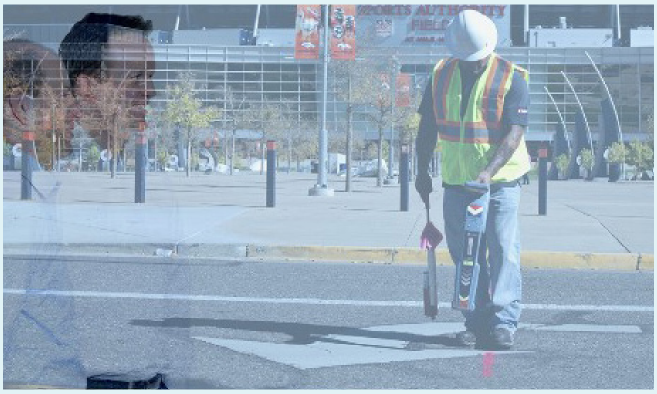
2021 at a glance – Clients



Clients

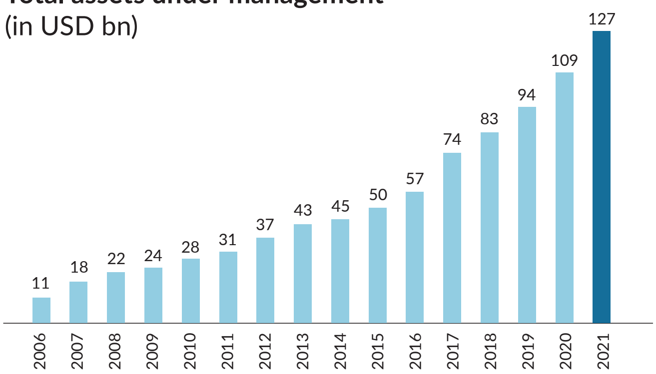
USD 25 billion gross client demand in 2021; **AuM** increased by 17% to **USD 127 billion.**

Fundraising environment

We expect the secular growth trajectory of the private markets industry in general, and for Partners Group in particular, to continue and fundraising to remain diversified across regions, asset classes as well as product and client types.

In the 5-year period ending in 2021, private markets AuM grew at 14% p.a.[3] Over the same period, Partners Group's AuM grew by 17% p.a. With USD 1'355 billion[4] raised in 2021, the private markets industry had a record fundraising year across all asset classes. The strong fundraising year was supported by high levels of deployment and solid investment performance.

Total assets under management[1)]
(in USD bn)

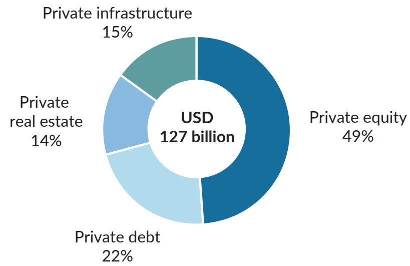


1) Assets under management exclude discontinued public alternative investment activities and divested affiliated companies held up to 2013.

In 2021, Partners Group also experienced a solid year of fundraising based on sustained client demand, receiving USD 25 billion in new commitments. The demand for programs and mandates brought our total AuM to USD 127 billion as of 31 December 2021 (31 December 2020: USD 109 billion), an increase of 17%.

The breakdown of total AuM across asset classes as of 31 December 2021 is as follows: USD 63 billion private equity (49% of total AuM), USD 27 billion private debt (22%), USD 18 billion private real estate (14%), and USD 19 billion private infrastructure (15%).

AuM by asset class



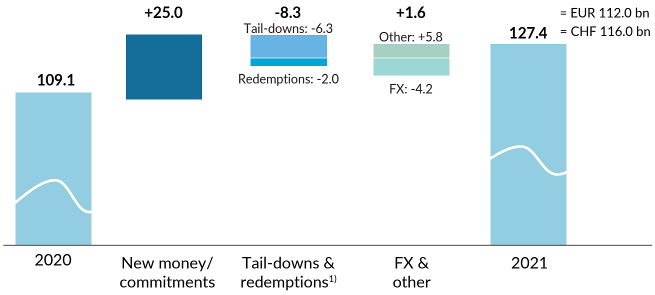
AuM growth in 2021 was further supported by continued strong performance across Partners Group's private markets portfolios, which led to a positive contribution of USD 5.8 billion from a select number of investment programs, which link AuM to NAV-development; this is referred to as "other" in the chart below. Partners Group reports fee-paying AuM and most of the firm's evergreen programs base fees on NAV. The portfolio performance during the period impacts the NAV of these products and this translates to a corresponding change in firm-level AuM. Furthermore, tail-down effects

3 Source: Preqin, Alternatives in 2022.
4 Source: Private Equity International, January 2022, Fundraising Report 2021.

2021 at a glance – Clients

from mature private markets investment programs amounted to USD 6.3 billion and redemptions from evergreen programs to USD 2.0 billion. Foreign exchange effects negatively impacted underlying AuM growth by USD 4.2 billion, in particular due to the weakening of EUR against USD. Overall, this resulted in net AuM growth of USD 18.3 billion during the period.

Total assets under management development
(in USD bn, except where stated otherwise)



1) Tail-downs & redemptions: tail-downs consist of maturing investment programs (typically closed-ended structures); redemptions stem from evergreen programs. Gating provisions are a standard feature for those evergreens which allow for redemptions; net redemptions are typically limited up to 25% p.a. of the prevailing NAV (stricter gating rules can be enforced for select share classes). Gating provisions are a standard feature for those evergreens which allow for redemptions; net redemptions are typically limited up to 25% p.a. of the prevailing NAV (stricter gating rules can be enforced for select share classes).

Client demand across all asset classes

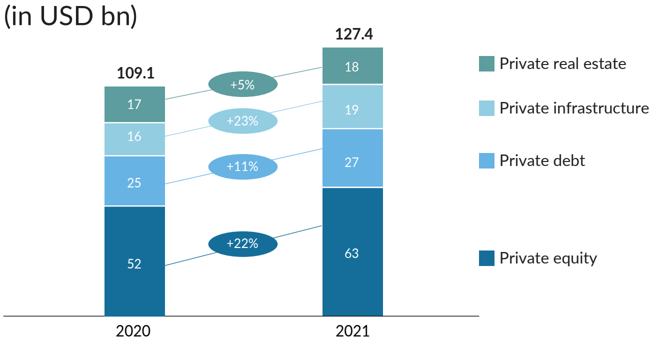
Private equity was the largest contributor to assets raised in 2021, representing 50% (USD 12.4 billion) of all new commitments. Client demand was seen across the entire suite of our traditional and bespoke client solutions offerings. On the traditional offerings side, fundraising was supported by demand for the firm's fourth buyout program, which closed in the second half of 2021. On the bespoke client solutions side, along with the strong growth of mandates and other open-ended funds, our flagship US evergreen fund was a key contributor to fundraising, recording one of its highest ever inflows during the period.

Private debt saw solid inflows, which represented 24% (USD 6.1 billion) of all new commitments. Demand was spread over several different programs and mandates, including our collateralized loan obligations (CLO) focused on broadly syndicated loans (43% of assets raised), as well as our direct lending activities, which contributed the other 57% of new commitments. Today, our entire CLO business represents 6% of our AuM.

New commitments in **private real estate** represented 9% (USD 2.2 billion) of overall new client demand, stemming from a diversified range of investment programs and mandates. Private real estate is in the midst of marketing its new flagship fund targeting global real estate opportunities and we expect the program to be a relevant contributor to fundraising in 2022.

Client demand for **private infrastructure** represented 17% (USD 4.2 billion) of all new commitments and was the fastest growing asset class in 2021 (+23%). Private infrastructure closed its successor direct offering in February 2022. We have seen a strong demand with a relevant contribution to fundraising over the second half of 2021.

Net AuM growth by asset class[1)]
(in USD bn)

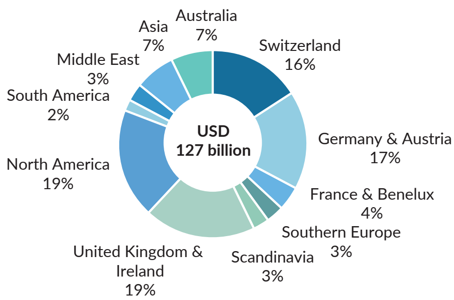


1) Due to rounding, some totals may not correspond with the sum of the separate figures.

Client demand by region and by type

We have a broadly diversified and international client base spanning a range of client types.

AuM by region



In terms of types of clients, the majority of our AuM stems from institutional clients such as corporate, public, and other pension funds, as well as sovereign wealth funds and insurance companies. These institutional investors often invest via bespoke solutions or traditional long-term closed-ended private markets programs.

Over the last three years, we have also seen strong interest from distribution partners, which typically accounts for between 15-25% of client demand. They represent private individuals and smaller institutional investors, who

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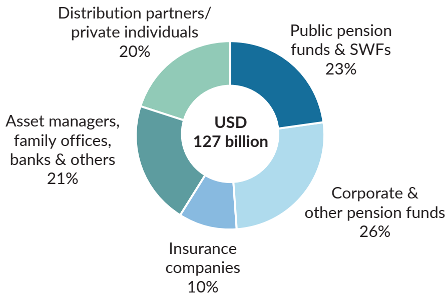
increasingly recognize the benefits of private markets and aim to mirror the allocations of institutional investors in their own investment portfolios. Usually, they seek to access private markets through open-ended programs with limited liquidity features (evergreen programs).

AuM by type



Client demand by product structure

Managing around 300 diverse private markets portfolios in different stages of their lifecycle and across all private market asset classes is our strength and a key differentiator for our firm. These encompass traditional private markets vehicles such as comingled, closed-ended limited partnerships; mandates for large institutions, which allow us to steer investment exposure across multiple private markets asset classes in line with clients' longer-term investment horizons; and evergreen programs.

In 2021, 38% (USD 9.5 billion) of overall inflows were raised via **traditional private markets programs**, typically limited partnerships with a pre-defined contractual life and often an initial term of 10-12 years for closed-ended equity offerings and 5-7 years for closed-ended debt offerings.

Our **mandate** business focuses on building up private market's exposure for large institutional clients, typically to achieve long-term target allocations. Capital is committed via long-term partnerships, which are often not limited to a specific contractual life and will continue for a perpetual term, unless new commitments are discontinued. Some 36% (USD 8.9 billion) of our new client commitments stemmed from relationships with clients through mandates.

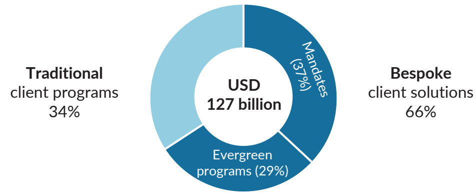
The remaining 26% (USD 6.5 billion) of new commitments stemmed from our **evergreen programs**. Evergreen programs were the fastest growing category and grew 30% in 2021. This was driven by strong performance combined with robust inflows. We are a global leader in evergreen programs for investments in private markets. These open-ended evergreen vehicles cater mostly to high-net-worth individuals and have no contractual end but are subject to potential redemptions.

As of 31 December 2021, we manage 29% of our AuM (USD 36.7 billion) in evergreen programs.

Gating provisions are a standard feature of these evergreen programs in order to protect remaining investors and performance. Typically limited at up to 25% p.a. of the prevailing net asset value, depending on the investment strategy and content of the program, in severe cases of market distress stricter gating provisions can be applied.

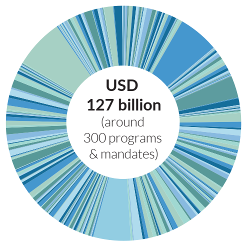
Following these inflows in 2021, our total AuM by product structure as of 31 December 2021 stands as follows:

AuM by program structure



As of 31 December 2021, our two largest investment programs, which are both globally diversified, accounted for 15% of our AuM. The largest and second largest programs combine private equity and private debt investments and cater to private investors in the US and Europe, respectively. We remain highly diversified with approximately 300 programs and mandates as shown in the below graph.

AuM split by private market programs and mandates



2021 at a glance – Client outlook

Client outlook

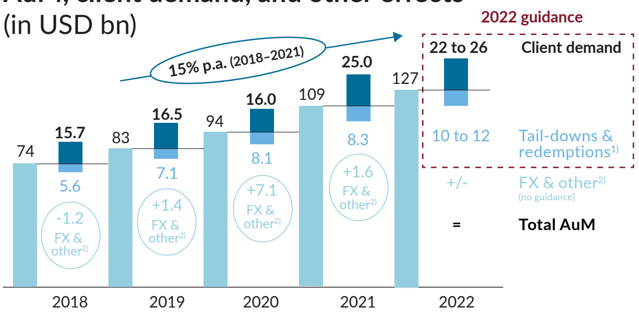
We expect 2022 will be a solid fundraising year. Based on robust client demand for programs and mandates, and facilitated by our robust investment capacity, we issue guidance of USD 22 to 26 billion expected gross client demand for the full-year 2022.

Our full-year estimates for tail-down effects from more mature investment programs and potential redemptions from evergreen programs amount to between USD 10 to 12 billion.

Growing numbers of clients appreciate the flexibility of choice presented by our range of non-traditional private markets offerings. We consider that our ability to provide tailored access to private markets, and to create and actively manage bespoke programs that match the different targets of our clients, remains unparalleled in the industry. As such, we believe that these structures will continue to drive demand for Partners Group in the years to come. Additional building blocks to our future growth are expected to stem from defined contribution ("DC") pension plans as well as from various global initiatives to democratize access to private markets for a broader set of investors.

Based on our strong investment performance track record, as well as client service excellence, we believe that we are well positioned to continue to be a partner of choice for global investors.

AuM, client demand, and other effects
(in USD bn)



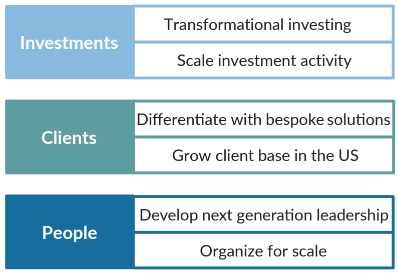
1) Tail-downs & redemptions: tail-downs consist of maturing investment programs (typically closed-ended structures); redemptions stem from evergreen programs.
2) Other consists of performance and investment program changes from select programs. For illustrative purposes only. Due to rounding, some totals may not correspond with the sum of the separate figures.

Mid-term outlook

We believe the private markets industry will grow to USD 30 trillion assets under management over the next decade, while undergoing a fundamental shift – public markets and private markets are swapping roles. Private markets are, in our view, becoming the new 'traditional' asset class, offering investors access to the new real economy. In fact, private markets capital formation has already been outpacing traditional global equity issuances over the last five years. Over the same period, IPOs have been increasingly concentrated in technology and are more recently attracting speculative investment. The industry will also face challenges as it evolves – increased competition, growing regulatory scrutiny, and increasingly specialized market participants. The firms that will deliver sustained outperformance, at scale, for their clients in this environment, are well-resourced active managers that focus on thematic sourcing, value creation capabilities, and an entrepreneurial governance approach.

To ensure we continue to achieve sustainable and profitable growth in a market that is more mature and faster paced, we have defined six strategic focus areas that will guide our growth in the coming years and are designed to strengthen our leading position in private markets further.

Our six strategic focus areas



Investments

Transformational investing is our approach to active business building, and our answer to the large set of opportunities and challenges in the years ahead. In order to maintain a growing pipeline of target companies and assets with strong value creation hypotheses in high-conviction thematic growth sectors, we will further invest in research to increase the number of themes we cover at any given point in time, concurrently grow our network of operating directors that are experts in these fields, and more directly map the goals of senior investment leaders to thematic objectives.

As an owner of market leading companies and assets, we work alongside management teams with the mindset of a founder, not a financial investor. Therefore, the design of the board and the cooperation with their executive teams is of the upmost importance. Building on the success of the rollout of PG Alpha, our proprietary board and strategy management system, we are expanding the scope to more of our control assets to help ensure that our portfolio firms are engaging with our framework throughout the lifespan of our ownership.

2021 at a glance – Client outlook

As a recognized, established leader in sustainability, we build better and more sustainable assets and companies. In particular, we focus on driving effective governance at the board and executive team level in our portfolio companies. We believe this lever will be the most impactful to establishing ESG targets in assets we own.

In addition to our direct investing activities, we will grow our portfolio of non-control assets and loans more strongly. The market for non-control assets has significantly evolved in the last years and we intend to capture the numerous opportunities that present themselves in this segment by **scaling our investment activities** and focusing on extension assets.

Clients

As the demand for private markets grows across a variety of investor types, we observe two clear trends that play to our strength as a preferred **bespoke solutions** provider: first, large institutional investors in private markets are becoming more sophisticated and require tailored solutions to address a variety of specific needs. We will therefore more prominently communicate our unique portfolio management capabilities, which enable us to tailor investment content to the specific objectives and parameters of each client's risk/return profile and pre-defined investment level. Furthermore, we will support our established client base in transitioning from traditional limited partnership structures to industry-leading mandates to give them access to the benefits offered by tailored solutions. Second, there is an influx of smaller investors and private individuals seeking to access the asset class for the first time, for whom traditional solutions are not always appropriate. For those clients, we will expand our differentiated bespoke evergreen solutions, which provide access to the same private markets investments as large institutional investors while offering a certain amount of liquidity.

At the same time, we will also focus on **growing our client base, particularly in the United States.** We are actively working to increase our brand recognition, especially among consultants, to transfer the success we have had in creating tailored portfolios for our European clients to the US and win new clients with our bespoke solutions. While the US typically accounts for around half of our private markets investing every year, it currently only makes up around 20% of our annual client demand. We will invest in growing the incremental share of fundraising stemming from the US with an ambition to be above 30% by 2025.

Lastly, the defined contribution ("DC") pensions market in the US – a key driver of future growth for the private markets industry – is expected to slowly open to the asset class. We will take advantage of our experience in establishing solutions with similar liquidity characteristics to develop a leading position in this nascent market.

People

As we implement our system to **develop the next generation of leadership,** we are continually assessing and developing our global management team to create a highly talented and diverse bench of potential next-generation leaders. To underscore these objectives, we aim for a top quartile annual employee engagement score of >75%, a low annual attrition rate of <12.5%, and at least 25 female leaders in Senior Management by 2025.

We will also continue to **organize for scale** through technology and process improvements. We aim to increase efficiency across our platform through additional investment in our digitization efforts that will allow us to manage increasing AuM with the same degree of operational excellence across our services platform.