PRIVATE EQUITY

PRIVATE & CONFIDENTIAL

PANTHEON

# FUNDING OF FUSION TECH & GLOBAL PRIVATE EQUITY ENVIRONMENT

December 2023

# Presenting to you

**Ralph Guenther, Partner at Pantheon and Head of Continental Europe (25 years of private markets experience)**

Ralph is a Partner and Head of Continental Europe in Pantheon's Investor Relations Team. His role incorporates responsibility for our coverage across Continental Europe and our distribution relationships in Austria, France, Germany, Italy, Spain and Switzerland.

Ralph also sources deals for Pantheon's Secondaries team. Prior to Pantheon, Ralph served as a Managing Director with bmp AG in Germany, where he established a fund of funds business in 2005.

Prior to that he served as a MD in the German Venture Capital markets from 1998 to 2005 where he was responsible for a number of investments, trade sales and IPOs.

Ralph started his career in IT consulting and software development. He has a degree in economics from FU Berlin. Ralph is based in Berlin.

# Contents

# HOW DOES PRIVATE EQUITY WORK?

# Typical private equity structure

Private equity fund managers – known as **general partners** (“GPs” or “managers”) form **limited partnership vehicles** to invest in **private companies**

**Investors (LPs)**

- **Pension Funds**
- **Sovereign Wealth**
- **Insurance Companies**
- **Corporations**
- **Endowments**
- **Foundations**
- **UHNW Investors**

Investors commit **a specified amount of capital** ($10 million minimum) to a private equity fund to **become limited partners (“LPs”)**

**Private Equity Fund Manager GP**

**$10m+**

**Private Equity Fund**
(limited partnership)

GPs also **typically invest their own capital alongside limited partners**

**$10m**

**Companies**

# Private equity covers a range of stages in a company's development

**Investment stage / maturity**

### Venture capital

- Early-stage (start-up) and late stage (development)
- Information technology and healthcare emphasis
- 100% equity
- 5+ years average investment life

### Capital growth

- Minority investments in established companies
- Strong growth characteristics
- Usually does not use leverage
- 100% equity
- 5+ years average investment life

### Mezzanine

- Elements of both debt and equity instruments
- Fixed returns from interest payments
- Opportunity to participate in capital appreciation
- Usually unsecured and subordinate to other obligations
- 2-3 years average investment life

### Special situations

- Investments include distressed debt, infrastructure, energy/utilities, and turnarounds
- Short investment cycle can produce high IRRs but lower multiple on capital
- Average investment life varies

### Buyout

- Control investments in established, cash-flow positive companies
- Typically uses leverage
- Lower volatility of returns
- Debt and equity investments
- 4-5 year average investment life

# Typical private equity fund lifecycle

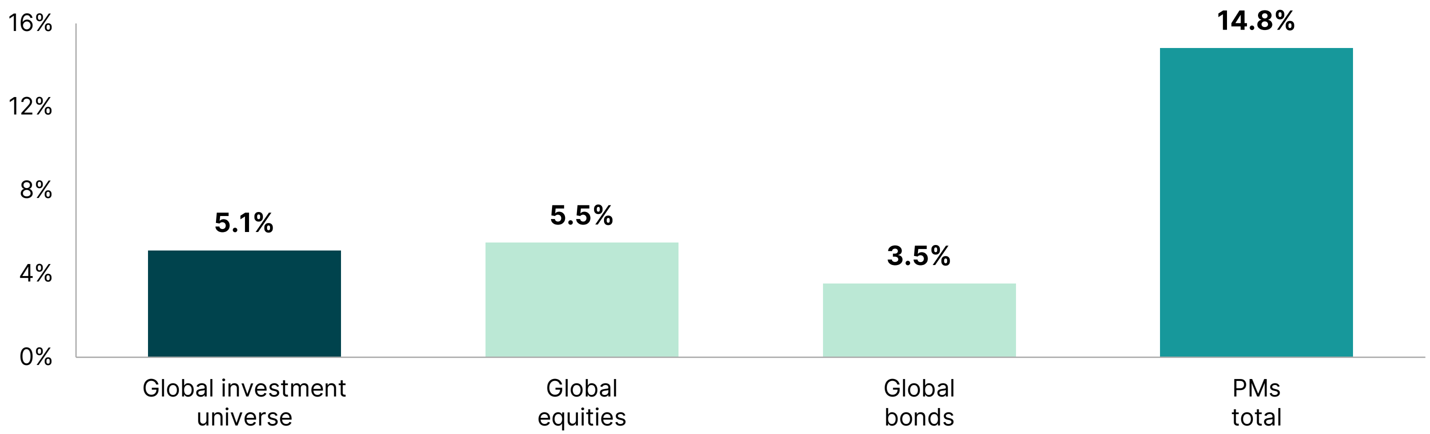
| 12 – 18 months | Year 1 - 5 | Year 3 – 8 | Years 7 – 10 |
|---|---|---|---|
| **Fundraising period:** | **Investment period:** | **Hold period:** | **Exit period:** |
| GPs will market and collect subscription documents from investors who commit a certain amount of capital | Capital isn’t funded upfront, commitments are instead drawn down (or “called”) over time as GPs find companies to buy | Once a company is purchased, GPs work to create value in the investment | GPs look to exit investment opportunistically either via IPO, sale, etc |
| | **Companies bought** | **Manager creates value** | **Companies sold** |

**Usually, we would witness holding periods below 10 years!**

# PRIVATE EQUITY AS AN ASSET CLASS

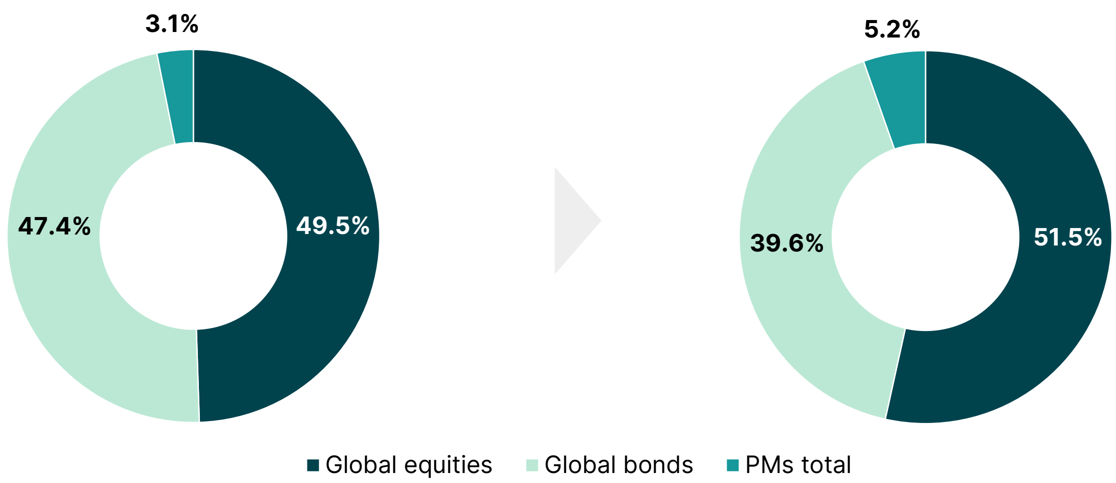
# Private markets have been growing quickly
## AUM growth has outstripped listed peers over the last 11 years

### AUM CAGR December 2010 to September 2022




### December 2010

### September 2022




**AUM in private markets**

**$2.7tn**
December 2010

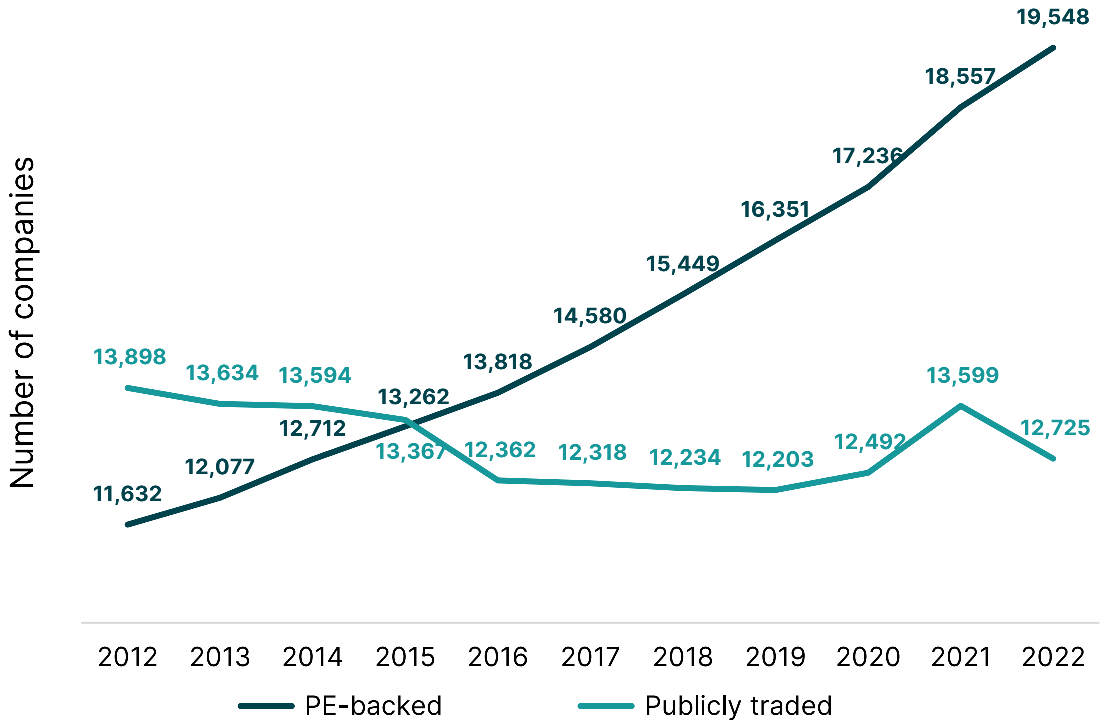
**$13.8tn**
September 2022

Sources: Pantheon analysis of data from Preqin and Bloomberg, data to 30 September 2022, accessed June 2023.

# Shrinking public markets is a long term trend

Number of listed companies shrank as private markets expanded between 2012-2022

**Number of US and European PE-backed companies has been increasing[1]…**



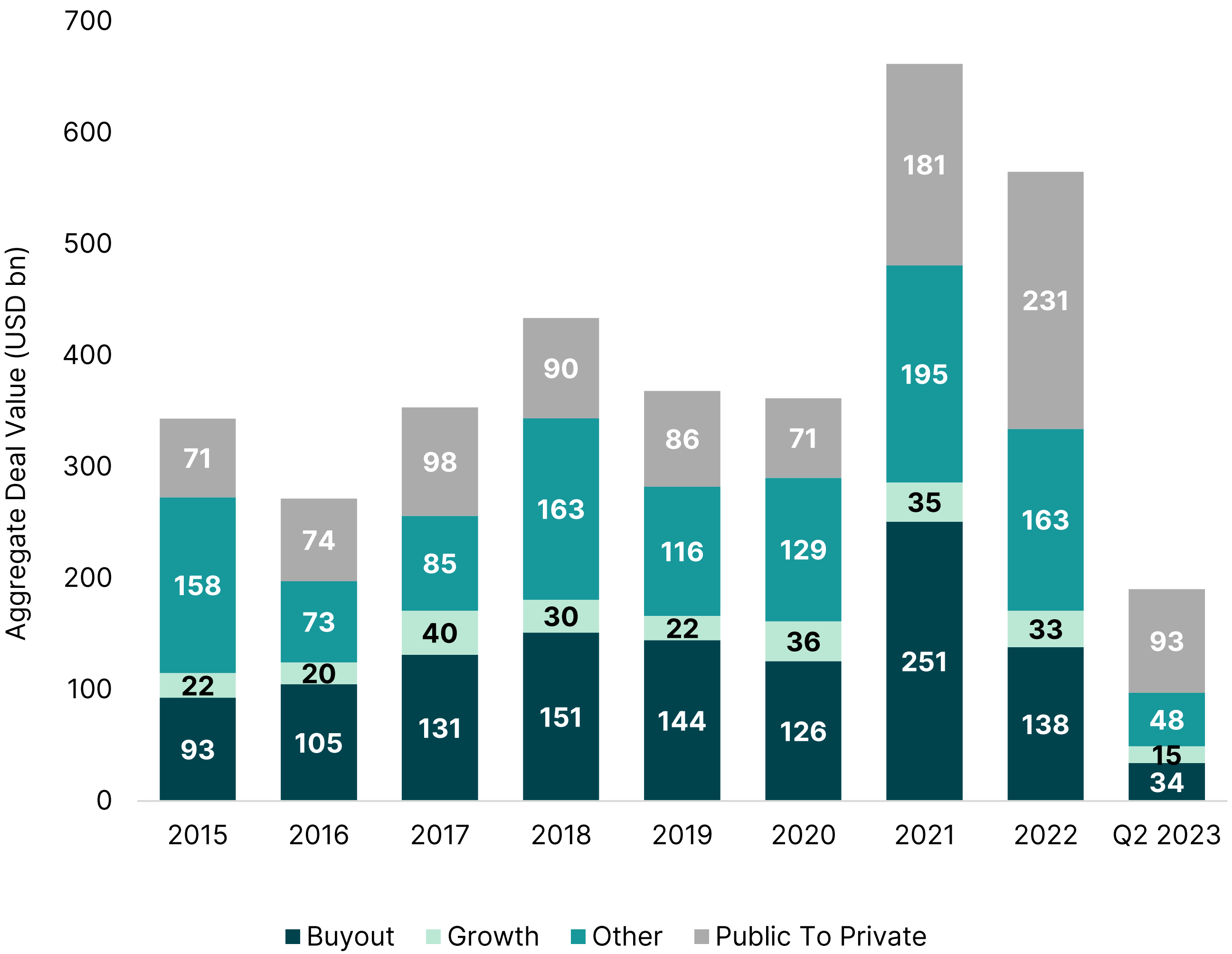

**… while the number of listed companies is declining[2]**

| Country | Number of listed companies – % change from peak to current level |
|---|---|
| United Kingdom | -36.3% |
| Germany | -40.9% |
| United States | -49.3% |
| France | -61.4% |

[1]As at June 2023 reflecting YE 2022 data, including US and Western & Northern Europe. PE-backed company data provided by Pitchbook. Publicly traded data sourced from World Federation of Exchanges database.. [2] Source: World Bank: https://data.worldbank.org/indicator/CM.MKT.LDOM.NO

# Private equity market overview

## Global deal activity ($bn) has decreased from the 2021-22 record levels



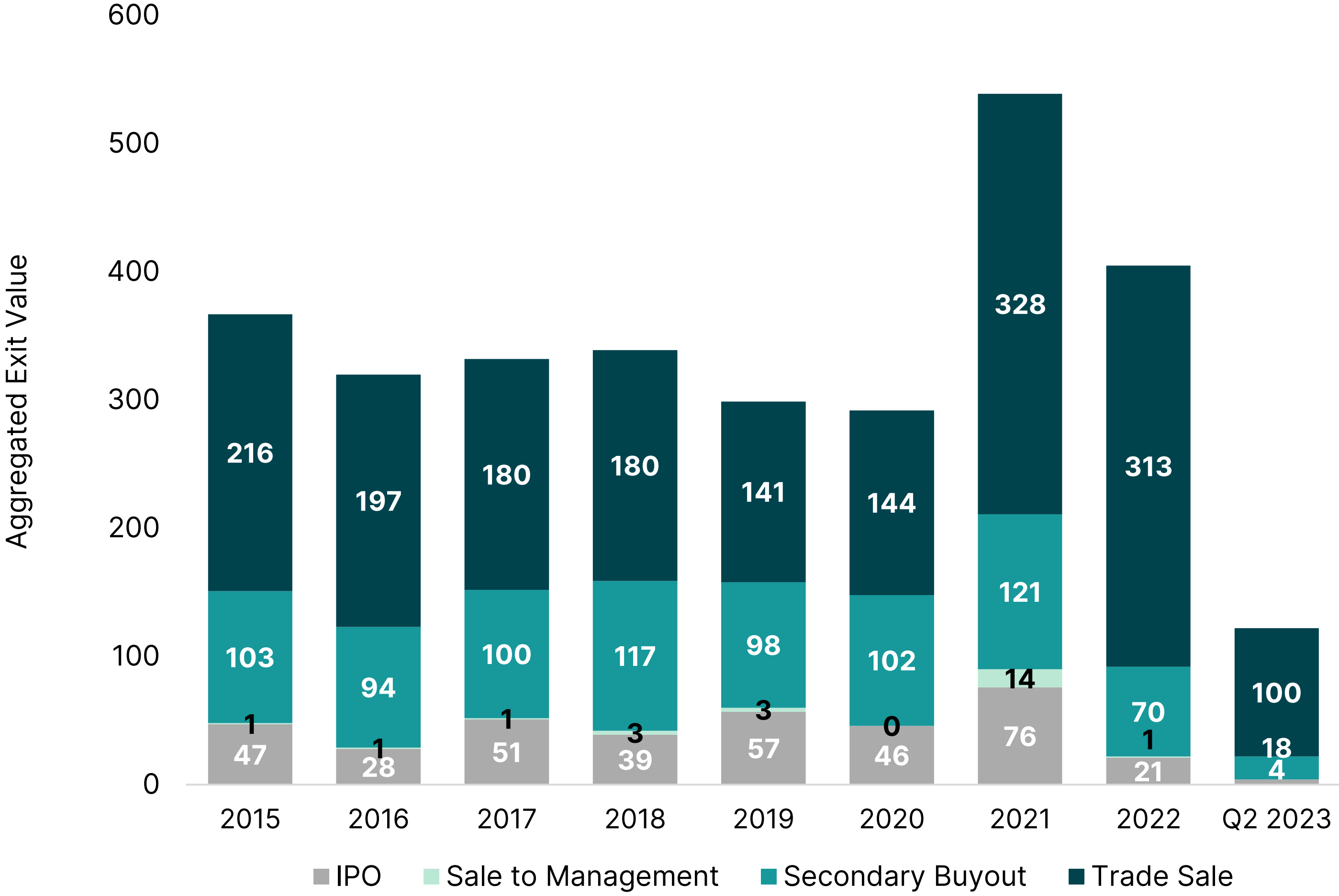

### Key observations

- **Buyout activity declined in the year to Q2 2023**, with a 29% full-year decline from the place in 2022.
- **Large leveraged transactions were hard to finance,** impacting the number and size of completed deals.
- **Smaller transactions requiring less debt gained a larger share;** direct lenders used for mid-size deals.
- **Add-ons represented a significant share of the global buyout market**, accounting for 9% of total deal value in the first half and 56% of deal count[2].

[1]Source: Preqin. Deal activity based on completed and announced deals globally from January 1, 2015 to June 30, 2023. Excludes venture. "Other" includes add-ons, merger, recapitalisation, restructuring, corporate carve out, spin-off. [2]Source: Bain & Company.

# Private equity market overview

## Global exit activity ($bn) has also declined by the market



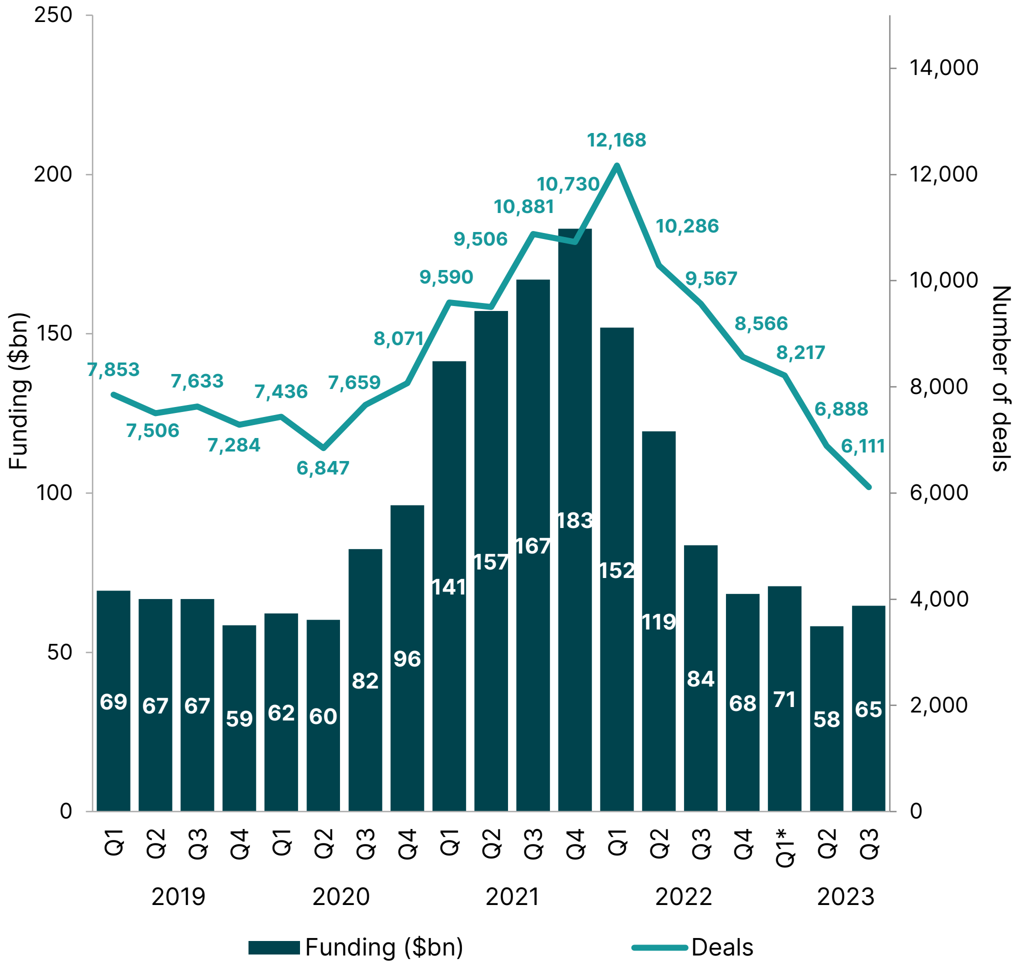

### Key observations

- **After two record years, Q1 '23 marked a record low for exits.**
- Unrealized value in buyout portfolios is currently **at an all-time record[2].**
- **In 2022 IPO market effectively closed** and sponsor sales slowed.
- **Trade sales continued,** but at a slower pace.

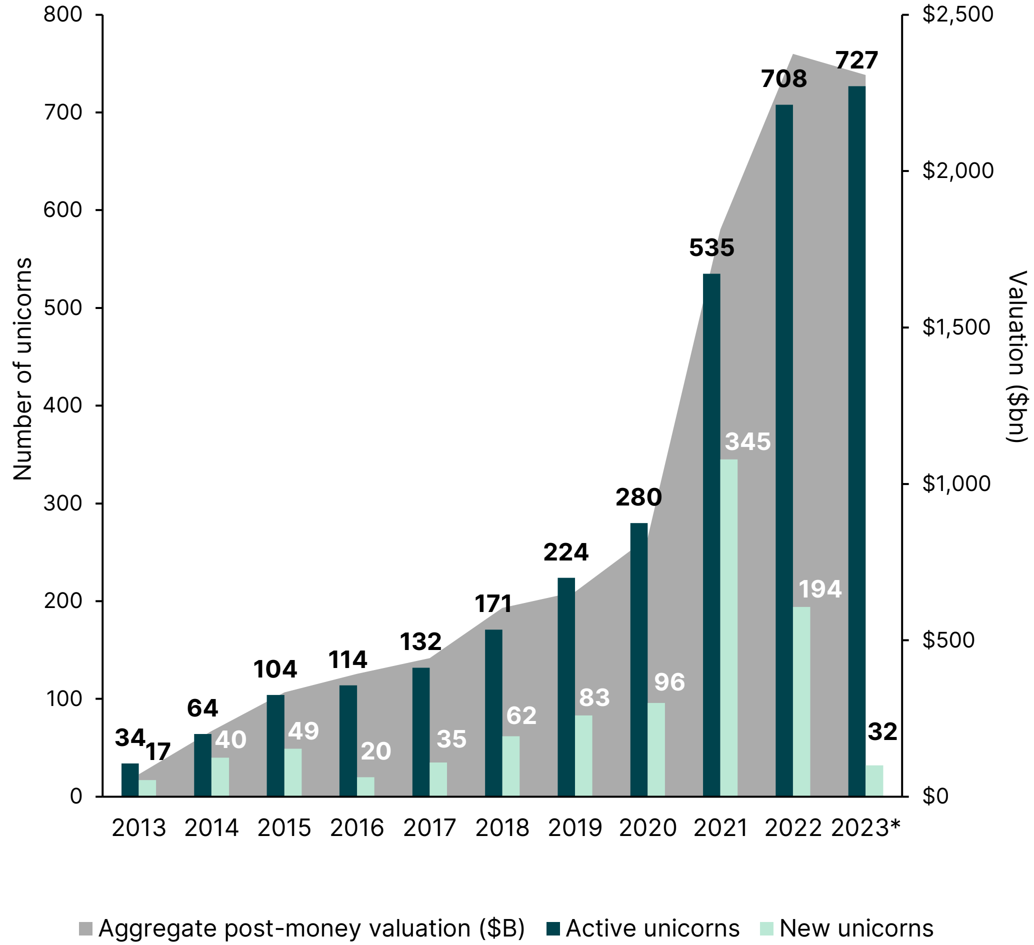
Source: Preqin. In the above chart, exit activity includes private equity backed exits from January 1, 2013, to June 30, 2023. Excluding venture. [2]Source: Bain & Company.

# Deal activity

## VC deployment has normalized to 2019 levels[1]




## Significant drop in new unicorn financing

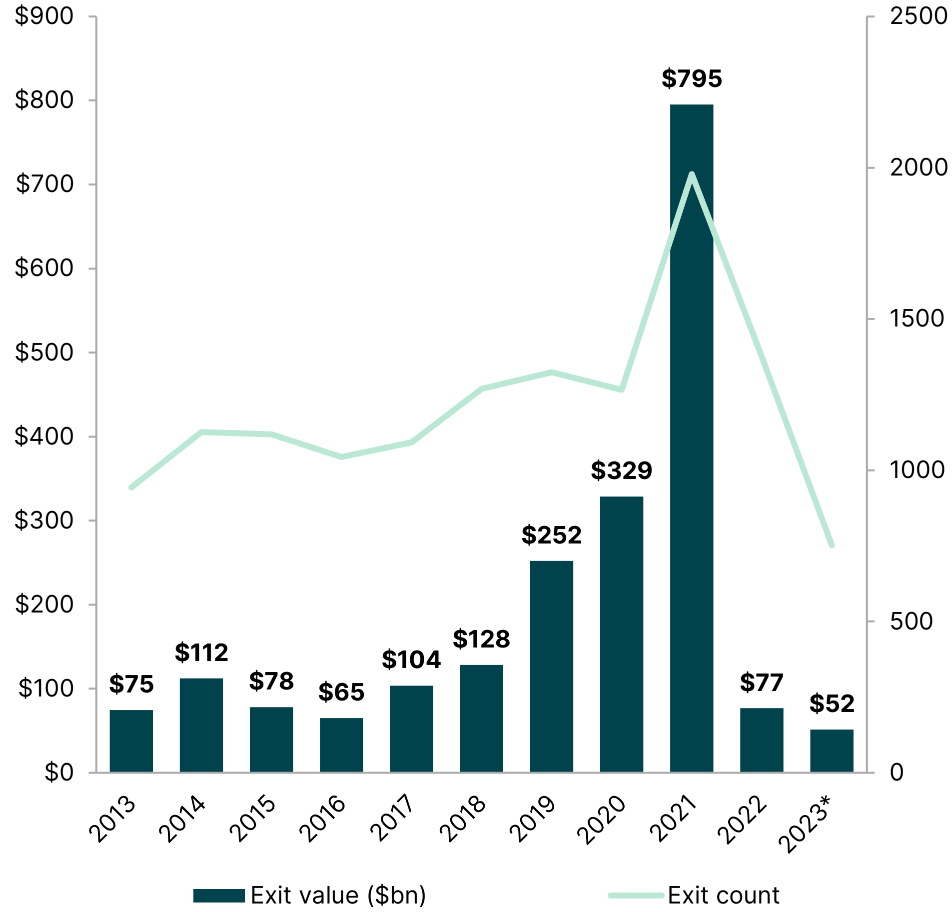



[1]Source: CB Insights – State of Venture, Q3 2023. There is no guarantee that these trends will persist. *Q1 2023 funding includes Open.AI's $10bn corporate minority round Stripe's $6.5bn Series I round. [2]Data as of September 2023, data according to PitchBook NVCA Venture Monitor Summary.

# Valuations and exit environment

## Average US VC pre-money valuation volatility for late-stage deals[1]


## Exit markets muted, but IPO backlog is growing[1,2]

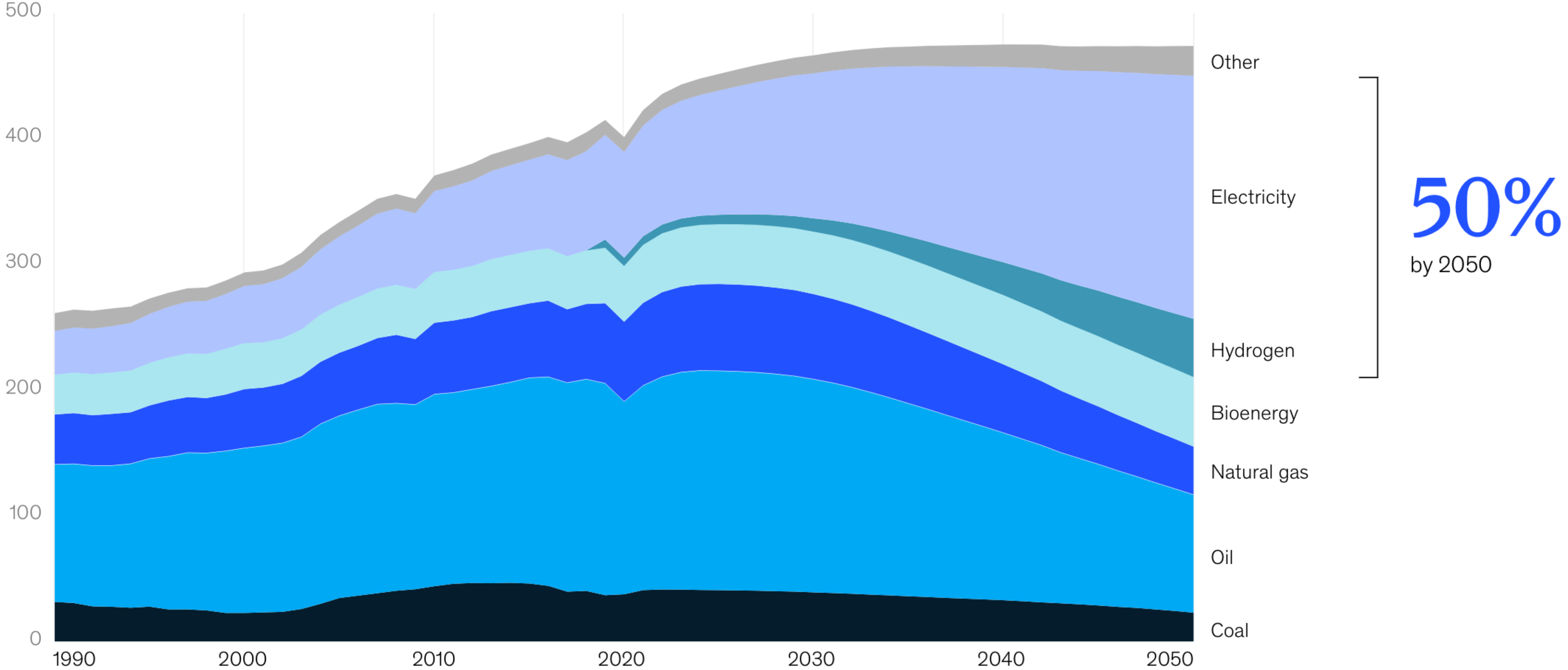



[1]Data as of September 2023, data according to PitchBook NVCA Venture Monitor Summary. [2]This chart showcases US venture capital exit activity only and is not a representation of the global exit environment.

# FUNDING FUSION TECHNOLOGY

# The global market for electrical energy will grow from 25% to 50% of total energy consumption, which also increases within the next 30 years

**Final energy consumption per fuel,** million TJ



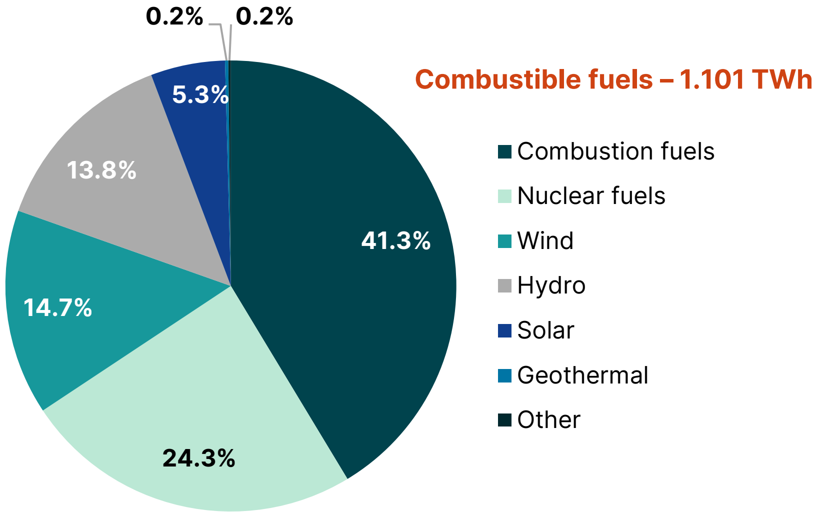

Source: 1. Ulf Thiele, Berlin 2. McKinsey & Company, https://www.mckinsey.com/industries/oil-and-gas/our-insights/global-energy-perspective-2022

In the EU within 30 years, carbon free energy production must increase capacity by 150 GW (base load).

# Net electricity generation EU 2020 and conclusions for the future

## Net electricity generation, EU, 2020

(%, based on GWh)




## Conclusions to avoid carbon emission by 2050:

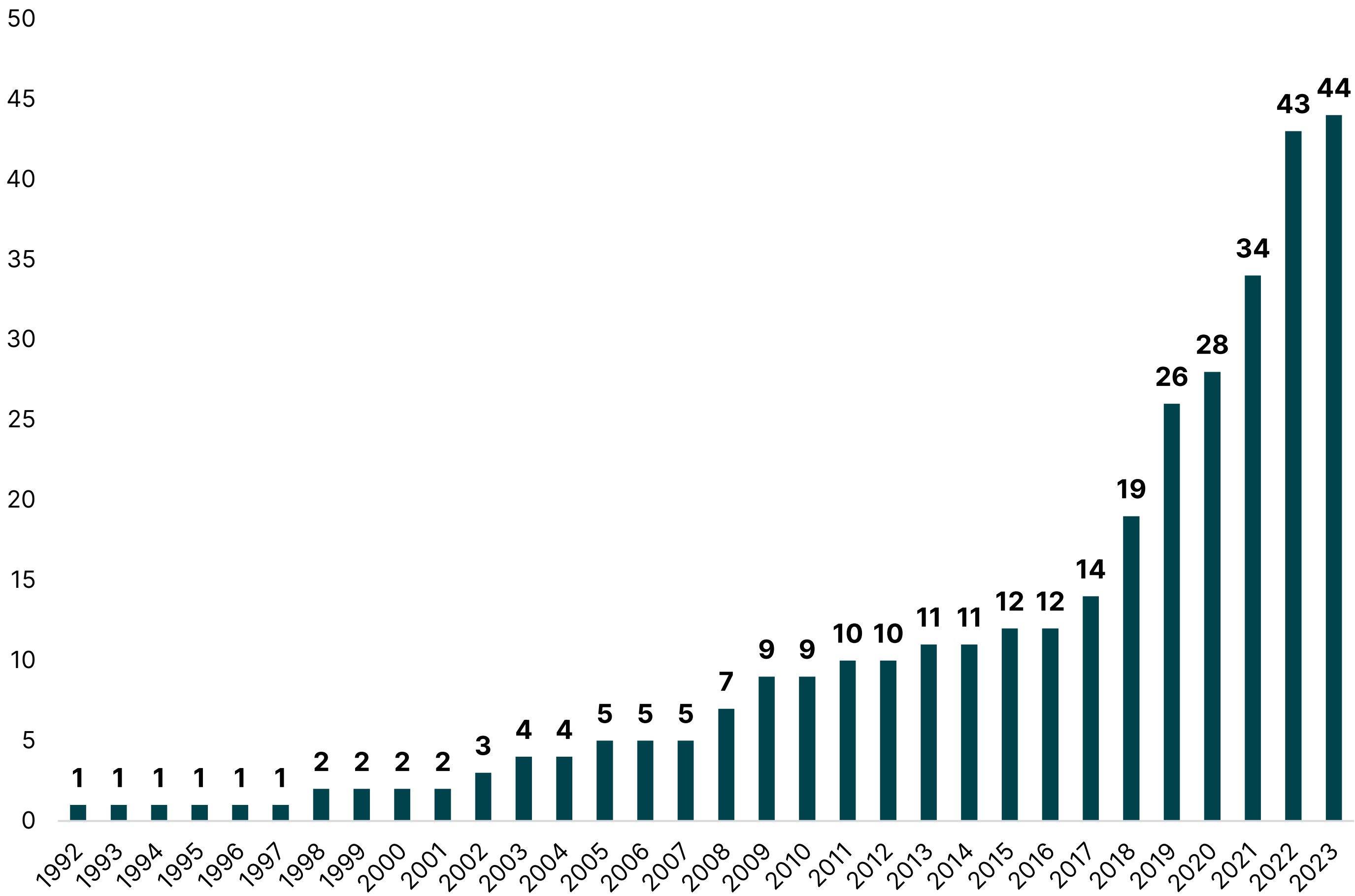
- Within 30 years, electrical energy production of 1.100 TWh need replacement by carbon emission free energy production systems at actual electrical usage mix.
- This is equivalent to app. 140 GW cw electrical power generation with 90% availability (base load energy production).
- Additional substitutions of combustible fuels by electrical energy (process heat, heating with heat pump, electromobility) require additional electrical power generation capacity.

Source: 1. Ulf Thiele, Berlin 2. Eurostat: https://ec.europa.eu/eurostat/statistics-explained/images/1/1c/Electricity_production_consumption_market_2020_REV.xlsx; downloaded 30.11.22.

# THE TOTAL ADRESSABLE MARKET (TAM) FOR BASELINE FUSION ENERGY IS GIGANTIC!!

# The story so far
## Venture capital and philanthropy

**Total private fusion companies by year** (Source: FIA Report 2023)




**27 Start Ups** have received funding of >US 6.0bn as of 2023 (1.4bn last 12 months)*

**Number of companies increased to 43** (33 last year), most of them in the US

**8 Companies with funding of 200m+**

**Public financing is emerging:**
18 companies are subject to PPP (or will soon be)

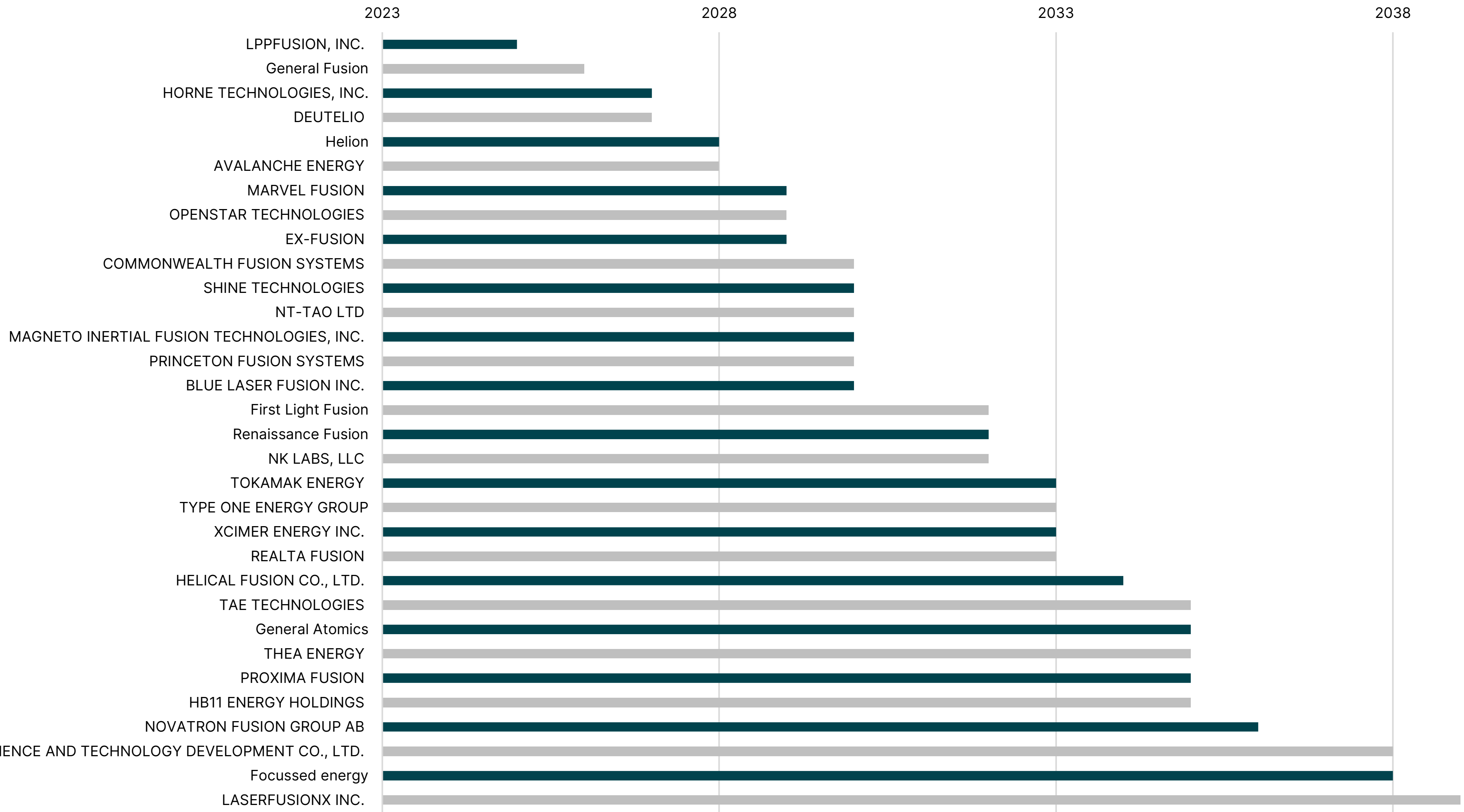
**VC financing still is difficult**

*Source: 1. Ulf Thiele, Berlin 2. Global Fusion Industry in 2023 , published by the Fusion Industry Association

# The median time to proof of concept is around 8 years

Significant revenues from the use of the developed technologies coming much later

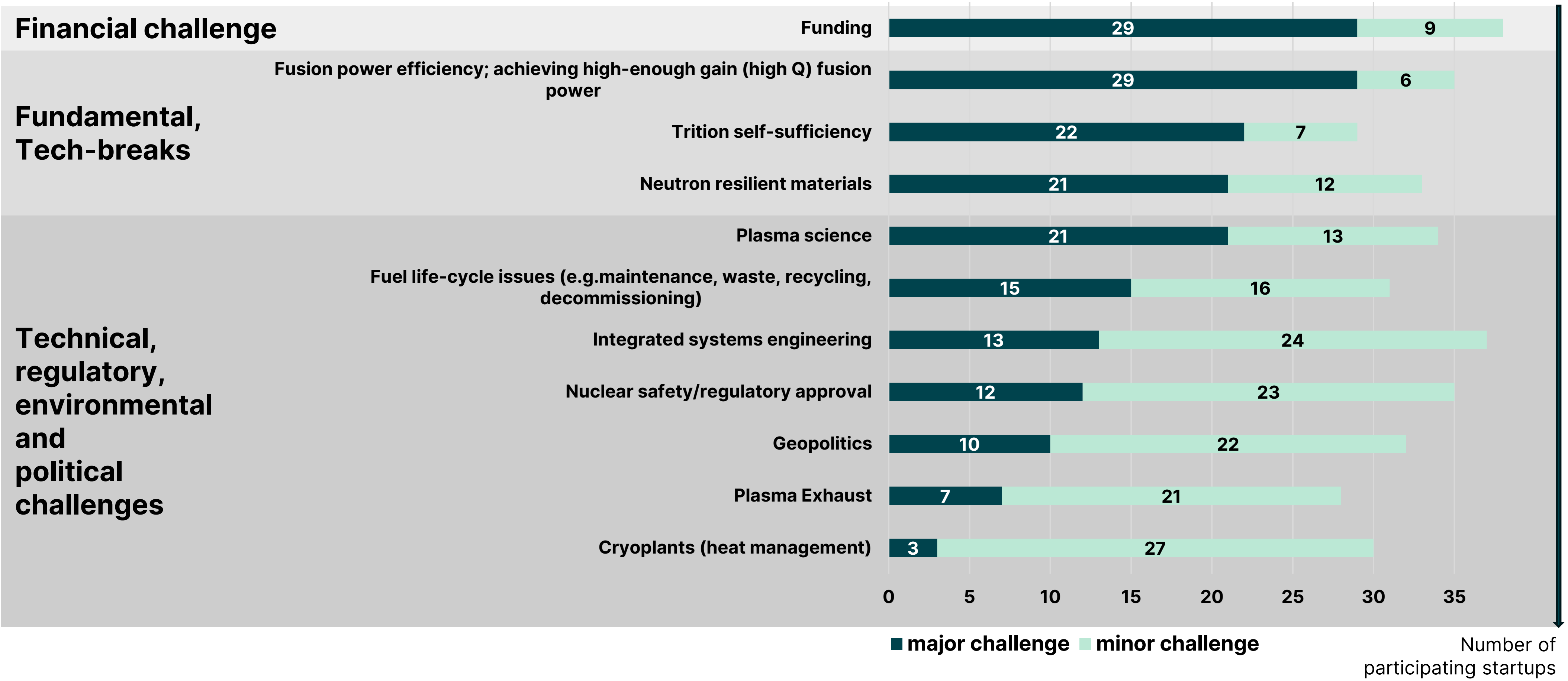
## Pilot Plant Readiness (partly assumptions based on FIA survey)




Source: 1. Ulf Tiele, Berlin. 2. " The global fusion industry in 2023; Fusion Companies Survey by the Fusion Industry Association“, 2023. The end dates of a few companies are assumptions based on this survey!

# More than 50% of the startups name 4 fundamental challenges

**Each of the 4 challenges could break their fusion technology approach. Investments in fusion technology could therefore be considered risky at this time!**




Source: 1. Ulf Thiele, Berlin 2. " The global fusion industry in 2023; Fusion Companies Survey by the Fusion Industry Association", 2023.

## The story so far
Challenges*

1. **Funding needs:** high, 100bn+ $$$$

2. **Time Horizon:** long, can be 10+ years to commercialisation

3. **Risk:** risk of commercial failure is **huge because** of limited technology readiness

**But: extraordinary potential upside for those who succeed**

* Ralph Guenther opinion

# Sources of funding

## Equity finance

1. Venture Capital Funds
2. Philanthropic Capital
3. Strategic Investors
4. Public Funding
5. Family Offices / Entrepreneurial Capital
6. Business Angels
7. Crowd Funding / Platforms
8. Capital Markets

## Other Sources

**Subsidiaries and Grants**

**Venture Debt**

**Vendor Finance**

* Ralph Guenther opinion

# Considerations for equity funding

### Enterprise value (EV)

- Methods and approaches of establishment
- Valuation of shares vs. capital needs

### Equity Story and use of external fundraiser

- From seed stage to growth stage
- How will the company develop and deliver what is needed
- Technology, licensing, power plant development and operating considerations just to name a few

### Governance

- Set-up of boards, contracts and oversight of the company
- Professional organization and set-up of the organization as early as possible to avoid difficult situations later in the process

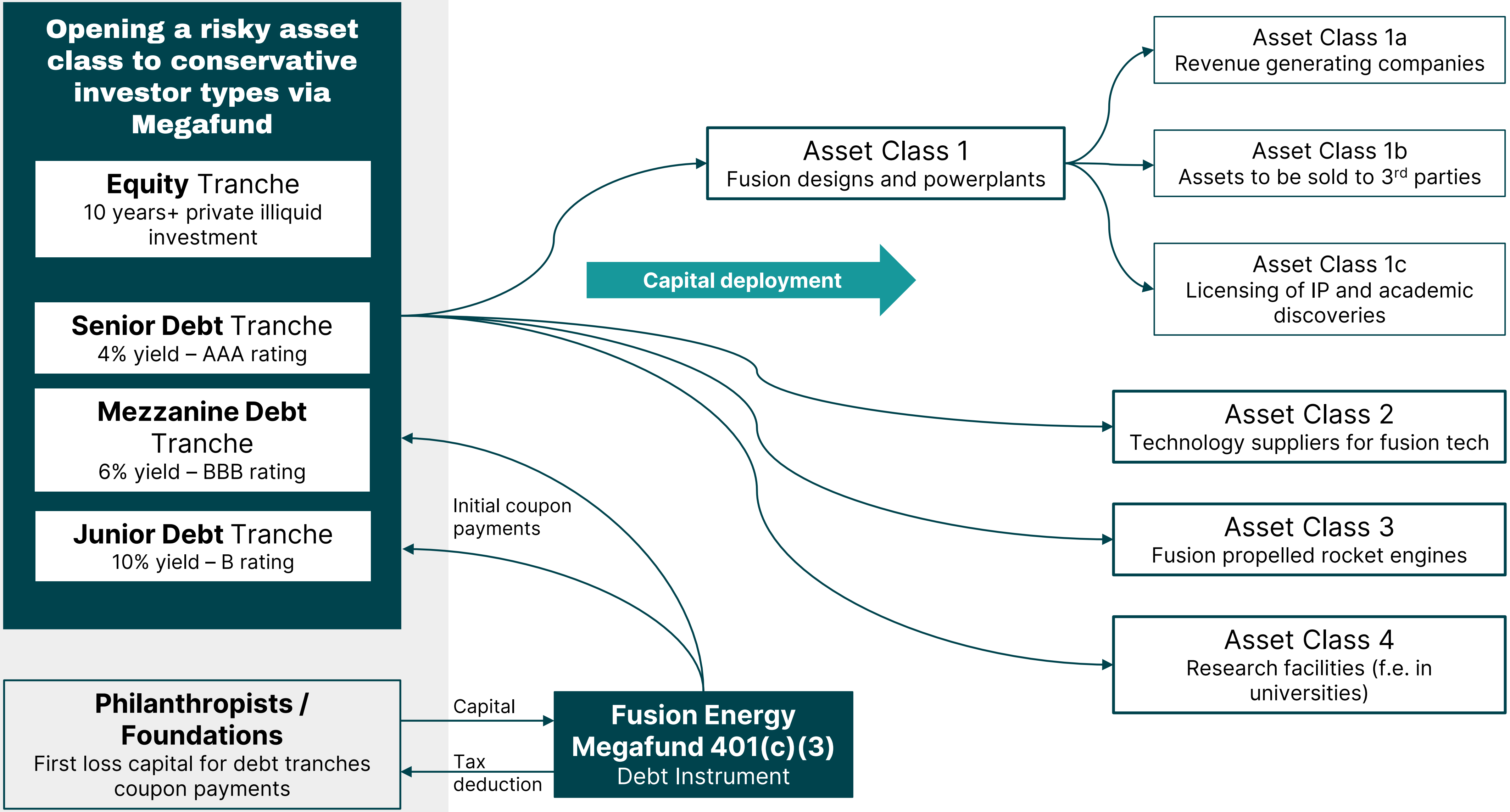
### Dilution and cap table related matters

- Founders maintain meaningful stake in the company?
- External finance need is huge and revenues occur late
- Avoid dead capital in the cap table via business angels, family & fools, …

* Ralph Guenther opinion

# Financing fusion energy

## Public-private partnership via mega fund structure*




** For illustrative purposes only.

[1]RBO is a "research backed obligation". Source: © 2022 by Alhamdan, Halem, Hernandez, Lo, Singh, and Whyte. Journal of Investment.

# APPENDIX

# Important Disclosure

This document and the information contained herein has been prepared by Pantheon and is the proprietary information of Pantheon; it may not be reproduced, provided or disclosed to others, without the prior written permission of Pantheon. For this purpose, “Pantheon” means the Pantheon operating entity that prepared and/or is distributing this document to the recipient. Pantheon operating entities are: Pantheon Ventures Inc. and Pantheon Ventures (US) LP which are registered as investment advisers with the U.S. Securities and Exchange Commission (“SEC”), Pantheon Securities LLC, which is registered as a limited purpose broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”), Pantheon Ventures (UK) LLP which is authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom, Pantheon Ventures (Ireland) DAC which is regulated by the Central Bank of Ireland (“CBI”) and is an appointed representative of Pantheon Ventures (UK) LLP in respect of activities carried on in the United Kingdom, Pantheon Ventures (HK) LLP which is regulated by the Securities and Futures Commission (“SFC”) in Hong Kong a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 4 (advising in securities) regulated activities and Pantheon Ventures (Asia) Limited, registered as a Type II Financial Instruments Business and Investment Advisory and Agency Business Operator under the registration entry “Director General of the Kanto Local Finance Bureau (Financial Instruments Business Operator) No. 3138” under the Financial Instruments and Exchange Act of Japan (the “FIEA”) and a regular member of the Type II Financial Instruments Firms Association of Japan and Japan Investment Advisers Association. Pantheon Ventures (Singapore) Pte. Ltd. which holds a capital markets services license from the Monetary Authority of Singapore (“MAS”) to conduct fund management with accredited and institutional investors. The registrations and memberships referred to above in no way imply any level of skill or training or that the SEC, FINRA, SIPC, FCA, CBI, SFC, the Type II Financial Instruments Firms Association of Japan, the Japan Investment Advisers Association or MAS have endorsed any of the referenced entities, their products or services, or the material in this document.

In the EEA, this document is distributed by Pantheon Ventures (Ireland) DAC to persons who are professional clients within the meaning of the EU Markets in Financial Instruments Directive (Directive 2014/65/EU) (“MIFID”). Any investment product to which this document relates may not be advised on, offered or sold in EEA member states to retail investors within the meaning of Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (“PRIIPS Regulation”) and no key information document (within the meaning of the PRIIPS regulation) will be produced in relation to any such investment product.

In Hong Kong, this document is distributed by a licensed representative of Pantheon Ventures (HK) LLP to persons who are Professional Investors as defined in Schedule 1 to the Securities and Futures Ordinance of Hong Kong.

In Japan this document is provided by Pantheon Ventures (Asia) Limited, to “Professional Investors” (tokutei toshika) as defined in Article 2, paragraph 31 of the FIEA.

In the U.S. and Canada, this document is prepared by Pantheon and is distributed by Pantheon Securities LLC, with respect to funds managed or advised by Pantheon or its affiliates. Furthermore, this material is an institutional communication intended solely for institutional investors, as defined by FINRA. Materials related to potential managed accounts that carry out similar strategies to those discussed herein are distributed by Pantheon Ventures (US) LP in the U.S. and Canada. The distribution of this document in Canada is restricted to recipients that are qualified “permitted clients” for purposes of NI 31-103 and “accredited investors” for purposes of NI 45-106.

In the United Kingdom, this document is distributed by Pantheon Ventures (UK) LLP to persons who are both (i) professional clients within the meaning of MIFID and within the meaning of Article 2(1)(8) of Regulation (EU) No. 600/2014, as retained in UK law and amended (“UK Professional Clients”) and (ii) persons who are professional investors as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who are persons falling within any of the categories of persons described in Article 49(2)(a) to (d) of that Order, or (iii) persons to whom this document may otherwise lawfully be communicated. Any investment product to which this document relates is not intended for retail investors (within the meaning of Article 4 of the PRIIPS Regulation, as retained in UK law and amended (“UK PRIIPS Regulation”) and will be offered in the UK only to persons who are UK Professional Clients. No key information document (within the meaning of the UK PRIIPS Regulation) will be produced in relation to any such investment product.

In Australia, this document is distributed by Pantheon Ventures (UK) LLP only to persons who are wholesale clients under section 761G of the Corporations Act 2001 (Cth) ("Wholesale Clients"). By receiving this document in Australia, you represent and warrant that you are a Wholesale Client. Pantheon Ventures (UK) LLP is exempt from the requirement to hold an Australian financial services licence under the Corporations Act 2001 (Cth) in relation to any financial services provided in Australia to Wholesale Clients under ASIC Class Order 03/1099. Pantheon Ventures (UK) LLP is regulated by the FCA under the laws of England and Wales, which differ from Australian laws. Pantheon Ventures (UK) LLP relies on the Australian Corporations (Repeal and Transitional Instrument) 2016/396 which grants transitional continuance relief to foreign financial services providers relying on Australian Class Order 03/1099 in order to provide financial services to Wholesale Clients in Australia.

In Singapore, this document is distributed by Pantheon Ventures (Singapore) Pte. Ltd. to accredited investors and institutional investors as defined in the Securities and Futures Act 2001.

In other countries, this document is distributed by Pantheon, or on Pantheon’s behalf by a third-party distributing agent, only to persons which are institutional investors to whom this document can be lawfully distributed without any prior regulatory approval or action. This document is provided to the intended party only and may not be shared, in whole or in part, or distributed without the express written consent of Pantheon.

# Important Disclosure

By accepting this document, you acknowledge and agree that this material is provided for your use only and that you will not distribute or otherwise make this material available to any other person without the prior written permission of Pantheon.

**Important information regarding: Opening a new "Account"**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each customer who opens an account. What this means for you: When you open an account, Pantheon may ask for documents or information related to your principal place of business, local office or other physical location; taxpayer identification number; and other documents demonstrating your lawful existence such as certified articles of incorporation, a government-issued business license, a partnership agreement, or a trust instrument, and other identifying documents.

This document is a marketing communication and has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. Nothing in this document constitutes an offer or solicitation to invest in a fund managed or advised by Pantheon or any of its affiliates or recommendation to purchase any security or service. This material is qualified in its entirety by the information contained in any investment product's offering documents or the governing documents of a separately managed account, including any prospectus or other offering memorandum related thereto (collectively, a "Prospectus") and any governing document of such product or account. Furthermore, this material is an institutional communication intended for institutional recipients. Any offer or solicitation of an investment in an investment product may be made only by delivery of the investment product's Prospectus to qualified investors. Prospective investors should rely solely on the Prospectus and governing documents of any investment product in making any investment decision. The Prospectus contains important information, including, among other information, a description of an investment product's risks, objectives, investment program, fees and expenses, and should be read carefully before any investment decision is made. An investment in an investment product is not suitable for all investors. The information contained in this document has been provided as a general market commentary only and does not constitute any form of legal, tax, securities or investment advice. It does not take into account the objectives, financial situation, risk tolerance, attitude to risk and investment restrictions of any persons, which are necessary considerations before making any investment decision. Unless stated otherwise all views expressed herein represent Pantheon's opinion. The general opinions and information contained in this document should not be acted or relied upon by any person without obtaining specific and relevant legal, tax, securities or investment advice. Certain information included in this document is derived from third-party sources that are believed by Pantheon to be reliable, but Pantheon does not guarantee their accuracy or completeness. The information contained in this document is current as of the dates indicated, however Pantheon does not undertake to update this document, and the information and views discussed may change without notice. Legal, accounting and tax restrictions, transaction costs and changes to any assumptions may significantly affect the economics and results of any transaction or investment. In general, alternative investments such as private equity, infrastructure and real assets, or private debt/credit involve a high degree of risk, including potential loss of principal invested. These investments can be highly illiquid, charge higher fees than other investments, and typically do not grow at an even rate of return and may decline in value. These investments are not subject to the same regulatory requirements as registered investment products. **In addition, past performance is not indicative of future results. Future performance is not guaranteed, and a loss of principal may occur. Market and exchange rate movements may cause the capital value of investments, and the income from them, to go down as well as up and an investor may not get back the amount originally invested. This document may include "forward-looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. All projections, forecasts or related statements or expressions of opinion are forward-looking statements. Although Pantheon believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct, and such forward-looking statements should not be regarded as a guarantee, prediction or definitive statement of fact or probability.**

Portfolio, volatility or return targets or objectives, if any, are used solely for illustration, measurement or comparison purposes and as an aid or guideline for prospective investors to evaluate a particular investment product's strategies, volatility and accompanying information. Such targets or objectives reflect subjective determinations of an Investment Manager based on a variety of factors including, among others, the investment product's investment strategy and prior performance (if any), volatility measures, portfolio characteristics and risk, and market conditions. Volatility and performance will fluctuate, including over short periods, and should be evaluated over the time period indicated and not over shorter periods. Performance targets or objectives should not be relied upon as an indication of actual or projected future performance. Actual volatility and returns will depend on a variety of factors including overall market conditions and the ability of an Investment Manager to implement an investment product's investment process, investment objectives and risk management.

**Potential investment program risks**

- Pantheon's investment strategies relate to investments in private funds investing in alternative investments such as private equity, infrastructure and real assets, or private debt/credit, or direct real estate, or other direct investments in such alternative investments. In general, such alternative investments involve a high degree of risk, including potential loss of principal invested. These investments can be highly illiquid, charge higher fees than other investments, and typically do not grow at an even rate of return and may decline in value. These investments are not subject to the same regulatory requirements as registered investment products.

# Important Disclosure

- An investment in a fund investing in alternative investments involves a high degree of risk. Such investments are speculative, subject to high return volatility and will be illiquid on a long-term basis. Investors may lose their entire investment.
- Managers of funds investing in alternative assets typically take several years to invest a fund's capital. Investors will not realize the full potential benefits of the investment in the near term, and there will likely be little or no near-term cash flow distributed by the fund during the commitment period. Interests may not be transferred, assigned or otherwise disposed of without the prior written consent of the manager or general partner.
- Funds investing in alternative assets are subject to significant fees and expenses, typically, management fees and a 20% carried interest in the net profits generated by the fund and paid to the general partner, manager or an affiliate thereof. Investments in such funds are affected by complex tax considerations.
- Funds investing in alternative assets may make a limited number of investments. These investments involve a high degree of risk. In addition, funds may make minority investments where the fund may not be able to protect its investment or control, or influence effectively the business or affairs of the underlying investment. The performance of a fund may be substantially adversely affected by a single investment. Private fund investments are less transparent than public investments and private fund investors are afforded fewer regulatory protections than investors in registered funds or registered public securities.
- Investors in funds investing in alternative assets are typically subject to periodic capital calls. Failure to make required capital contributions when due will cause severe consequences to the investor, including possible forfeiture of all investments in the fund made to date. A material number of investors failing to meet capital calls could also result in the fund failing to meet a capital call applicable to participating in an investment. Such a default by the fund could lead to the permanent loss of all or some of the applicable fund's investment, which would have a material adverse effect on the investment returns for non-defaulting investors participating in such investment.
- Governing investment documents or the related Prospectus or the managed account agreement, as the case may be, are not reviewed or approved by federal or state regulators and privately placed interests are not federally or state registered.
- Fees and expenses – which may be substantial regardless of any positive return – will offset an investment product's profits. If an investment product's investments are not successful, these fees and expenses may, over a period of time, deplete the net asset value of the investment product.
- Pantheon and its affiliates may be subject to various potential and actual conflicts of interest.
- An investment product may employ investment strategies or techniques aimed to reduce the risk of loss which may not be successful.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in an investment product and is subject to the more complete disclosures in such investment product's Prospectus and/or managed account agreement, and/or governing documents of any investment product which must be reviewed carefully prior to making any investment in such investment product.

Pantheon has taken reasonable care to ensure that the information contained in this document is accurate at the date of publication. However, no warranty or guarantee (express or implied) is given by Pantheon as to the accuracy of the information in this document, and to the extent permitted by applicable law, Pantheon specifically disclaims any liability for errors, inaccuracies or omissions in this document and for any loss or damage resulting from its use.

**Description of commonly used indices**

This list may not represent all indices used in this material.

**MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 23 developed market country indexes: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.

**S&P 500 Index** is a widely recognized gauge of the U.S. equities market. This index is an unmanaged capitalization-weighted index consisting of 500 of the largest capitalization U.S. common stocks. The returns of the S&P 500 include the reinvestment of dividends.

# Important Disclosure

**MSCI Europe Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. The MSCI Europe Index consists of the following 15 developed market country indexes: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.
**MSCI AC Asia Pacific Index** captures large and mid-cap representation across 5 Developed Markets countries and 8 Emerging Markets countries in the Asia Pacific region. With around 1,500 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. Developed Markets countries in the index include: Australia, Hong Kong, Japan, New Zealand, and Singapore. Emerging Markets countries include: China, India, Indonesia, Korea, Malaysia, the Philippines, Taiwan, and Thailand.
**MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 24 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.
**FTSE Europe Index** is one of a range of indices designed to help investors benchmark their European investments. The index comprises Large and Mid-cap stocks providing coverage of the Developed markets in Europe. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.
**MSCI USA Index** is designed to measure the performance of the large and mid-cap segments of the US market. With over 600 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US.
**FTSE Asia-Pacific Index** is part of a range of indices designed to help Asia Pacific investors to benchmark their investments. The index comprises Large (40%) and Mid (60%) Cap stocks providing coverage of 14 markets. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization.
**FTSE All World Index** is a market-capitalization weighted index representing the performance of the large and mid-cap stocks from the FTSE Global Equity Index Series and covers 90-95% of the investable market capitalization. The index covers Developed and Emerging markets and is suitable as the basis for investment products, such as funds, derivatives, and exchange-traded funds.
**Cambridge Associates Private Investment Benchmarks** are based on data compiled from over 8,000 global private market funds (including buyout, growth equity, private equity energy, subordinated capital funds and venture capital), including fully liquidated partnerships, formed between 1988 and 2022, including fully liquidated partnerships. The Cambridge Associates Private Investment Benchmarks have limitations (some of which are typical to other widely used indices) and cannot be used to predict performance of the Fund. These limitations include survivorship bias (the returns of the index may not be representative of all private market funds in the universe because of the tendency of lower performing funds to leave the index); heterogeneity (not all private market funds are alike or comparable to one another, and the index may not accurately reflect the performance of a described style); and limited data (many funds do not report to indices, and the index may omit funds, the inclusion of which might significantly affect the performance shown).
**Cambridge Associates (Infrastructure)** is comprised of data extracted in fund currency from Private Equity and Venture Capital index based on funds classified as Infrastructure by Cambridge Associates. Cambridge Associates defines Infrastructure as funds that primarily invest in companies and assets that provide an essential service that contributes to the economic or social productivity of an organization, community, or society at large, with real assets in the water, transportation, energy, communication, or social sector. Investments must also have one or more of the following structural features: a monopolistic or oligopolistic market position with high barriers to entry; a low elasticity of demand due to their essential functions; stable, predictable, and long-term revenue contracts; or inflation protection through inflation adjustment mechanisms in underlying contracts. These indexes have limitations (some of which are typical to other widely used indices) and cannot be used to predict performance of the fund. These limitations include survivorship bias (the returns of the index may not be representative of all private equity funds in the universe because of the tendency of lower performing funds to leave the index); heterogeneity (not all private equity are alike or comparable to one another, and the index may not accurately reflect the performance of a described style); and limited data (many funds do not report to indices, and the index may omit funds, the inclusion of which might significantly affect the performance shown).
The funds included in the data shown report their performance voluntarily therefore the data may reflect a bias towards funds with track records of success. The underlying funds may report audited or unaudited. The data is not transparent and cannot be independently verified.
**Preqin's** database includes performance information on over 7,000 active Private Equity funds. The Preqin data is supplied by managers therefore may be unaudited. The indices cannot be independently verified and may be recalculated by Preqin each time a new fund is added. The historical performance of the index is not fixed, cannot be replicated and may differ over time from the data presented in this communication.

Any reference to the title of "Partner" in these materials refers to such person's capacity as a partner of Pantheon Ventures (UK) LLP. In addition, any reference to the title of "Partner" for persons located in the United States refers to such person's capacity as a limited partner of Pantheon Ventures (US) LP.

PANTHEON