

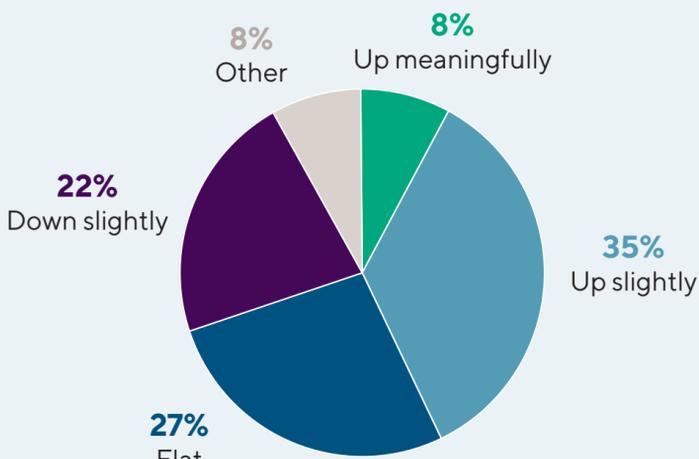
Private Equity's Top Priority - Once Again - is Deploying Capital in the New Year

Pulse on Private Equity: Recent Survey of nearly 400 global private equity investors uncovers key trends heading into 2022

Predict deal volume will not slow down in 2022

Heading into 2020, 77% of PE investors expected deal volume to pick up. That prediction held true – 2021 deal activity was one for the record book.

Following this boom of M&A activity, the majority of PE investors expect a slightly slower yet still healthy volume of deals in 2022. Nearly half expect volume to increase while one-quarter expect volume to stay flat.

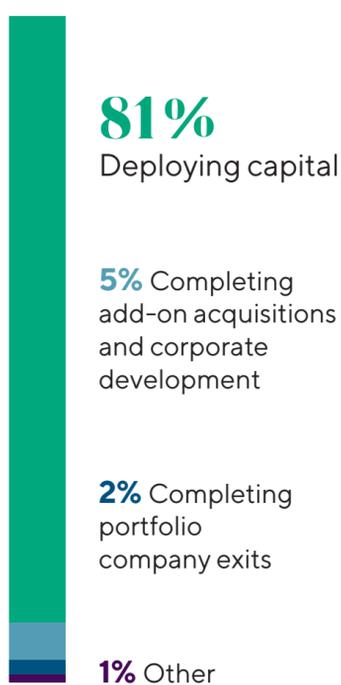


70% of PE investors expect deal volume will remain the same or increase in 2022

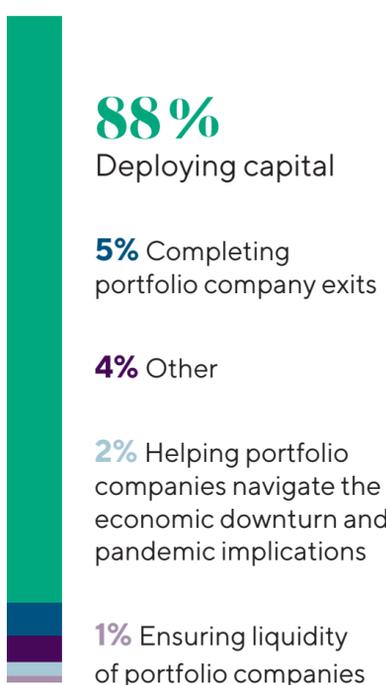
With substantial dry powder on the sidelines, PE investors continue to prioritize deploying capital in 2022

For the third year in a row, deploying capital is the number one priority for private equity investors.

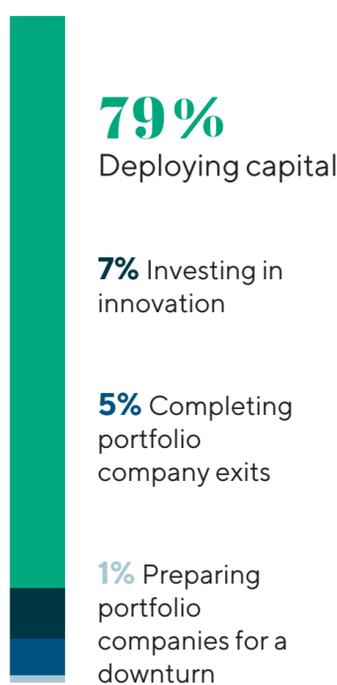
Priorities heading into 2020



Priorities heading into 2021



Priorities heading into 2022

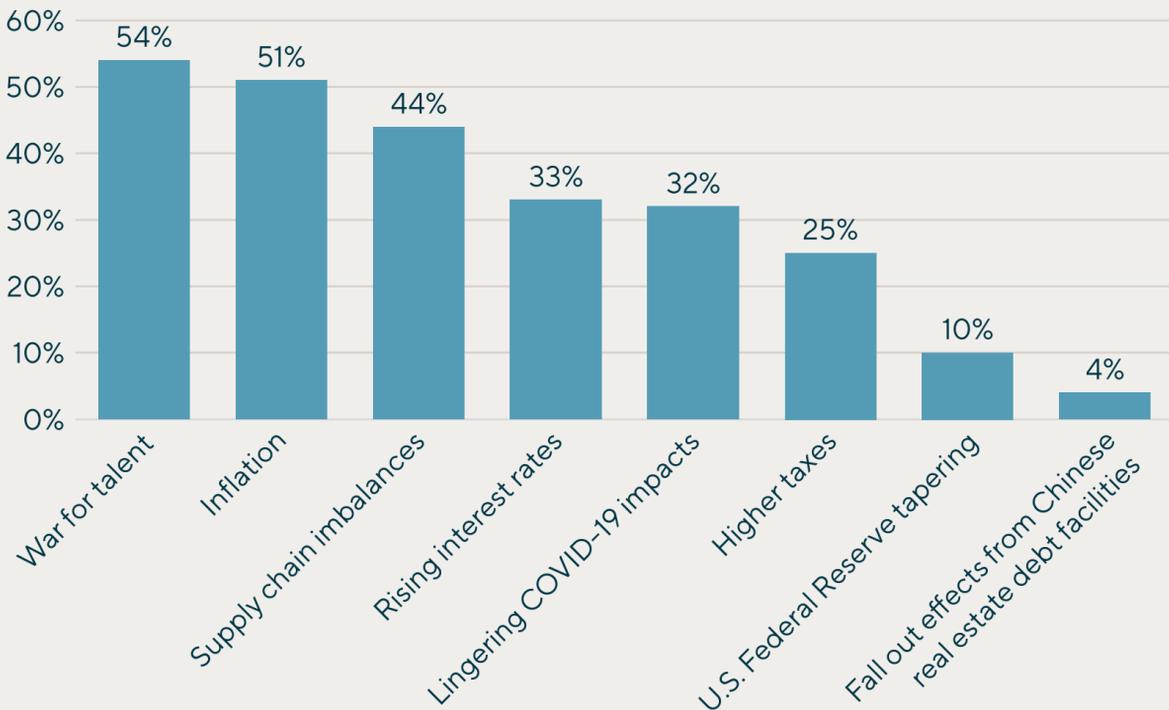


With COVID-19 catalyzing an unforeseen pause in dealmaking in 2020, interest in capital deployment in 2021 increased. Deploying capital remains a pressing matter for PE investors given the record levels of fundraising the past few years—in Q3 2021 25 PE firms held \$509.8 billion in dry powder globally. However, following the robust activity of 2021, responses indicating that deploying capital was the number one priority in 2022 interestingly dropped 9 percentage points.

Cautions and catalysts for the new year

Like many, PE investors are concerned about the war for talent, inflation and supply chain imbalances. As the Great Resignation continues and supply chain woes impact consumers and businesses alike, investors are monitoring whether the few clouds on the horizon will dissipate or turn into a storm.

The top concerns for PE in 2022

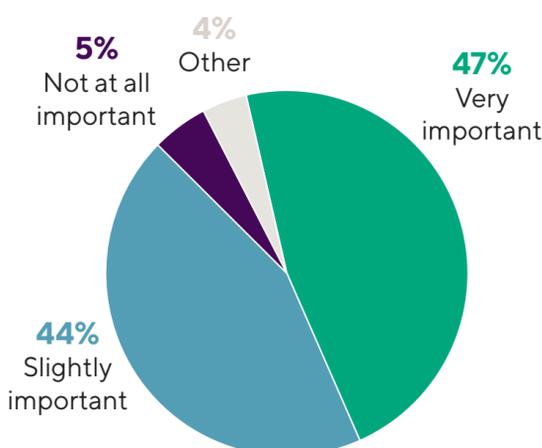


ESG and sustainability are top of mind for PE

Adoption of environmental, social and governance (ESG) practices in investment decisions is expected to surge as shareholders and stakeholders—from everyday consumers to PE Limited Partners—increase pressure to allocate capital responsibly.

Under growing pressure to prioritize environmental and social impact investments, it comes as no surprise that the vast majority of respondents say ESG factors are important in their 2022 investment strategies.

Efforts to prioritize ESG and sustainability across the EU, including legislation and actions taken by individual companies, have placed them at the forefront of the ESG movement. All European respondents identified that ESG factors are important in their 2022 investments, solidifying their leadership and propelling other countries around the globe to follow their commitment and actions.*



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*European survey respondents represent approx. 6% of total survey respondents.