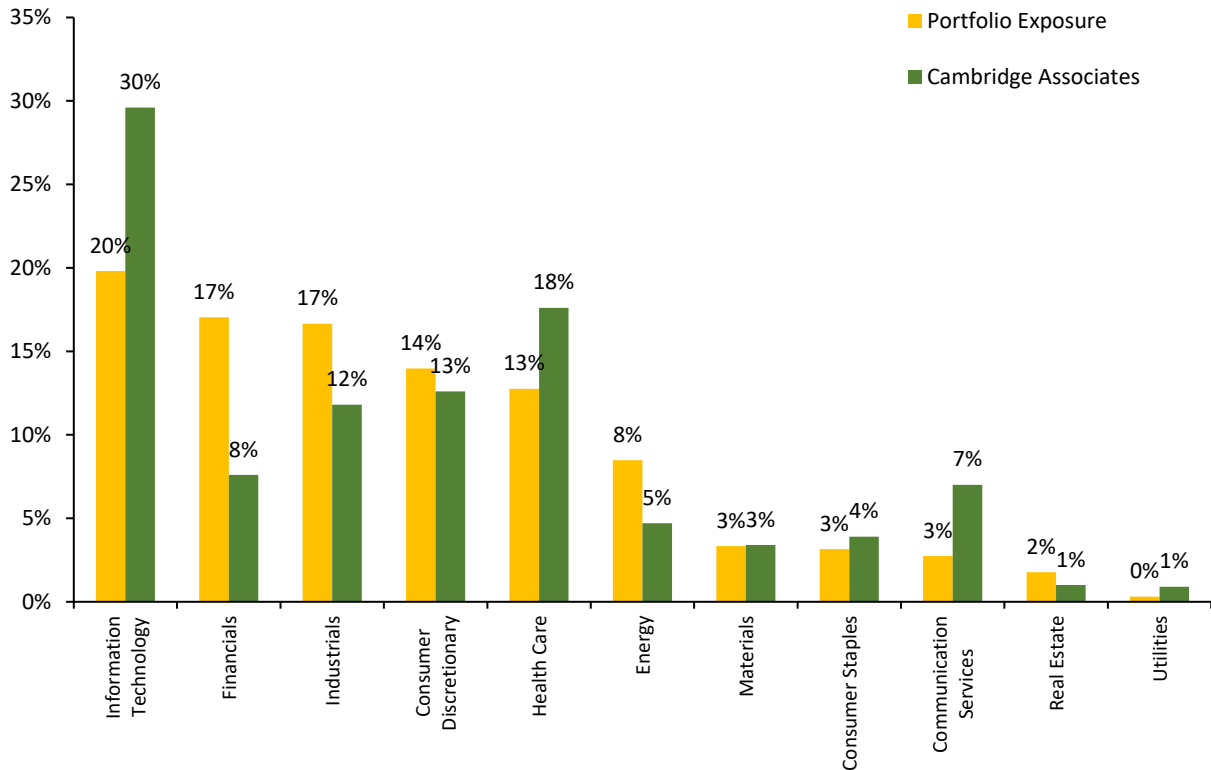
From an investment strategy perspective, as outlined in the table above, the portfolio is generally within the various target ranges for each strategy. The current portfolio reflects prudent diversification by strategy. Each targeted strategy is designed to fulfill a role in the overall return profile of the portfolio and the target ranges reflect the potential scale for each strategy over the long term.

Going forward particular emphasis will be placed on the buyout segment of the market and select new relationships will be evaluated when deemed additive to the portfolio. The buyout segment of the market has been and will continue to be the key driver of co-investment deal flow for the portfolio. Given the challenges in accessing high quality venture managers at scale, emphasis will also be placed on increasing the growth equity exposure in the portfolio. Growth equity strategies are particularly relevant when it comes to international diversification where buyout markets in certain jurisdictions are less mature and growth equity represents the primary way to participate in those countries.

From a geographic perspective, as outlined in the table above, the current portfolio reflects broad geographic diversification, within each of the respective target ranges. Emphasis going forward will be placed on rebuilding the European exposure in the portfolio.

The table above also outlines diversification by investment structure. As expected, the portfolio is heavily weighted towards primary fund investments. Of note the co-investment program continues to target approximately 20.0% of annual capital commitments and will continue to scale over time as a core structure. It is likely that as the portfolio continues to mature, secondaries funds will be de-emphasized and used primarily as a tactical tool on a more opportunistic basis.

## Industry Exposure by Fair Market Value vs. Benchmark As of December 31, 2020



*Note: Portfolio exposure is based on fair market value as of 12/31/2020. Benchmark used is Cambridge Associates all private equity data for all vintage years as of September 30, 2020.*

When thinking about portfolio construction it is also important to consider underlying exposures to industry groups and aim towards broad diversification. As outlined in the graph above, the portfolio is quite well diversified with no single industry group exposure exceeding 20.0%. Targeted for increased exposure going forward are the healthcare industry and information technology sector, which are the most impactful underweights relative to the referenced benchmark.

**Top 10 Managers by Committed Capital**  
**As of December 31, 2020 (\$ in thousands)**

| <b>Rank</b> | <b>Firm</b>              | <b>No. of Funds<sup>1</sup></b> | <b>Commitment (\$)</b> | <b>Commitment (%)</b> |
|-------------|--------------------------|---------------------------------|------------------------|-----------------------|
| 1           | LGT Capital Partners     | 8                               | 1,175,000              | 12.5%                 |
| 2           | Landmark Partners        | 4                               | 600,000                | 6.4%                  |
| 3           | Riverside Company        | 9                               | 570,441                | 6.1%                  |
| 4           | Mercer                   | 2                               | 515,000                | 5.5%                  |
| 5           | Carlyle Group            | 7                               | 487,118                | 5.2%                  |
| 6           | KSL Capital Partners     | 6                               | 413,922                | 4.4%                  |
| 7           | Advent International     | 5                               | 401,991                | 4.3%                  |
| 8           | TA Associates            | 7                               | 340,000                | 3.6%                  |
| 9           | Castlelake               | 4                               | 333,750                | 3.5%                  |
| 10          | Industry Ventures        | 7                               | 295,000                | 3.1%                  |
|             | <b>Top 10</b>            | <b>59</b>                       | <b>5,132,223</b>       | <b>54.4%</b>          |
|             | <b>Other Commitments</b> | <b>75</b>                       | <b>4,292,935</b>       | <b>45.6%</b>          |
|             | <b>Total</b>             | <b>134</b>                      | <b>9,427,158</b>       | <b>100.0%</b>         |

<sup>1</sup> Does not include commitments for co-investments and tandem funds.

The above table presents the top 10 exposures to General Partners calculated by total committed capital. Of the top five holdings, it is worth noting that LGT, Mercer, and Landmark represent underlying fund of funds characteristics where the actual exposure is held in a diversified portfolio of funds, that then have diversified underlying portfolio holdings.

All of the portfolio exposures are within program guidelines (<20.0% concentration limit) as of December 31, 2020.

### Section 3: Performance Review

#### Performance Versus Benchmarks As of December 31, 2020

|                               | 1 Year | 3 Year | 5 Year | 10 Year | Inception |
|-------------------------------|--------|--------|--------|---------|-----------|
| <b>Program IRR</b>            | 20.0%  | 11.3%  | 13.7%  | 13.2%   | 12.5%     |
| <b>S&amp;P 1500*</b>          | 16.4%  | 11.8%  | 12.9%  | 11.7%   | 11.4%     |
| <i>Difference</i>             | 3.7%   | -0.5%  | 0.8%   | 1.5%    | 1.2%      |
| <br>                          |        |        |        |         |           |
| <b>MSCI ACWI (+ 300 bps)*</b> | 20.4%  | 13.7%  | 15.8%  | 13.0%   | 12.7%     |
| <i>Difference</i>             | -0.3%  | -2.4%  | -2.0%  | 0.2%    | -0.2%     |

*\*Data is dollar-weighted Long-Nickels calculation of quarterly changes.*

From inception through December 31, 2020, the private equity program has performed well, generating a net IRR of 12.5% since inception. The portfolio has outperformed its primary opportunity cost benchmark (S&P 1500) over all periods except for a slight underperformance in the three-year period.

As the portfolio is global in scope, it is also prudent to compare performance to a public equity index which reflects global equity returns. The MSCI ACWI (+300 bps) is used for this purpose. ERS' private equity portfolio has slightly underperformed this comparable public index over all but the 10-year measurement periods.

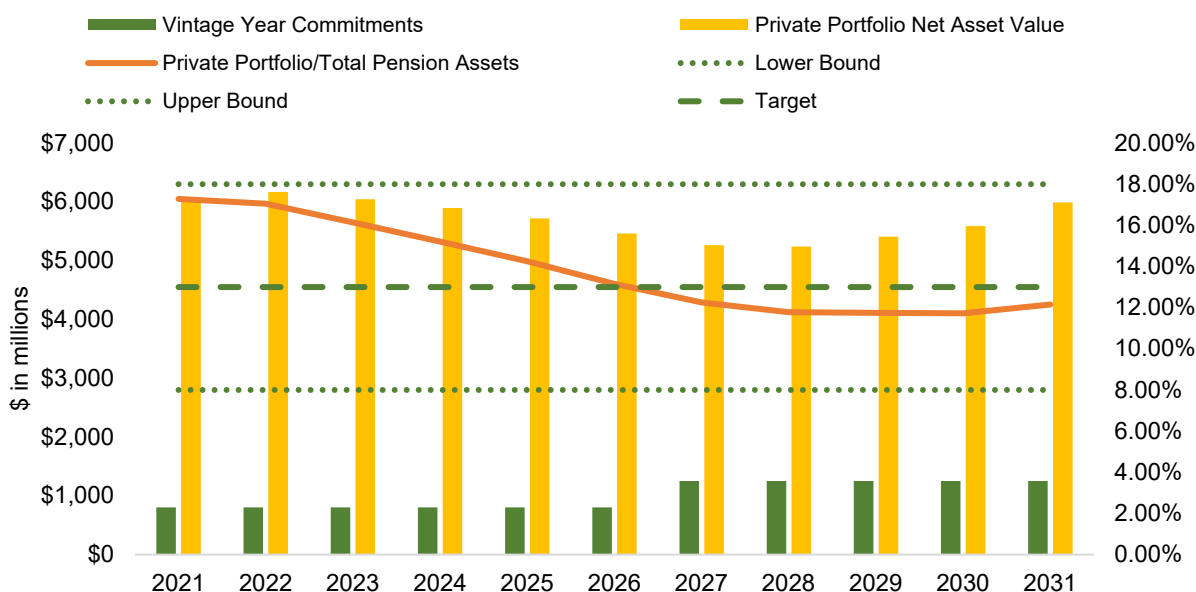
Private equity may underperform public equity during periods of strong public market performance and outperform during weaker periods. As a result, Aksia believes relative performance is best measured over periods longer than three years.

## Section 4: Pacing Analysis

The portfolio pacing analysis is built upon the forward-looking investment strategy ranges previously discussed. The goal is generally to reach and maintain the target private equity allocation, although a target exposure within the defined range may also be appropriate in certain circumstances. Aksia’s pacing model estimates private equity fair market values and net cash flows arising from capital contributions, distributions and appreciation generated from existing and planned capital commitments. The following graph summarizes the aggregate annual commitments believed necessary to progress toward the targeted private equity allocation and sub-sector exposures. Note, this chart is impacted by several assumptions about the future and is more directional in nature than precise. It is a tool for planning, but it should be expected that future values will not equal the exact amount predicted by this model.

It is important to note that the years shown in the pacing model are calendar years and not ERS’ fiscal years as investments are generally labeled a certain “vintage year” based on the calendar year in which they first begin to accrue management fees. Over the long term, the discrepancy between the fiscal and calendar years should be immaterial.

The model incorporates cash flows, fair market values, and unfunded balances as of December 31, 2020.



The following table outlines the commitment projections over the next five years in order to achieve the 13.0% target in the 3.5% growth case.

### Projected Commitment Requirements (\$ in millions)

| Fiscal Year     | Target Commitment | Range       |
|-----------------|-------------------|-------------|
| 2022 Projection | 800               | 600 - 1,000 |
| 2023 Projection | 800               | 600 - 1,000 |
| 2024 Projection | 800               | 600 - 1,000 |
| 2025 Projection | 800               | 600 - 1,000 |
| 2026 Projection | 800               | 600 - 1,000 |

ERS was over its targeted private equity allocation of 13.0% as of December 31, 2020. The proposed pacing plan projects a relatively smooth glidepath to the target over the next several years, without disrupting the consistency of pacing and foundation of the core portfolio. The forecasted commitment levels are projections

based on a variety of assumptions and should be viewed with a degree of flexibility in line with the target ranges outlined in the table above. Such flexibility allows for adjustments related to market conditions and the opportunity set over time.



## **Section 5: Prospective Investments**

As a result of the portfolio review in conjunction with ERS staff the following investment objectives for the next year have been developed.

### ***Buyout:***

The buyout segment represents the largest exposure in the portfolio and will continue to be its foundation. This part of the portfolio also serves as the key engine of co-investment deal flow. Re-ups will be scrutinized closely as to their additive value, and when appropriate replaced with new relationships. This segment of the market will be targeted to increase the current underweight to healthcare and technology.

### ***Co-Investment:***

Continue to leverage existing portfolio for deal flow to scale exposure to high quality transactions with high conviction managers on a no fee basis to enhance net returns. Approximately 20.0% of fiscal year capital budget has been earmarked for co-investment.

### ***Growth Equity:***

Given the challenges in the venture market of access to high quality managers and deployment at scale, ERS staff has indicated a prioritization of building out the growth equity segment of the portfolio. Aksia agrees with this perspective. Accordingly, a pipeline of actionable near-term growth equity opportunities is being developed as well as a longer-term relationship development program. This segment of the market will also be targeted to increase the current underweight in healthcare and technology.

### ***Secondaries:***

Secondaries will continue as a core allocation and evaluated opportunistically based on market conditions.

### ***Real Assets:***

This segment of the portfolio is represented by energy related holdings. While a material dislocation in the market has challenged current holdings, it has also created unique opportunities for future capital deployment.

### ***Debt:***

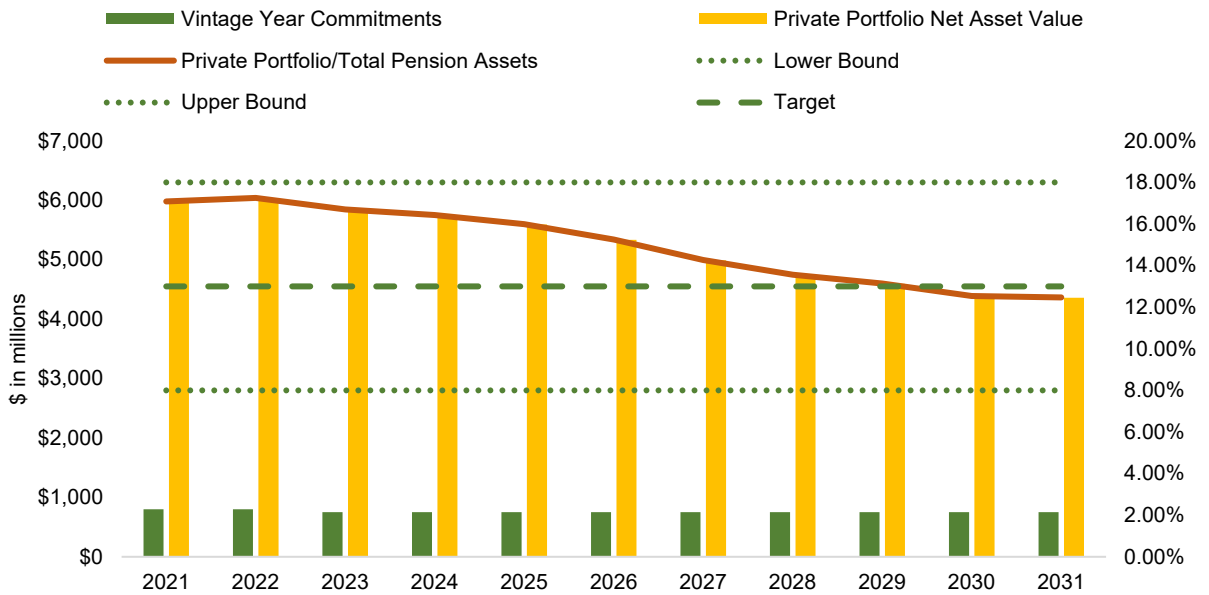
Debt exposure will continue to be evaluated selectively based on market conditions. In circumstances where debt exposure can generate equity like returns with significant downside protection, it is viewed as additive to the portfolio.

## **Section 6: Summary**

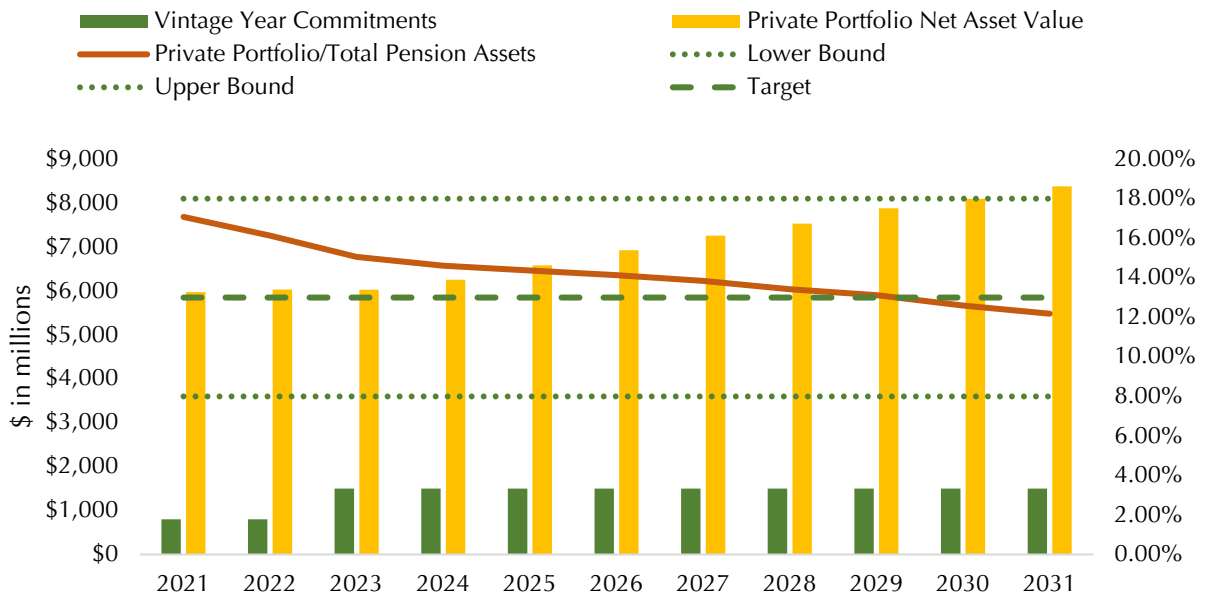
The targeted commitment amount for Fiscal 2022 is 800.0 million (+/- 25%). This capital budget will be deployed within the pre-existing portfolio parameters guiding diversification. The long-term objectives of the portfolio will inform each investment brought forward or not, with the ultimate objective of building a well-diversified, sustainable portfolio of high-quality general partners. Aksia will work closely with ERS staff to continue to review the existing portfolio in terms of their continued ability to add value as we engage in each underwriting exercise. Aksia will also continue to work closely with ERS staff to build out a multiyear relationship development pipeline for potential new additions to the portfolio.

## Appendix A: Pacing Scenarios

The chart below represents a pacing sensitivity analysis with a 0.0% Trust growth assumption and reflects estimated commitment levels forecasted to be required to achieve the 13.0% long term target.



The chart below represents a pacing sensitivity analysis with a 7.0% Trust growth assumption and reflects estimated commitment levels forecasted to be required to achieve the 13.0% long term target.



## Appendix B: Portfolio Holdings –Strategy

As of December 31, 2020

Active funds only; liquidated removed. Co-Investments and Co-investment side funds excluded.

| Firm                               | Fund   | Vintage Year |
|------------------------------------|--|--------------|
| <b>Buyout</b>                      |  |              |
| Advent International               | Advent International GPE IX                    | 2019         |
| Advent International               | Advent International GPE VI C                  | 2008         |
| Advent International               | Advent International GPE VII C                 | 2012         |
| Advent International               | Advent International GPE VIII B-1              | 2016         |
| Advent International               | Advent Latin America Private Equity Fund V-H   | 2009         |
| Astorg Partners                    | Astorg VII                                     | 2019         |
| Blue Wolf Capital Partners         | Blue Wolf Capital Fund III                     | 2013         |
| Blue Wolf Capital Partners         | Blue Wolf Capital Fund IV                      | 2018         |
| Brazos Equity Partners             | Brazos Equity Fund III                         | 2008         |
| Carlyle Group                      | Carlyle Europe Technology Partners IV          | 2019         |
| Carlyle Group                      | Carlyle Global Financial Services Partners II  | 2012         |
| Carlyle Group                      | Carlyle Global Financial Services Partners III | 2017         |
| Cotton Creek Capital               | Cotton Creek Capital Partners II               | 2012         |
| Cotton Creek Capital               | Cotton Creek Capital Partners III              | 2018         |
| Grosvenor Capital Management (GCM) | ERS Private Equity Emerging Manager Fund I     | 2010         |
| Grosvenor Capital Management (GCM) | ERS Private Equity Emerging Manager Fund II    | 2014         |
| Barings                            | ERS Private Equity Emerging Manager III        | 2019         |
| Argos Wityu                        | Euroknights VI                                 | 2011         |
| Argos Wityu                        | Euroknights VII                                | 2016         |
| Gores Group, The                   | Gores Capital Partners III                     | 2009         |
| Hellman & Friedman                 | Hellman & Friedman Capital Partners VIII       | 2016         |
| HgCapital                          | Hg Genesis 9                                   | 2020         |
| HgCapital                          | HgCapital 7                                    | 2013         |
| HgCapital                          | HgCapital 8                                    | 2017         |
| Investindustrial                   | Investindustrial VII                           | 2019         |
| K1 Investment Management           | K5 Private Investors                           | 2020         |
| KSL Capital Partners               | KSL Capital Partners III                       | 2011         |
| KSL Capital Partners               | KSL Capital Partners IV                        | 2015         |
| KSL Capital Partners               | KSL Capital Partners V                         | 2019         |
| Littlejohn & Co                    | Littlejohn Fund IV                             | 2010         |
| Littlejohn & Co                    | Littlejohn Fund VI                             | 2019         |

| <b>Firm</b>                         | <b>Fund</b>   | <b>Vintage Year</b> |
|-------------------------------------|---|---------------------|
| MBK Partners                        | MBK Partners Fund V                                 | 2021                |
| Navis Capital Group                 | Navis Asia Fund VI                                  | 2009                |
| Navis Capital Group                 | Navis Asia Fund VII                                 | 2014                |
| Riverside Company                   | Riverside Capital Appreciation Fund V               | 2008                |
| Riverside Company                   | Riverside Capital Appreciation Fund VI              | 2012                |
| Riverside Company                   | Riverside Capital Appreciation Fund VII             | 2017                |
| Riverside Company                   | Riverside Europe Fund V                             | 2015                |
| Riverside Company                   | Riverside Europe Fund VI                            | 2019                |
| Siris Capital Group                 | Siris Partners IV                                   | 2018                |
| Southern Cross Group                | Southern Cross Latin America Extension Fund IV      | 2020                |
| Southern Cross Group                | Southern Cross Latin America Private Equity Fund IV | 2010                |
| Southern Cross Group                | Southern Cross Latin America Private Equity Fund V  | 2015                |
| Summer Street Capital               | Summer Street Capital III                           | 2012                |
| Baring Private Equity Asia ("BPEA") | The Baring Asia Private Equity Fund V               | 2010                |
| Baring Private Equity Asia ("BPEA") | The Baring Asia Private Equity Fund VI, L.P. 1      | 2015                |
| Baring Private Equity Asia ("BPEA") | The Baring Asia Private Equity Fund VII             | 2018                |
| TPG Capital                         | TPG Partners VIII                                   | 2018                |
| Triton Partners                     | Triton Fund III                                     | 2008                |
| Triton Partners                     | Triton Fund IV                                      | 2013                |
| Triton Partners                     | Triton Fund V                                       | 2018                |
| Wind Point Partners                 | Wind Point Partners IX                              | 2019                |
| Wind Point Partners                 | Wind Point Partners VIII                            | 2016                |
| <b>Debt</b>                         |   |                     |
| Castlelake                          | Castlelake II                                       | 2011                |
| Castlelake                          | Castlelake III                                      | 2014                |
| Castlelake                          | Castlelake IV                                       | 2015                |
| Castlelake                          | Castlelake V  | 2017                |
| KSL Capital Partners                | KSL Capital Partners Credit Opportunities Fund      | 2014                |
| KSL Capital Partners                | KSL Capital Partners Credit Opportunities Fund II   | 2017                |
| KSL Capital Partners                | KSL Capital Partners Credit Opportunities Fund III  | 2021                |
| TA Associates                       | TA Subordinated Debt Fund III                       | 2010                |
| TA Associates                       | TA Subordinated Debt Fund IV                        | 2016                |
| Triton Partners                     | Triton Debt Opportunities Fund I                    | 2014                |
| Triton Partners                     | Triton Debt Opportunities Fund II                   | 2019                |
| <b>Real Assets</b>                  |   |                     |
| Carlyle Group                       | Carlyle Energy Mezzanine Opportunities Fund II      | 2015                |

| <b>Firm</b>             | <b>Fund</b>  | <b>Vintage Year</b> |
|-------------------------|--|---------------------|
| HitecVision             | HitecVision North Sea Opportunity Fund             | 2019                |
| HitecVision             | HitecVision VI                                     | 2011                |
| HitecVision             | HitecVision VII                                    | 2014                |
| Quantum Energy Partners | Quantum Energy Partners V                          | 2008                |
| Quantum Energy Partners | Quantum Energy Partners VI                         | 2014                |
| Quantum Energy Partners | Quantum Energy Partners VII                        | 2017                |
| Quantum Energy Partners | Quantum Energy Partners VII Co-Investment Fund     | 2017                |
| Quantum Energy Partners | Quantum Parallel Partners V-C                      | 2014                |
| Quantum Energy Partners | Quantum Parallel Partners VI-C                     | 2015                |
| Energy & Minerals Group | The Energy & Minerals Group Fund III               | 2013                |
| Energy & Minerals Group | The Energy & Minerals Group Fund IV                | 2015                |
| <b>Secondaries</b>      |  |                     |
| Arctos Sports Partners  | Arctos Sports Partners Fund I                      | 2020                |
| LGT Capital Partners    | Crown Asia-Pacific Private Equity IV               | 2018                |
| LGT Capital Partners    | Crown Global Secondaries II                        | 2009                |
| LGT Capital Partners    | Crown Global Secondaries III                       | 2012                |
| LGT Capital Partners    | Crown Global Secondaries IV                        | 2017                |
| LGT Capital Partners    | Crown Global Secondaries V Master                  | 2021                |
| LGT Capital Partners    | Crown Secondaries Special Opportunities            | 2016                |
| LGT Capital Partners    | Crown Secondaries Special Opportunities II         | 2019                |
| LGT Capital Partners    | Fonda  | 2019                |
| HarbourVest Partners    | Dover Street X                                     | 2019                |
| Headway Capital         | HCP III-C  | 2016                |
| Industry Ventures       | Industry Ventures Secondary IX                     | 2021                |
| Industry Ventures       | Industry Ventures Secondary VII                    | 2013                |
| Industry Ventures       | Industry Ventures Secondary VIII                   | 2017                |
| Industry Ventures       | Industry Ventures Special Opportunities Fund II-A  | 2016                |
| Industry Ventures       | Industry Ventures Special Opportunities Fund III-A | 2019                |
| Landmark Partners       | Landmark Equity Partners XV                        | 2013                |
| Landmark Partners       | Landmark Equity Partners XVI                       | 2016                |
| Landmark Partners       | Landmark TX ERS Co-Investment Fund I               | 2014                |
| Landmark Partners       | Landmark TX ERS Co-Investment Fund II              | 2017                |
| Lexington Partners      | Lexington Capital Partners VII                     | 2009                |
| HarbourVest Partners    | Secondary Overflow Fund IV                         | 2019                |
| <b>Venture/Growth</b>   |  |                     |
| Brighton Park Capital   | Brighton Park Capital I                            | 2019                |

| <b>Firm</b>                  | <b>Fund</b>                              | <b>Vintage Year</b> |
|------------------------------|--|---------------------|
| Mercer                       | ERS Private Equity International Fund I  | 2011                |
| Mercer                       | ERS Private Equity International Fund II | 2014                |
| TA Associates                | ERS TA XII                               | 2016                |
| Frontier Growth              | Frontier Fund III                        | 2010                |
| Frontier Growth              | Frontier Fund IV                         | 2014                |
| Frontier Growth              | Frontier Fund V-A                        | 2017                |
| Industry Ventures            | Industry Ventures Direct II              | 2019                |
| Longitude Capital Partners   | Longitude Venture Partners II            | 2013                |
| Riordan, Lewis & Haden (RLH) | RLH Investors III                        | 2010                |
| Riordan, Lewis & Haden (RLH) | RLH Investors IV                         | 2017                |
| TGF Management               | Southwest Opportunities Fund             | 2007                |
| TA Associates                | TA Select Opportunities Fund-A           | 2020                |
| TA Associates                | TA XI                                    | 2010                |
| TA Associates                | TA XIII-A                                | 2019                |
| TPG Capital                  | TPG Asia VII                             | 2017                |
| TPG Capital                  | TPG Healthcare Partners                  | 2018                |

## Appendix C: Portfolio Holdings – Vintage

As of December 31, 2020 (\$ Thousands)

Active funds only; liquidated removed. Co-Investments and Co-investment side funds excluded

| Fund  | Commitment | Capital Called | % Paid-in |
|---|------------|----------------|-----------|
| <b>2007 Vintage</b>                                 |            |                |           |
| Southwest Opportunities Fund                        | 60,585     | 57,226         | 94%       |
| <b>2008 Vintage</b>                                 |            |                |           |
| Advent International GPE VI C                       | 46,991     | 47,364         | 100%      |
| Brazos Equity Fund III                              | 33,750     | 37,512         | 100%      |
| Quantum Energy Partners V                           | 63,750     | 75,993         | 100%      |
| Riverside Capital Appreciation Fund V               | 90,000     | 94,867         | 100%      |
| Triton Fund III                                     | 78,813     | 102,483        | 100%      |
| <b>2009 Vintage</b>                                 |            |                |           |
| Advent Latin America Private Equity Fund V-H        | 45,000     | 48,100         | 100%      |
| Crown Global Secondaries II                         | 75,000     | 70,140         | 94%       |
| Gores Capital Partners III                          | 90,000     | 106,499        | 100%      |
| Lexington Capital Partners VII                      | 100,000    | 110,852        | 100%      |
| Navis Asia Fund VI                                  | 54,000     | 71,597         | 100%      |
| <b>2010 Vintage</b>                                 |            |                |           |
| ERS Private Equity Emerging Manager Fund I          | 50,000     | 60,656         | 100%      |
| Frontier Fund III                                   | 45,000     | 49,702         | 100%      |
| Littlejohn Fund IV                                  | 74,250     | 100,212        | 100%      |
| RLH Investors III                                   | 45,000     | 58,341         | 100%      |
| Southern Cross Latin America Private Equity Fund IV | 45,000     | 53,191         | 100%      |
| Southern Cross Latin America Private Equity Fund IV | 25,000     | 24,604         | 98%       |
| TA Subordinated Debt Fund III                       | 42,500     | 48,750         | 100%      |
| TA XI   | 90,000     | 99,301         | 100%      |
| The Baring Asia Private Equity Fund V               | 45,000     | 66,812         | 100%      |
| <b>2011 Vintage</b>                                 |            |                |           |
| Castlelake II                                       | 63,750     | 72,242         | 100%      |
| ERS Private Equity International Fund I             | 165,000    | 182,457        | 100%      |
| Euroknights VI                                      | 40,399     | 53,008         | 100%      |
| HitecVision VI                                      | 59,500     | 70,068         | 100%      |
| KSL Capital Partners III                            | 86,422     | 104,900        | 100%      |
| <b>2012 Vintage</b>                                 |            |                |           |
| Advent International GPE VII C                      | 90,000     | 95,034         | 100%      |



| <b>Fund</b>  | <b>Commitment</b> | <b>Capital Called</b> | <b>% Paid-in</b> |
|--|-------------------|-----------------------|------------------|
| Carlyle Global Financial Services Partners II      | 90,000            | 110,428               | 100%             |
| Cotton Creek Capital Partners II                   | 31,500            | 27,347                | 87%              |
| Crown Global Secondaries III                       | 100,000           | 73,100                | 73%              |
| Riverside Capital Appreciation Fund VI             | 90,000            | 95,668                | 100%             |
| Summer Street Capital III                          | 45,000            | 50,313                | 100%             |
| <b>2013 Vintage</b>                                |                   |                       |                  |
| Blue Wolf Capital Fund III                         | 45,000            | 55,645                | 100%             |
| HgCapital 7  | 48,108            | 76,629                | 100%             |
| Industry Ventures Secondary VII                    | 40,000            | 36,680                | 92%              |
| Landmark Equity Partners XV                        | 175,000           | 144,381               | 83%              |
| Longitude Venture Partners II                      | 45,000            | 55,892                | 100%             |
| The Energy & Minerals Group Fund III               | 68,400            | 83,006                | 100%             |
| Triton Fund IV                                     | 84,326            | 94,538                | 100%             |
| <b>2014 Vintage</b>                                |                   |                       |                  |
| Castlelake III                                     | 85,000            | 92,540                | 100%             |
| ERS Private Equity Emerging Manager Fund II        | 50,000            | 53,814                | 100%             |
| ERS Private Equity International Fund II           | 350,000           | 299,398               | 86%              |
| Frontier Fund IV                                   | 54,000            | 62,820                | 100%             |
| HitecVision VII                                    | 59,500            | 62,953                | 100%             |
| KSL Capital Partners Credit Opportunities Fund     | 42,500            | 21,302                | 50%              |
| Landmark TX ERS Co-Investment Fund I               | 125,000           | 112,549               | 90%              |
| Navis Asia Fund VII                                | 112,500           | 180,060               | 100%             |
| Quantum Energy Partners VI                         | 85,000            | 92,849                | 100%             |
| Quantum Parallel Partners V-C                      | 25,000            | 11,836                | 47%              |
| Triton Debt Opportunities Fund I                   | 44,625            | 30,270                | 68%              |
| <b>2015 Vintage</b>                                |                   |                       |                  |
| Carlyle Energy Mezzanine Opportunities Fund II     | 85,000            | 59,281                | 70%              |
| Castlelake IV                                      | 85,000            | 103,704               | 100%             |
| KSL Capital Partners IV                            | 125,000           | 122,054               | 98%              |
| Quantum Parallel Partners VI-C                     | 14,000            | 9,467                 | 68%              |
| Riverside Europe Fund V                            | 43,192            | 55,341                | 100%             |
| Southern Cross Latin America Private Equity Fund V | 60,000            | 54,752                | 91%              |
| The Baring Asia Private Equity Fund VI, L.P. 1     | 67,500            | 83,588                | 100%             |
| The Energy & Minerals Group Fund IV                | 42,500            | 58,583                | 100%             |
| <b>2016 Vintage</b>                                |                   |                       |                  |

| <b>Fund</b>                                       | <b>Commitment</b> | <b>Capital Called</b> | <b>% Paid-in</b> |
|---|-------------------|-----------------------|------------------|
| Advent International GPE VIII B-1                 | 110,000           | 104,390               | 95%              |
| Crown Secondaries Special Opportunities           | 100,000           | 87,749                | 88%              |
| ERS TA XII  | 62,500            | 61,988                | 99%              |
| Euroknights VII                                   | 42,355            | 53,579                | 100%             |
| HCP III-C   | 16,303            | 15,520                | 95%              |
| Hellman & Friedman Capital Partners VIII          | 82,500            | 84,233                | 100%             |
| Industry Ventures Special Opportunities Fund II-A | 47,500            | 14,218                | 30%              |
| Landmark Equity Partners XVI                      | 175,000           | 78,883                | 45%              |
| TA Subordinated Debt Fund IV                      | 25,000            | 17,125                | 69%              |
| Wind Point Partners VIII                          | 55,000            | 52,835                | 96%              |
| <b>2017 Vintage</b>                               |                   |                       |                  |
| Carlyle Global Financial Services Partners III    | 100,000           | 71,327                | 71%              |
| Castlelake V                                      | 100,000           | 73,529                | 74%              |
| Crown Global Secondaries IV                       | 200,000           | 125,200               | 63%              |
| Frontier Fund V-A                                 | 65,000            | 49,019                | 75%              |
| HgCapital 8                                       | 50,061            | 37,788                | 75%              |
| Industry Ventures Secondary VIII                  | 40,000            | 34,800                | 87%              |
| KSL Capital Partners Credit Opportunities Fund II | 30,000            | 10,792                | 36%              |
| Landmark TX ERS Co-Investment Fund II             | 125,000           | 108,947               | 87%              |
| Quantum Energy Partners VII                       | 85,000            | 54,772                | 64%              |
| Quantum Energy Partners VII Co-Investment Fund    | 17,000            | 7,998                 | 47%              |
| Riverside Capital Appreciation Fund VII           | 80,000            | 43,620                | 55%              |
| RLH Investors IV                                  | 50,000            | 18,954                | 38%              |
| TPG Asia VII                                      | 100,000           | 82,484                | 82%              |
| <b>2018 Vintage</b>                               |                   |                       |                  |
| Blue Wolf Capital Fund IV                         | 50,000            | 28,162                | 56%              |
| Cotton Creek Capital Partners III                 | 60,000            | 33,312                | 56%              |
| Crown Asia-Pacific Private Equity IV              | 125,000           | 56,250                | 45%              |
| Siris Partners IV                                 | 30,000            | 16,700                | 56%              |
| The Baring Asia Private Equity Fund VII           | 81,000            | 46,041                | 57%              |
| TPG Healthcare Partners                           | 25,000            | 7,079                 | 28%              |
| TPG Partners VIII                                 | 25,000            | 3,746                 | 15%              |
| Triton Fund V                                     | 56,585            | 19,287                | 34%              |
| <b>2019 Vintage</b>                               |                   |                       |                  |
| Advent International GPE IX                       | 110,000           | 40,425                | 37%              |

| <b>Fund</b>  | <b>Commitment</b> | <b>Capital Called</b> | <b>% Paid-in</b> |
|--|-------------------|-----------------------|------------------|
| Astorg VII   | 34,824            | 12,449                | 36%              |
| Brighton Park Capital I                            | 40,000            | 10,262                | 26%              |
| Carlyle Europe Technology Partners IV              | 45,868            | 15,661                | 34%              |
| Crown Secondaries Special Opportunities II         | 100,000           | 23,300                | 23%              |
| Dover Street X                                     | 100,000           | 22,679                | 23%              |
| ERS Private Equity Emerging Manager III            | 25,000            | 9,652                 | 39%              |
| Fonda  | 275,000           | 66,913                | 24%              |
| HitecVision North Sea Opportunity Fund             | 50,000            | 251                   | 1%               |
| Industry Ventures Direct II                        | 30,000            | 8,467                 | 28%              |
| Industry Ventures Special Opportunities Fund III-A | 47,500            | 4,846                 | 10%              |
| Investindustrial VII                               | 55,380            | 4,079                 | 7%               |
| KSL Capital Partners V                             | 100,000           | 34,901                | 35%              |
| Littlejohn Fund VI                                 | 30,000            | 8,455                 | 28%              |
| Riverside Europe Fund VI                           | 90,984            | 0                     | 0%               |
| Secondary Overflow Fund IV                         | 100,000           | 3,073                 | 3%               |
| TA XIII-A  | 100,000           | 55,000                | 55%              |
| Triton Debt Opportunities Fund II                  | 11,448            | 2,572                 | 22%              |
| Wind Point Partners IX                             | 60,000            | 12,159                | 20%              |
| <b>2020 Vintage</b>                                |                   |                       |                  |
| Arctos Sports Partners Fund I                      | 35,000            | 0                     | 0%               |
| Hg Genesis 9                                       | 55,130            | 0                     | 0%               |
| K5 Private Investors                               | 50,000            | 0                     | 0%               |
| Southern Cross Latin America Extension Fund IV     | 0                 | 3,225                 | 100%             |
| Southern Cross Latin America Extension Fund IV     | 0                 | 5,806                 | 100%             |
| TA Select Opportunities Fund-A                     | 20,000            | 9,050                 | 45%              |
| <b>2021 Vintage</b>                                |                   |                       |                  |
| Crown Global Secondaries V Master                  | 200,000           | 0                     | 0%               |
| Industry Ventures Secondary IX                     | 40,000            | 0                     | 0%               |
| KSL Capital Partners Credit Opportunities Fund III | 30,000            | 0                     | 0%               |
| MBK Partners Fund V                                | 30,000            | 0                     | 0%               |

## Appendix D: Portfolio Holdings – Alphabetical

As of December 31, 2020 (\$ Thousands)

Active funds only; liquidated removed. Co-Investments and Co-investment side funds excluded.

| Fund   | Vintage Year | Commitment | Capital Called | Distributed |
|--|--------------|------------|----------------|-------------|
| Advent International GPE IX                    | 2019         | 110,000    | 40,425         | 0           |
| Advent International GPE VI C                  | 2008         | 46,991     | 47,364         | 87,360      |
| Advent International GPE VII C                 | 2012         | 90,000     | 95,034         | 113,036     |
| Advent International GPE VIII B-1              | 2016         | 110,000    | 104,390        | 0           |
| Advent Latin America Private Equity Fund V-H   | 2009         | 45,000     | 48,100         | 28,997      |
| Arctos Sports Partners Fund I                  | 2020         | 35,000     | 0              | 0           |
| Astorg VII                                     | 2019         | 34,824     | 12,449         | 0           |
| Blue Wolf Capital Fund III                     | 2013         | 45,000     | 55,645         | 66,608      |
| Blue Wolf Capital Fund IV                      | 2018         | 50,000     | 28,162         | 1,663       |
| Brazos Equity Fund III                         | 2008         | 33,750     | 37,512         | 53,781      |
| Brighton Park Capital I                        | 2019         | 40,000     | 10,262         | 0           |
| Carlyle Energy Mezzanine Opportunities Fund II | 2015         | 85,000     | 59,281         | 22,676      |
| Carlyle Europe Technology Partners IV          | 2019         | 45,868     | 15,661         | 0           |
| Carlyle Global Financial Services Partners II  | 2012         | 90,000     | 110,428        | 101,995     |
| Carlyle Global Financial Services Partners III | 2017         | 100,000    | 71,327         | 6,379       |
| Castlelake II                                  | 2011         | 63,750     | 72,242         | 67,157      |
| Castlelake III                                 | 2014         | 85,000     | 92,540         | 68,362      |
| Castlelake IV                                  | 2015         | 85,000     | 103,704        | 49,619      |
| Castlelake V                                   | 2017         | 100,000    | 73,529         | (0)         |
| Cotton Creek Capital Partners II               | 2012         | 31,500     | 27,347         | 21,320      |
| Cotton Creek Capital Partners III              | 2018         | 60,000     | 33,312         | 5,746       |
| Crown Asia-Pacific Private Equity IV           | 2018         | 125,000    | 56,250         | (430)       |
| Crown Global Secondaries II                    | 2009         | 75,000     | 70,140         | 112,136     |
| Crown Global Secondaries III                   | 2012         | 100,000    | 73,100         | 73,000      |
| Crown Global Secondaries IV                    | 2017         | 200,000    | 125,200        | 26,800      |
| Crown Global Secondaries V Master              | 2021         | 200,000    | 0              | 0           |
| Crown Secondaries Special Opportunities        | 2016         | 100,000    | 87,749         | 43,913      |
| Crown Secondaries Special Opportunities II     | 2019         | 100,000    | 23,300         | 0           |
| Dover Street X                                 | 2019         | 100,000    | 22,679         | 2,339       |
| ERS Private Equity Emerging Manager Fund I     | 2010         | 50,000     | 60,656         | 54,186      |
| ERS Private Equity Emerging Manager Fund II    | 2014         | 50,000     | 53,814         | 19,925      |

| <b>Fund</b>  | <b>Vintage Year</b> | <b>Commitment</b> | <b>Capital Called</b> | <b>Distributed</b> |
|--|---------------------|-------------------|-----------------------|--------------------|
| ERS Private Equity Emerging Manager III            | 2019                | 25,000            | 9,652                 | 0                  |
| ERS Private Equity International Fund I            | 2011                | 165,000           | 182,457               | 140,858            |
| ERS Private Equity International Fund II           | 2014                | 350,000           | 299,398               | 91,328             |
| ERS TA XII   | 2016                | 62,500            | 61,988                | 47,783             |
| Euroknights VI                                     | 2011                | 40,399            | 53,008                | 49,152             |
| Euroknights VII                                    | 2016                | 42,355            | 53,579                | 18,374             |
| Fonda  | 2019                | 275,000           | 66,913                | 0                  |
| Frontier Fund III                                  | 2010                | 45,000            | 49,702                | 71,589             |
| Frontier Fund IV                                   | 2014                | 54,000            | 62,820                | 32,998             |
| Frontier Fund V-A                                  | 2017                | 65,000            | 49,019                | 8,076              |
| Gores Capital Partners III                         | 2009                | 90,000            | 106,499               | 108,861            |
| HCP III-C  | 2016                | 16,303            | 15,520                | 837                |
| Hellman & Friedman Capital Partners VIII           | 2016                | 82,500            | 84,233                | 16,026             |
| Hg Genesis 9                                       | 2020                | 55,130            | 0                     | 0                  |
| HgCapital 7  | 2013                | 48,108            | 76,629                | 98,682             |
| HgCapital 8  | 2017                | 50,061            | 37,788                | 9,056              |
| HitecVision North Sea Opportunity Fund             | 2019                | 50,000            | 251                   | 0                  |
| HitecVision VI                                     | 2011                | 59,500            | 70,068                | 22,609             |
| HitecVision VII                                    | 2014                | 59,500            | 62,953                | 28,965             |
| Industry Ventures Direct II                        | 2019                | 30,000            | 8,467                 | 0                  |
| Industry Ventures Secondary IX                     | 2021                | 40,000            | 0                     | 0                  |
| Industry Ventures Secondary VII                    | 2013                | 40,000            | 36,680                | 41,134             |
| Industry Ventures Secondary VIII                   | 2017                | 40,000            | 34,800                | 12,098             |
| Industry Ventures Special Opportunities Fund II-A  | 2016                | 47,500            | 14,218                | 11,234             |
| Industry Ventures Special Opportunities Fund III-A | 2019                | 47,500            | 4,846                 | 4,717              |
| Investindustrial VII                               | 2019                | 55,380            | 4,079                 | 0                  |
| K5 Private Investors                               | 2020                | 50,000            | 0                     | 0                  |
| KSL Capital Partners Credit Opportunities Fund     | 2014                | 42,500            | 21,302                | 17,386             |
| KSL Capital Partners Credit Opportunities Fund II  | 2017                | 30,000            | 10,792                | 3,575              |
| KSL Capital Partners Credit Opportunities Fund III | 2021                | 30,000            | 0                     | 0                  |
| KSL Capital Partners III                           | 2011                | 86,422            | 104,900               | 107,162            |
| KSL Capital Partners IV                            | 2015                | 125,000           | 122,054               | 29,229             |
| KSL Capital Partners V                             | 2019                | 100,000           | 34,901                | 14,334             |
| Landmark Equity Partners XV                        | 2013                | 175,000           | 144,381               | 108,011            |
| Landmark Equity Partners XVI                       | 2016                | 175,000           | 78,883                | 8,939              |

| <b>Fund</b>   | <b>Vintage Year</b> | <b>Commitment</b> | <b>Capital Called</b> | <b>Distributed</b> |
|---|---------------------|-------------------|-----------------------|--------------------|
| Landmark TX ERS Co-Investment Fund I                | 2014                | 125,000           | 112,549               | 78,584             |
| Landmark TX ERS Co-Investment Fund II               | 2017                | 125,000           | 108,947               | 33,267             |
| Lexington Capital Partners VII                      | 2009                | 100,000           | 110,852               | 143,564            |
| Littlejohn Fund IV                                  | 2010                | 74,250            | 100,212               | 144,028            |
| Littlejohn Fund VI                                  | 2019                | 30,000            | 8,455                 | 0                  |
| Longitude Venture Partners II                       | 2013                | 45,000            | 55,892                | 55,403             |
| MBK Partners Fund V                                 | 2021                | 30,000            | 0                     | 0                  |
| Navis Asia Fund VI                                  | 2009                | 54,000            | 71,597                | 38,594             |
| Navis Asia Fund VII                                 | 2014                | 112,500           | 180,060               | 106,050            |
| Quantum Energy Partners V                           | 2008                | 63,750            | 75,993                | 82,545             |
| Quantum Energy Partners VI                          | 2014                | 85,000            | 92,849                | 70,053             |
| Quantum Energy Partners VII                         | 2017                | 85,000            | 54,772                | 7,409              |
| Quantum Energy Partners VII Co-Investment Fund      | 2017                | 17,000            | 7,998                 | 1,256              |
| Quantum Parallel Partners V-C                       | 2014                | 25,000            | 11,836                | 4,197              |
| Quantum Parallel Partners VI-C                      | 2015                | 14,000            | 9,467                 | 1,654              |
| Riverside Capital Appreciation Fund V               | 2008                | 90,000            | 94,867                | 125,189            |
| Riverside Capital Appreciation Fund VI              | 2012                | 90,000            | 95,668                | 92,772             |
| Riverside Capital Appreciation Fund VII             | 2017                | 80,000            | 43,620                | 213                |
| Riverside Europe Fund V                             | 2015                | 43,192            | 55,341                | 26,459             |
| Riverside Europe Fund VI                            | 2019                | 90,984            | 0                     | 0                  |
| RLH Investors III                                   | 2010                | 45,000            | 58,341                | 56,696             |
| RLH Investors IV                                    | 2017                | 50,000            | 18,954                | 971                |
| Secondary Overflow Fund IV                          | 2019                | 100,000           | 3,073                 | 0                  |
| Siris Partners IV                                   | 2018                | 30,000            | 16,700                | 171                |
| Southern Cross Latin America Extension Fund IV      | 2020                | 0                 | 3,225                 | 0                  |
| Southern Cross Latin America Extension Fund IV      | 2020                | 0                 | 5,806                 | 0                  |
| Southern Cross Latin America Private Equity Fund IV | 2010                | 45,000            | 53,191                | 15,419             |
| Southern Cross Latin America Private Equity Fund IV | 2010                | 25,000            | 24,604                | 5,681              |
| Southern Cross Latin America Private Equity Fund V  | 2015                | 60,000            | 54,752                | 13,346             |
| Southwest Opportunities Fund                        | 2007                | 60,585            | 57,226                | 115,249            |
| Summer Street Capital III                           | 2012                | 45,000            | 50,313                | 42,713             |
| TA Select Opportunities Fund-A                      | 2020                | 20,000            | 9,050                 | 0                  |
| TA Subordinated Debt Fund III                       | 2010                | 42,500            | 48,750                | 76,497             |
| TA Subordinated Debt Fund IV                        | 2016                | 25,000            | 17,125                | 9,588              |

| <b>Fund</b>                                    | <b>Vintage Year</b> | <b>Commitment</b> | <b>Capital Called</b> | <b>Distributed</b> |
|--|---------------------|-------------------|-----------------------|--------------------|
| TA XI  | 2010                | 90,000            | 99,301                | 227,422            |
| TA XIII-A                                      | 2019                | 100,000           | 55,000                | 0                  |
| The Baring Asia Private Equity Fund V          | 2010                | 45,000            | 66,812                | 50,356             |
| The Baring Asia Private Equity Fund VI, L.P. 1 | 2015                | 67,500            | 83,588                | 30,675             |
| The Baring Asia Private Equity Fund VII        | 2018                | 81,000            | 46,041                | 4,542              |
| The Energy & Minerals Group Fund III           | 2013                | 68,400            | 83,006                | 19,506             |
| The Energy & Minerals Group Fund IV            | 2015                | 42,500            | 58,583                | 31,233             |
| TPG Asia VII                                   | 2017                | 100,000           | 82,484                | 27,012             |
| TPG Healthcare Partners                        | 2018                | 25,000            | 7,079                 | 1,134              |
| TPG Partners VIII                              | 2018                | 25,000            | 3,746                 | 283                |
| Triton Debt Opportunities Fund I               | 2014                | 44,625            | 30,270                | 35,515             |
| Triton Debt Opportunities Fund II              | 2019                | 11,448            | 2,572                 | 316                |
| Triton Fund III                                | 2008                | 78,813            | 102,483               | 119,468            |
| Triton Fund IV                                 | 2013                | 84,326            | 94,538                | 73,996             |
| Triton Fund V                                  | 2018                | 56,585            | 19,287                | 52                 |
| Wind Point Partners IX                         | 2019                | 60,000            | 12,159                | (3)                |
| Wind Point Partners VIII                       | 2016                | 55,000            | 52,835                | 27,108             |

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