A Time *of* Change Creates a *Compelling* Opportunity *for Long-Term Investors*

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KEY TAKEAWAYS

OFFICE OF THE CIO

2026 Investment Perspectives: Investing Through Structural Change

Market Perspectives & Insights from Aura's Global Portfolio

A Time of Change Creates a Compelling Opportunity for Long-Term Investors

The global economy enters 2026 having demonstrated notable resilience amid a year of pronounced volatility. In 2025, policy realignments, geopolitical tensions, and rapid technological acceleration—particularly in artificial intelligence—generated sharp market swings and persistent uncertainty. Yet economic activity, led by the United States, remained durable, corporate balance sheets stayed strong, and the tangible impact of new technologies became increasingly evident across the private sector.This coexistence of disruption and durability defines the investment environment ahead. Several macroeconomic and political developments are already in view for 2026, including changes in Federal Reserve leadership and voting composition, the lagged effects of tariffs and trade policy uncertainty, U.S. midterm elections, and ongoing fiscal pressures across major economies. Together, these factors reinforce the importance of disciplined analysis and long-term orientation.

In such an environment, success depends on looking beyond sentiment and anchoring decisions in data, fundamentals, and structural trends. Aura's proprietary insights—drawn from a broad global platform spanning hundreds of portfolio companies, extensive real estate holdings, thousands of corporate borrowing relationships, and a diversified infrastructure footprint—enabled us to navigate volatility effectively in 2025 and deploy capital selectively and at scale. Volatility, when approached with conviction and preparation, can be a source of opportunity rather than risk.Our investment outlook for 2026 is shaped by five interrelated dynamics that are defining the current cycle: accelerating AI investment and productivity gains, resilient but uneven economic growth, a cooling labor market, moderating inflation, and a declining global cost of capital. Collectively, these forces are creating a constructive backdrop for investors positioned to anticipate change and act decisively.

This outlook begins with an assessment of these structural forces and their implications for the global economy, and then considers how they translate into opportunity across private markets.

Key Takeaways

- **Artificial intelligence is reshaping the investment landscape**, driving a multi-year capital expenditure cycle across data centers, power generation, semiconductors, and digital connectivity. This investment wave is largely funded by operating cash flows rather than leverage, while laying the groundwork for sustained productivity gains.
- **Economic growth remains resilient but uneven**, supported by strong corporate balance sheets, improving margins, moderating wage pressures, and continued consumer demand—albeit increasingly concentrated among higher-income households.
- **Easing inflation is providing central banks with flexibility**, and the combination of falling borrowing costs and accumulated demand to transact is supporting a recovery in deal activity that is expected to extend through 2026.
- **Private markets are well positioned to benefit from structural megatrends**, including AI, digital infrastructure, and the energy transition. Their advantages—platform scale, proprietary data, operational capabilities, long-duration capital, and structured investment approaches—differentiate them from public markets and support resilience and downside protection.
- **Momentum is building across private equity, real estate, credit, and infrastructure**, with expanding opportunity sets, improving exit conditions, lower financing costs, and sector-specific catalysts creating a favorable investment environment for the year ahead.

Five Factors Driving Markets

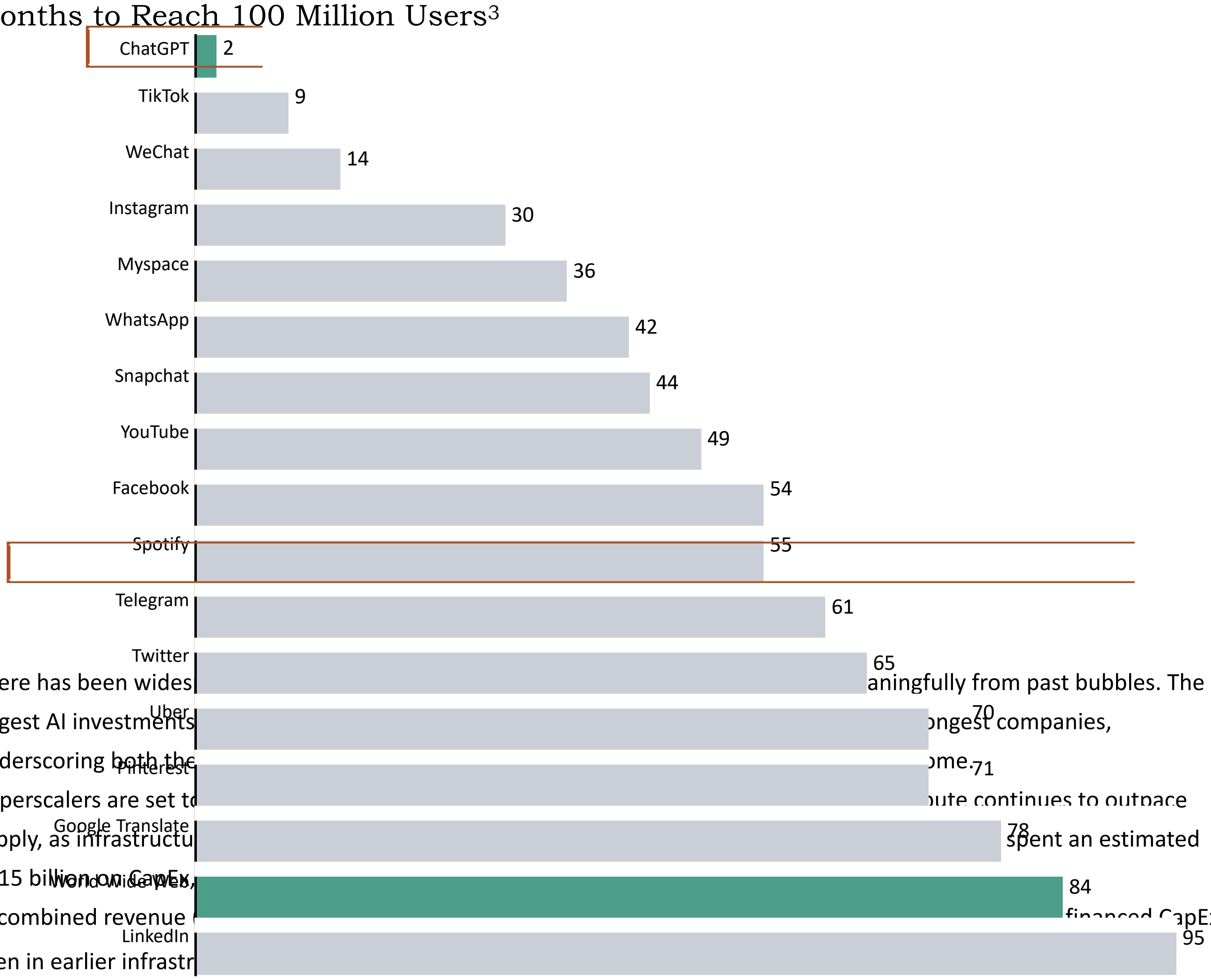
1. Artificial Intelligence

The Main Thing

AI is the most consequential force shaping the global economy today. Adoption is happening at unprecedented speed, with over 1 billion monthly active users of ChatGPT — up from fewer than 200 million just two years ago. [2] While overall adoption has been rapid, the impact on productivity and margins is still in early stages, with far greater long-term potential. This is fueling major investment in the infrastructure that makes it all possible, from data centers and chips to power grids and connectivity.

Figure 1

Months to Reach 100 Million Users[3]



There has been wides [illegible] aningfully from past bubbles. The largest AI investments [illegible] ongest companies, underscoring both the [illegible] ome. Hyperscalers are set t [illegible] ute continues to outpace supply, as infrastructu [illegible] spent an estimated $415 billion on CapEx [illegible] in combined revenue [illegible] financed CapEx seen in earlier infrastr [illegible]

Figure 2

Hyperscaler CapEx Spend[7]
(MSFT, AWS, Google, Meta, Oracle; $ in billions)

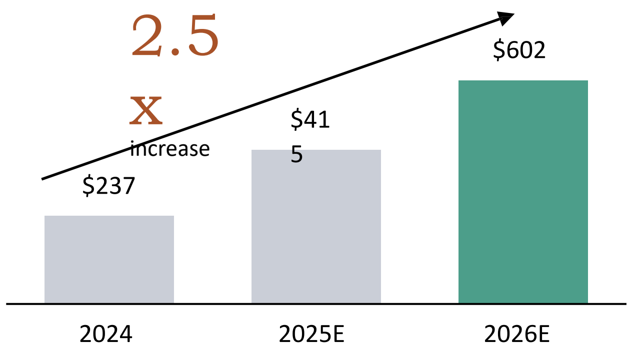
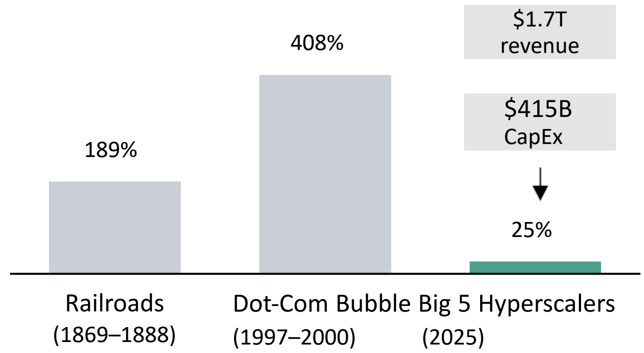


Figure 3

CapEx as a % of Revenue[8]

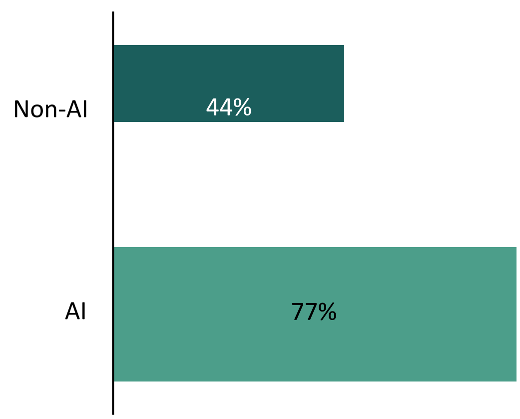


Beyond infrastructure, AI is gradually beginning to transform how companies operate: accelerating software development, improving decision-making, and enabling more personalized customer engagement. Our portfolio data reflects this momentum — in a survey of our portfolio company CEOs, 77% of respondents increased AI-related software spend in Q3, compared to under 50% for non-AI software (see Figure 4).[9]

While valuations of AI-focused companies may rise and fall, we have high conviction in the transformative impact of AI over time, and its potential to drive meaningful productivity growth throughout the economy. AI is also a disruptive force, and staying ahead of that disruption is critical, particularly in sectors where the technology carries potential to reshape long-term earnings power.

Figure 4

Aura Surveyed CEOs Increasing AI-Related Software Spend[10]
Compared to 2024, do you expect your 2025 software CapEx in regard to AI and non-AI spend to increase?



2. Growth

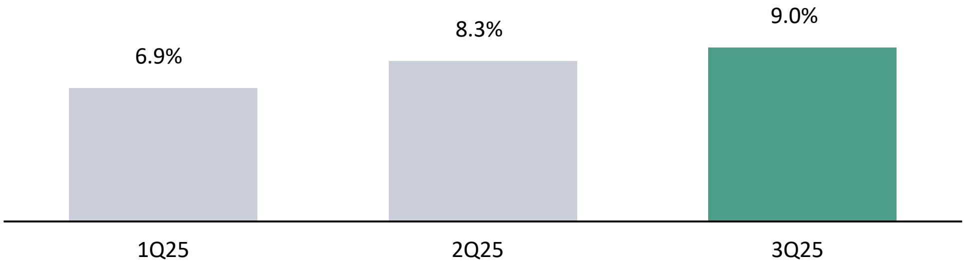
Resilient, but Uneven
Growth remains positive but bifurcated. We believe a generational investment opportunity is taking shape, fueled by technology, infrastructure, and energy transition spending, while interest rate-sensitive sectors like housing and manufacturing have lagged. AI-related spending, already a meaningful contributor to growth, is increasing. As the world's largest tech companies continue to raise CapEx spending plans, we see little evidence that this momentum will fade in the near term.

Our view on the US economy has remained consistently constructive, informed by early signals in our portfolio. In 2025, year-over-year revenue growth in our US portfolio companies accelerated from 7% in Q1 to 8% in Q2 and 9% in Q3, alongside over 600bps of margin expansion over the past three years, from 29% to 35% as of Q3.[11] Public data echoes this momentum, with US GDP growth rising 4.3% in Q3 and more than 80% of S&P 500 companies beating earnings expectations. [12] Labor productivity is also accelerating, rising 4.9% QoQ SAAR in Q3 — the fastest pace in two years, which we believe is contributing to stronger earnings and margins.[13]

Figure 5

Aura US PE Portfolio Companies Average Revenue Growth[14]

YoY, as of 3Q25



35%
EBITDA margin (3Q25)

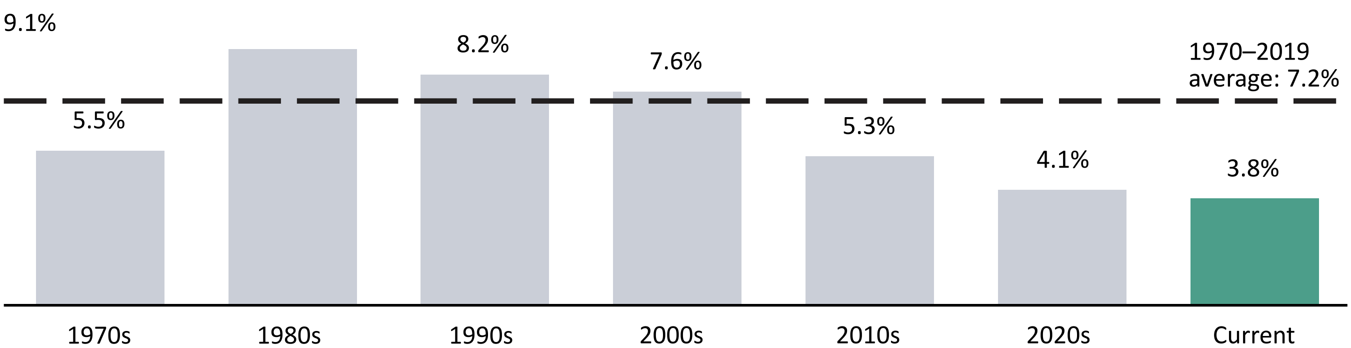
>600bps
of margin expansion over the last 3 years through 3Q

Overall, US corporate balance sheets are in excellent shape, with lower leverage, lower funding costs, and substantial capacity to invest. Falling costs of debt service provide additional support, with corporate interest expense at its lowest level in 50 years (see Figure 6).[15]

Figure 6

US Nonfinancial Corporate Business Gross Interest Expense [15]

Percent of Revenue

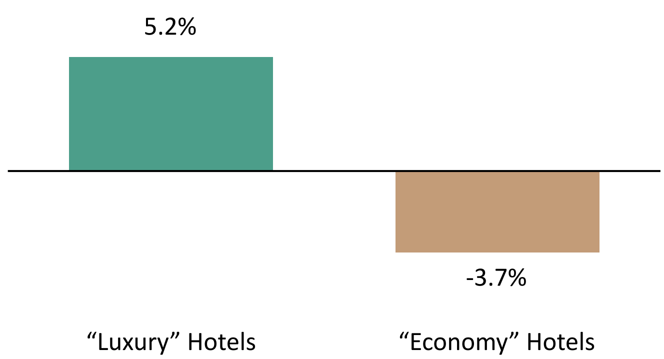


By contrast, government debt and deficits have continued to rise. This dynamic has helped push term premiums higher and it remains important for investors to monitor this closely. Strong fundamentals have supported healthy consumer spending, which accelerated to 3.5% in Q3 (QoQ annualized).[16] But this strength masks underlying disparities: The top 40% of earners accounted for roughly three-quarters of consumer spending, driving outperformance in premium and luxury categories while value segments softened.[17] This divergence is evident in the hotel sector, where demand for budget accommodations has slowed while premium properties remained strong (see Figure 7).

Figure 7

US Hotel Revenue Growth per Available Room[18]

YTD YoY; as of Dec 27, 2025



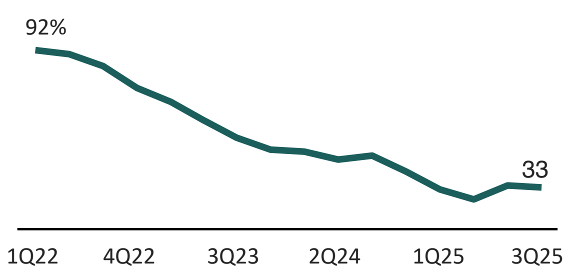
3. Labor Market

Continued Cooling

Labor markets have continued to cool after a prolonged period of tightness. These dynamics have been consistently visible in our portfolio company data, which showed early signs of normalization ahead of broader market indicators. Hiring challenges, which ranked as the top concern am ong our surveyed portfolio company CEOs in early 2022, was cited as an issue by 92% of respondents at the time but has fallen sharply — only 33% reported it as a major issue by late 2025 (see Figure 8).[19] Hourly wage growth has also moderated from 5.3% two years ago to 2.9% today (see Figure 9), helping to reduce inflation and giving the Fed additional room to bring down interest rates.[20]

Figure 8

Aura CEOs Experiencing Hiring Challenges*

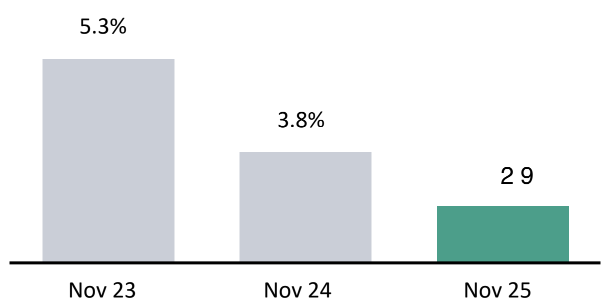


* Source: 3Q25 Aura CEO Survey. Includes input from 95 Aura Portfolio Companies (57 US CEOs). Survey initiated September 9, 2025, and closed September 25, 2025. Results prior to 2Q25 are sourced from prior quarters' decks; therefore, sample sets are not like for like.

Figure 9

Aura US Portfolio Wages, Hourly*

YoY, as of November 2025



* From Aura's monthly November Chief Human Resource Officer Survey (CHRO). Includes input from 11 Americas portfolio company responders (~57,000 employees).

Labor market dynamics and consumer behavior warrant continuous attention. There has been an increasing move to a "low hire, low fire" job market, another unique aspect of today's economy. A sharper slowdown in hiring or wage growth, while helpful for inflation, could dampen consumer spending, which is already showing K -shaped patterns, while a market correction could affect affluent households that are more exposed to equity markets. We are also closely monitoring the implications of AI for labor demand over time .

4. Inflation

Shelter Indicates Further Easing

Inflation is easing beyond labor, a shift we have been seeing for more than two years. We have unique visibility into the single biggest component of inflation: shelter. Official shelter costs, which account for roughly 35% of the Headline Consumer Price Index (CPI), carry about a one-year lag relative to our real-time data (see Figure 10).[21] Our data shows shelter inflation running at roughly half the official rate. [22] Substituting our figure for the reported shelter number would place Headline CPI at 2.0% rather than 2.7% (see Figure 11).[23]

Figure 10

Aura Derived Inflation Data Leads Official Numbers by ~12 Months[24]

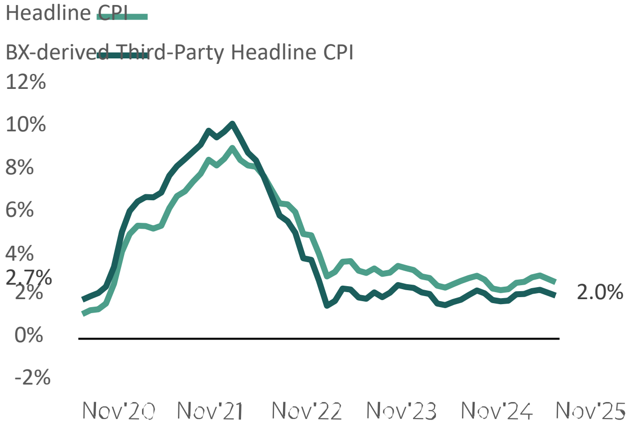
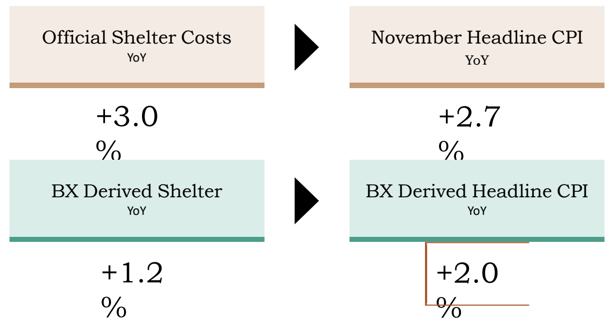


Figure 11

Official Inflation Figures vs. BX-Derived Inflation Figures[24]



This visibility has been especially valuable during periods when government data has been delayed or disrupted. Cooling shelter costs, combined with moderating wages, create a more predictable environment for renewed transaction activity.

There are, of course, potential risks. Energy and certain commodity prices may continue to be volatile in 2026 . Electricity prices in particular could rise as investment catches up to structurally higher power demand from data centers and US reindustrialization. Companies are also adjusting supply chains in response to new trade policy, which may raise some operating costs. In addition, elevated US government debt, now roughly $38 trillion — 124% of US GDP — and continued fiscal deficit spending have kept term premiums higher amid expectations of increased Treasury issuance.[25] Lastly, geopolitical friction increases uncertainty. That said, inflation's overall trajectory continues to look favorable, and longer-term, technology-fueled productivity gains should help lower costs as well.

5. Cost of Capital

Fueling Activity

The cost of capital is falling as central banks lower interest rates. Globally, financing conditions have improved: Debt markets have reopened, business sentiment remains positive, and liquidity is being supported in part by roughly $40 billion in monthly Treasury bill purchases. With interest rates and borrowing costs moving lower, deal -making has been picking up. Corporations are also benefiting from retroactive tax provisions under the One Big Beautiful Bill Act, which should support growth — particularly in sectors that lagged over the past year — and provide additional support to earnings.

Our data reflects this improvement. Capital markets activity across our portfolio totaled $124 billion in Q3 across both debt and equity, signaling a meaningful pickup.[26] Potential exit activity is also robust, with our IPO pipeline as of Q3 at its strongest since 2021. Industry-wide trends are consistent with what we're seeing, with US M&A volumes up 63% in Q3 — driven by large deals and sponsor activity (see Figure 12). [27]

Figure 12

Accelerating Capital Markets Activity[28]

US IPO Volume 3Q25 YoY	+100%
US M&A Volume 3Q25 YoY	+63%
Average Post-IPO Performance of Blackstone Led Offerings 3Q & 4Q25	+30%

International Markets

Improving Environment

Global economic conditions are showing signs of cautious improvement heading into 2026. Inflation is stabilizing, interest rates are moving lower across most regions, and central banks cut rates more than 200 times in 2025.[29] The lower cost of capital has supported a broad market rally, with the MSCI World ex -US up 27% for 2025 — its strongest gain in 16 years.[30] But growth in international markets also remains bifurcated.

In Europe and the UK, for example, the outlook is uneven. In the UK, growth has been muted. Despite real wage gains, the savings rate is above the pre-pandemic trend. Further, the UK attracted the lowest level of investment among G7 nations in 2025.[31] Overall, a weaker labor market and shortfall of both consumption and investment — combined with over-indebtedness in the government sector (above 100% of GDP today) — continue to weigh on growth.[32] However, inflation has moderated and the Bank of England's recent 25 bps rate cut in December should add support to the economy at the margin. In the euro area, inflation has also cooled, and the labor market has proven more resilient, with unemployment near all -time lows.[33]

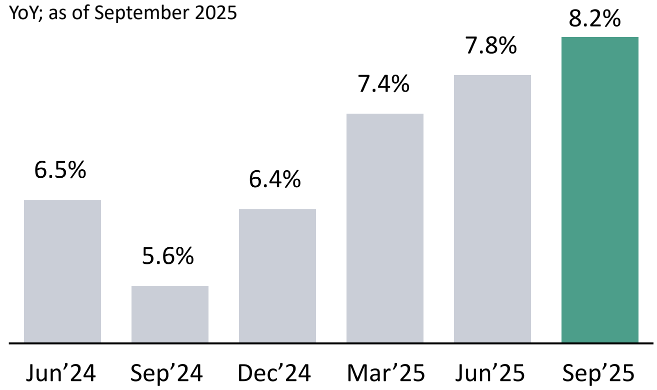
At the same time, elevated government debt (for example, 117% of GDP in France) is constraining fiscal flexibility on the continent.[34] Structurally, Europe also has less exposure to the technology sector, both as a driver of economic growth and within public equity markets, limiting participation in the AI investment cycle relative to the US. Yet, despite ongoing policy complexities, both markets selectively offer high -quality opportunities at attractive valuations. Taking a thematic approach that prioritizes growing businesses is especially important in Europe and the UK, given the weaker regional economic backdrop. A recent example of our strategy in action is logistics, one of our highest-conviction sectors, where last year we purchased €7 billion in European platforms, including the acquisition of Proudreed in France and take-private of Warehouse REIT in the UK. [35]

In Asia, India continues to stand out as one of the most dynamic growth markets globally. Rising incomes, strong domestic demand, and an active IPO environment — among the strongest in the world — are reinforcing momentum. Q2 FY 2025 GDP growth reached 8.2%, the strongest in six quarters, reflecting broad-based expansion across services and manufacturing (see Figure 13). [36] We believe private valuations remain attractive relative to public markets, supporting opportunities to buy and build businesses at meaningful discounts. Infrastructure investment, digital adoption, and policy continuity continue to support a multi-year growth runway.

Figure 13

India Real GDP Growth[37]

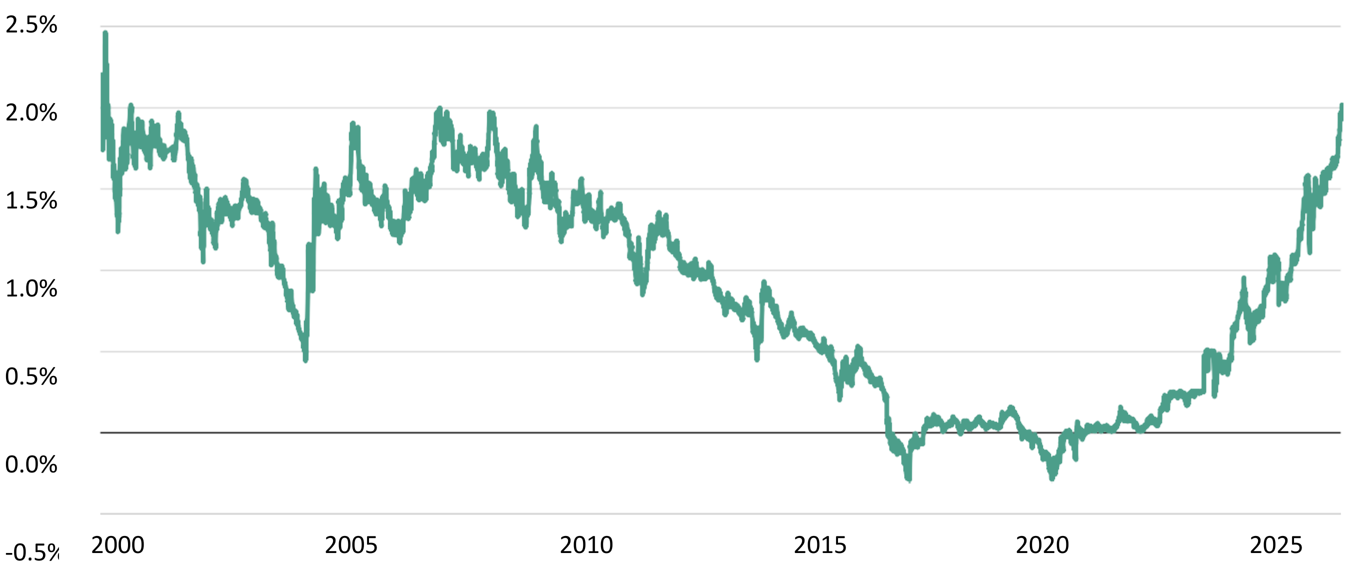
YoY; as of September 2025



Japan offers a complementary opportunity, grounded in value and structural change. Public companies frequently trade below intrinsic value, creating opportunities for privatization, operational improvement, and the application of technology and AI to unlock earnings potential. Recent policy shifts have added to the opportunity: fiscal stimulus is aimed at bolstering domestic demand, and the Bank of Japan has moved further away from long-standing zero rates as inflation and wage growth broaden. These shifts have pushed 10 -year JGB yields above 2% — a 26-year high — as fiscal policy aims to stimulate corporate investment and productivity gains.[38] Reflecting this momentum, the government has raised its fiscal 2025 and 2026 growth forecasts, supported by stronger consumption — more than half of GDP — and an increase in private investment.[39]

Figure 14

Japan 10-Year Government Bond Yield Jumps to a 26-Year High[40]



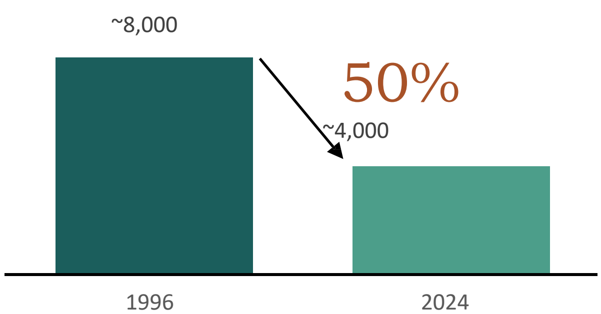
The Opportunity for Private Markets

Against the current macro backdrop, private markets can offer the right combination of resilience, flexibility, structural protection, and exposure to durable growth — making them well positioned to help portfolios navigate uncertainty and capture opportunity in the year ahead.

Public equity markets are more concentrated today than ever before, with half the number of US public companies vs. nearly 30 years ago (see Figure 15). The ten largest S&P 500 companies now make up about 40% of the index — double their share in 1990 — while fewer companies are going public overall (see Figure 16).[41] At the same time, stock-bond correlation has been positive more than 70% of the time since 2022 (see Figure 17). As a result, the natural diversification that once supported a traditional "60/40" portfolio has eroded , becoming less reliable as a risk-management foundation.[42]

Figure 15 Figure 16

Number of US-Listed Public Companies Decreased by Half
43



Concentration of the 10 Largest S&P Companies Has Doubled in the Past 35 Years[44]

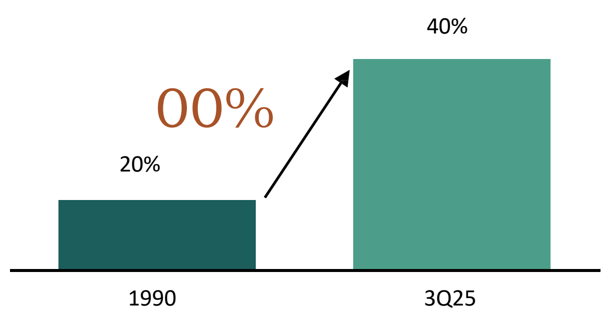


Figure 17

Stock-Bond Correlation Positive
>70% of the Time[45]
2022–2025

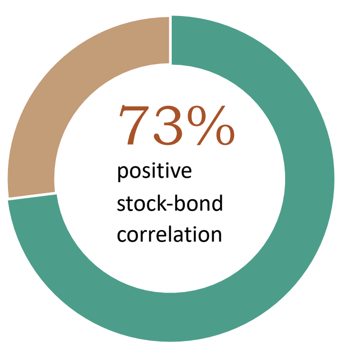
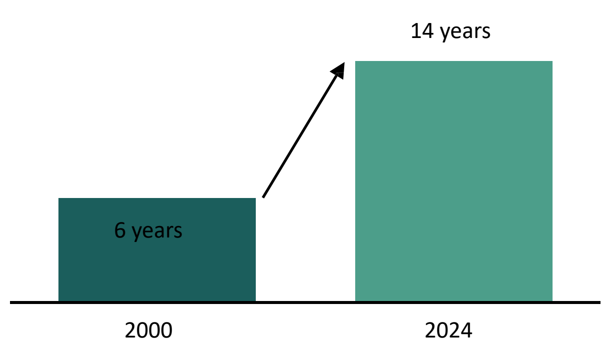


Figure 18

Median US IPO Age[46]
2000–2024



With nearly 90% of large, profitable businesses remaining privately held, private markets provide access to opportunities unavailable elsewhere. Anchored in durable cash flows, operational improvement, and powerful secular demand, private markets can offer a path to rebuild diversification and strengthen portfolio resilience.

Private Equity

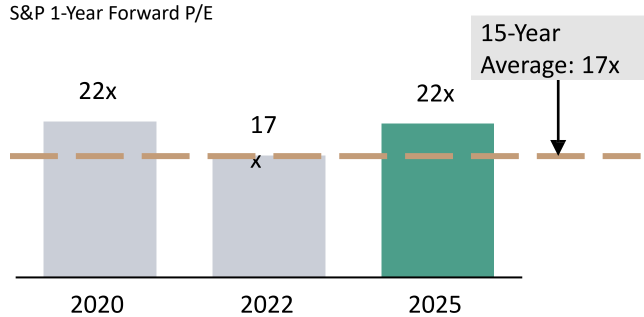
The Deal Dam is Breaking

Private equity enters 2026 with strong momentum. Public equity markets have rallied, with the S&P 500 returning 16% in 2025 and trading at 22x forward earnings — well above the 15-year average of 17x (see Figure 19).[47] This is partially a reflection of solid fundamentals: Corporate earnings are forecasted to grow 12% in 2025, and 15% in 2026.[48] It also reinforces a widening valuation gap between public and private markets. Historically, private equity has outperformed when public valuations were at these levels.

Figure 19

Public Equity Valuation[49]

S&P 1-Year Forward P/E



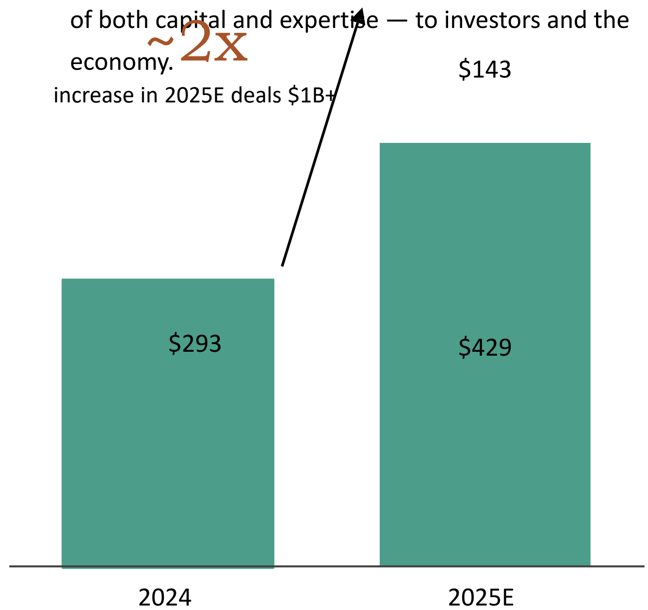
At the same time, structural shifts across markets are creating a broad set of compelling opportunities — ranging from secondaries, supported by the continued growth of alternative assets; to life sciences, where innovation and discovery remain robust; to absolute return hedge fund strategies, which can offer higher risk-adjusted returns in an increasingly concentrated public market. Each of these is an example of the growing role of alternative asset managers as solutions providers — of both capital and expertise — to investors and the economy.

Better financial conditions, solid GDP growth, and renewed appetite for large transactions are driving an upswing in deal activity — particularly in the markets where we invest. Deals over $1 billion nearly doubled year-over-year in 2025 (see Figure 20), and we expect this rebound to continue as deployment opportunities expand.[50] Realizations have also improved.[51] At Aura, our private equity segment had $34 billion of realizations over the last 12 months through 3Q25. Our record-setting December IPO of Medline underscores this shift: The offering was upsized to $7.2 billion, marking the largest US healthcare IPO in history, trading 40% above its IPO pricing at the end of the year — a strong signal for 2026. [52] This momentum is not limited to the US: For example, 2025 IPO activity on the London Stock Exchange was the highest in four years, signaling stabilizing global capital markets and growing investor confidence. [53]

Figure 20

Private Equity Deal Activity ($1B+)[54]

Closed Deal Value ($B) 2025 Run-Rate Deal Value ($B)



Private Real Estate

Cyclical Recovery Underway

Real estate appears to be in the early stages of its cyclical recovery, after private market values troughed in 2023, marking the third major downturn in the past 45 years — the result of higher interest rates, a pullback by lenders, elevated new supply, and structural challenges in sectors such as US office (see Figure 21).[55] In the prior two downturns in the early 1990s and the Great Financial Crisis, private real estate delivered double -digit average annual returns over the following five years [56] as fundamentals and capital markets recovered. We believe, similarly, that today presents one of the most attractive entry points for investors in recent years (see Figure 22).[57]

Figure 21

Values Have Reset, Offering Attractive Absolute and Relative Value [58]

Green Street Commercial Property Price Index, April 2022 = 100

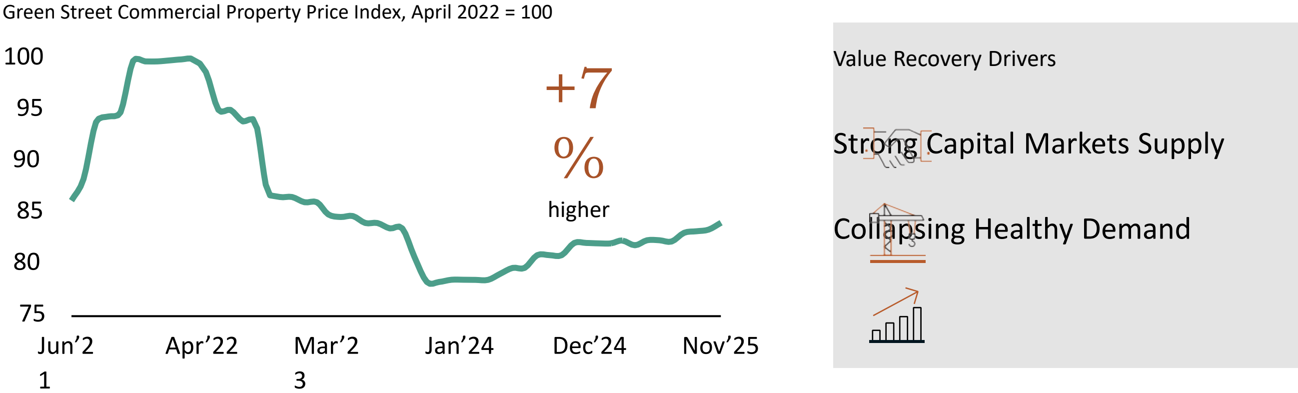
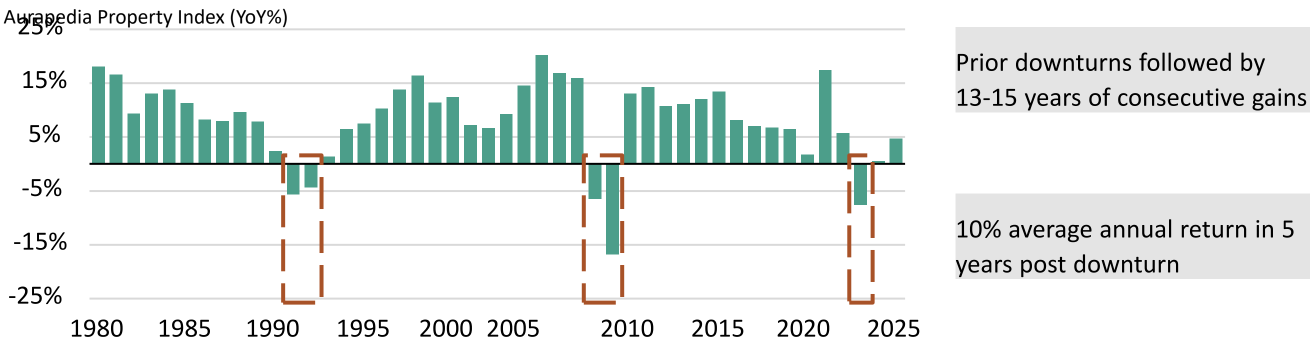


Figure 22

Private Real Estate Index Performance[59]

Aurapedia Property Index (YoY%)



Further, what were headwinds are becoming tailwinds. Borrowing costs are now roughly 40% lower than peak levels in 2023, materially improving equity yields (see Figure 23). [60] However, the speed of recovery has varied across sectors and markets. For example, sectors with long-term structural demand tailwinds, such as multifamily and logistics, have navigated historically elevated levels of supply, but most new completions are now behind us. With new construction starts down more than 60% from the peak, this headwind should continue to fade in 2026 (see Figure 24).[61] In addition to this cyclical improvement, secular demand remains robust across our highest-conviction themes — reflected in remarkable AI-driven demand for data centers, the continued expansion of e-commerce supporting warehouse absorption, and sustained growth in rental housing driven by a rising renter population and observed migration toward the Sunbelt. We see liquidity is also returning, with global real estate transaction volumes up ~20% YoY on a trailing twelve-month basis through 3Q25, particularly in sectors that lacked depth just six to twelve months ago. [62]

This combination of lower financing costs and constrained development is creating attractive conditions for value appreciation. We have leaned in accordingly, and invested over $40 billion in real estate since valuations bottomed at the end of 2023.[63] Our ownership of US single-family homes remains limited — representing about 2% of our real estate AUM and 0.5% of the firm overall — and we have been net sellers over the past decade, reducing holdings by more than one-fifth. That said, we believe our current portfolio is poised to continue to perform quite well and operate at the highest standards for residents.

Figure 23

Declining Financing Costs[64]

Representative US BX Logistics Transactions

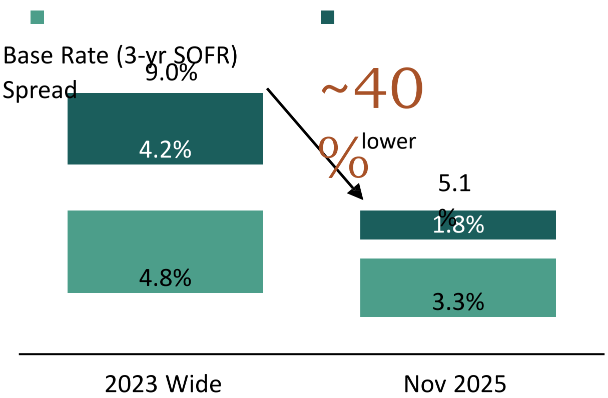
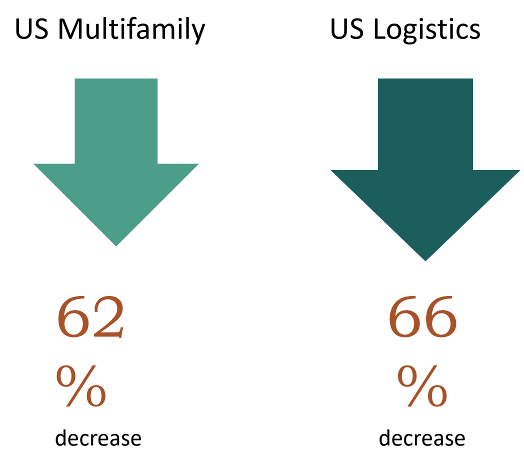


Figure 24

Construction Starts: Today vs. Recent Peak[65] (2Q25 vs. 2022)



Private Credit

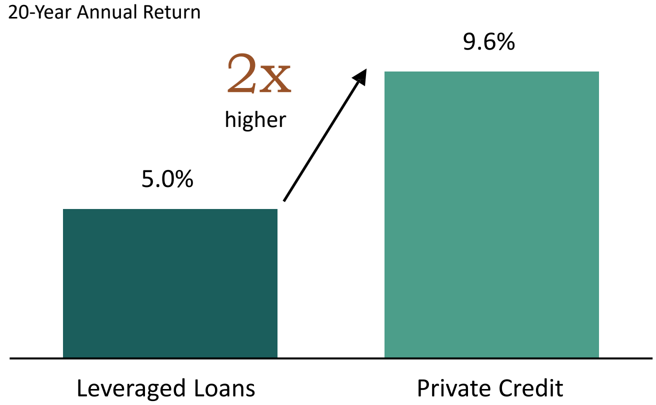
Opportunity For Safety Amidst Uncertainty, Expanding Opportunity Set

We continue to see private credit as a durable asset class, with structural characteristics that can be advantageous and enduring for investors. Its direct, "farm-to-table" origination model is designed to remove distribution and securitization costs and designed to allow investors to capture more return, while providing borrowers with speed, certainty, and flexible partnership. Private credit has significantly outperformed leveraged loans over the past 20 years (see Figure 25).[66] Today, it continues to offer 200bps–250bps of excess return.[67] Low leverage, matched funding, and conservative structures can also make these vehicles stabilizing forces within the financial system.

Figure 25

Private Credit vs. Leveraged Loan Returns[68]

20-Year Annual Return

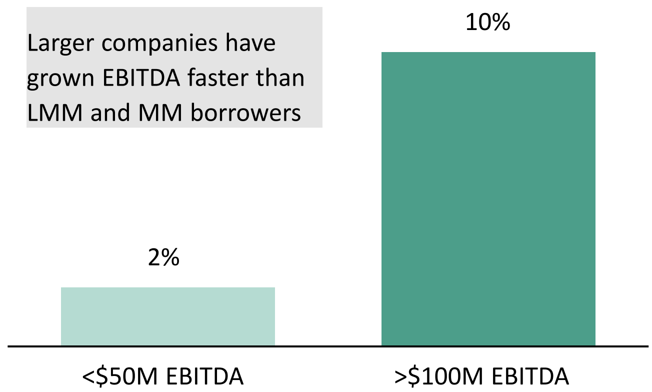


Still, performance dispersion within non-investment grade credit is widening, making scale, origination reach, and sector expertise essential. Larger businesses have continued to outperform, while smaller companies have faced greater challenges with both top-line growth and margin pressure. We remain focused on lending to larger enterprises. Our portfolio companies have an average EBITDA of $256 million, well above the private credit market average of $99 million.[69] This positioning aligns with recent performance trends — over the LTM through the third quarter, companies with EBITDA above $100 million grew EBITDA over five times faster than those with EBITDA below $50 million (see Figure 26).[70]

Figure 26

EBITDA Growth by Size[71]

3Q25 YoY LTM EBITDA Growth



Private credit has also proven defensive during periods of stress, historically outperforming equities and leveraged loans in downturns. Because direct lending loans sit at the top of the capital structure, they are first in line for repayment and generate high current income. Today's loan-to-value ratios are well below historical levels, so more than half of a company's value must be impaired before lenders are affected (see Figure 27). Over the past twenty years, the S&P 500 posted negative annual returns three times; in each of those periods, private credit significantly outperformed equities and leveraged loans, twice delivering positive absolute results (see Figure 28).[72]

Figure 27

Average Loan-to-Value[73]

Historical HY and Bank Loan Data for US LBOs

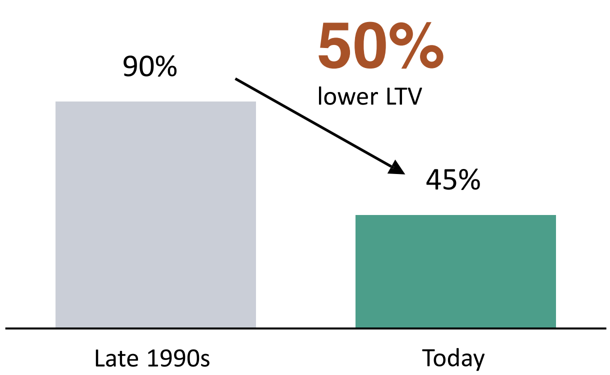
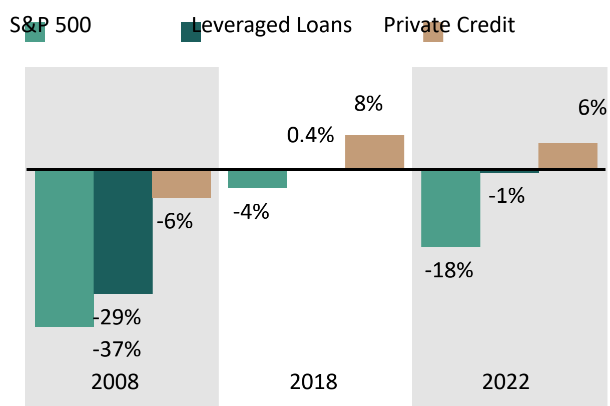


Figure 28

Private Credit Relative Outperformance During Downturns[74]

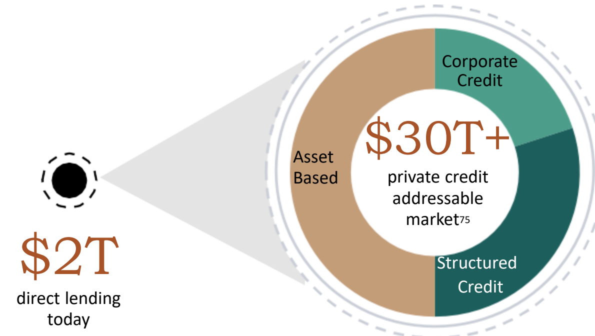
Years with S&P Downturn over Last 20 Years



Looking ahead, we are optimistic about deployment opportunities in 2026, as evidenced by our fourth-quarter deal screening activity up more than 25% year-over-year. We see the opportunity set continuing to expand across both investment grade and non-investment grade credit, extending beyond sponsor-backed lending into financing the real economy — an addressable market exceeding $30 trillion (see Figure 29).[75] Asset-backed finance, infrastructure credit, and real estate credit remain early in their transition to private capital and stand to benefit from generational needs in energy, digital infrastructure, and power.

Figure 29

Private Credit Markets Are Rapidly Growing as a Core Financing Solution for the Global Economy[75]



Private Infrastructure

Powering the AI Buildout

Infrastructure is in a supercycle driven by advances in technology. AI -linked investments and US reindustrialization are adding significantly to current and future power demand, making infrastructure a pillar of economic growth.
Reliable power, durable grids, and robust transmission are now determining factors for AI expansion, creating a compelling investment opportunity set.

Simultaneously, the digitization of commerce and proliferation of data throughout the economy is accelerating, fueling greater demand for fiber and cellular infrastructure and data centers. And the combination of growing global travel — a $1.6 trillion market in 2024 — and rising household consumption is increasing utilization of the roads, ports, and airports that make the global movement of people and goods possible.

To address this wave of demand, an estimated $106 trillion of global infrastructure investment is needed through 2040 (see Figure 30), with roughly 75% concentrated in sectors where we have deep conviction — digital infrastructure, power generation, transportation, and renewables (see Figure 31).[76] AI adoption and electrification, in particular, are growing steadily, widening the gap between demand and supply to create a multi-decade runway for growth.

Capital expenditures by hyperscalers to build data centers totaled $415 billion in 2025, a number that's projected to increase meaningfully in 2026 and beyond. [77] These investments — alongside the reshoring of US manufacturing, electrification, and expanding electric vehicle fleets — are driving record demand for power and energy. US electricity generation is on track to grow over 40% cumulatively in the next 10 ye ars — the fastest pace since the 1970s.[78] Europe is also underinvested in energy and data infrastructure with relatively less data center capacity (trailing the US by 2-3 years)[79] and increasing electricity demands that are expected to grow 12x faster than in the past.[80] These pressures only add to the need for rapid deployment of new generation and flexible, dispatchable sources of power.

Figure 30

Sizing the Infrastructure Opportunity[81]

Private Infrastructure AUM

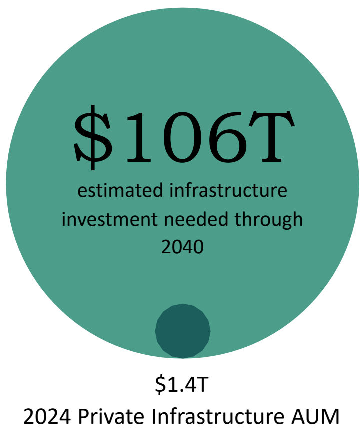
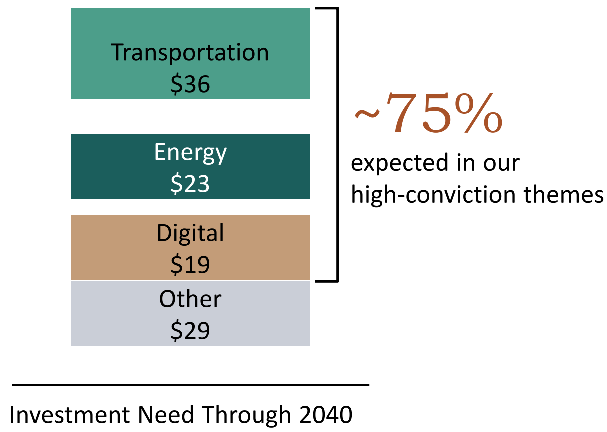


Figure 31

Expected Future Infrastructure Needs[81]

Investment Required Through 2040 ($ in trillions)



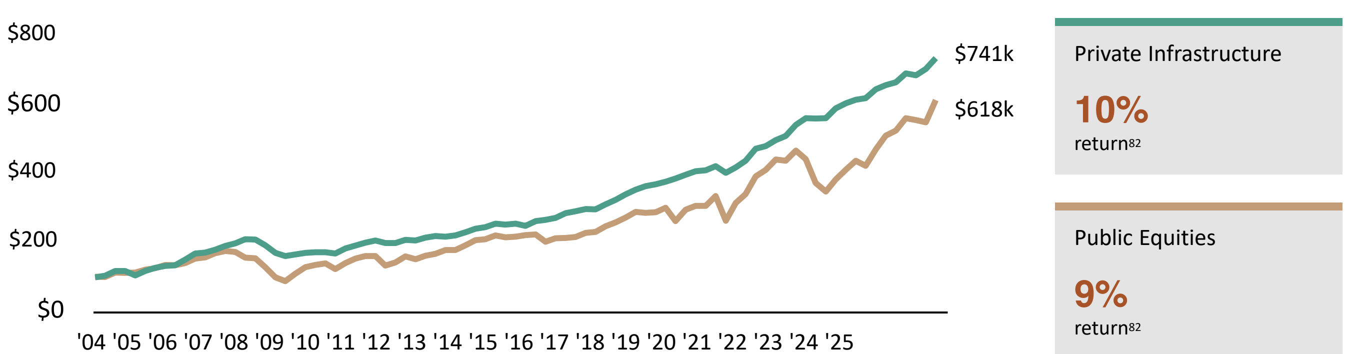
Over the past three years, the typical timeline-to-power for data centers in the US has increased from about one year to now more than seven years, intensifying the strain on existing systems and limiting new data center supply growth. We are also seeing greater use of "Bring Your Own Power" models, with hyperscalers looking for partners to build their own generation infrastructure rather than wait for utility hook-ups. We expect this to remain an active area for private infrastructure capital to invest.

Renewable energy remains attractive given lower costs, shorter development timelines, and hyperscaler sustainability goals. Even so, natural gas power plants are emerging as a compelling option for data center power needs because they can deliver reliable, uninterrupted output without intermittency.

Private infrastructure has a relatively low correlation with other asset classes, providing portfolios with diversification, stable (often contracted) cash flows, and inflation protection. Consequently, it has historically outperformed public markets with less volatility across cycles. Secular tailwinds, historical underinvestment, and a generational AI CapEx wave are converging to create compelling infrastructure investment opportunities today.

Figure 32

Private Infrastructure Has Outperformed Public Equities with Half the Volatility



Positioned for What’s Next

The outlook for 2026 points to a continuation of structural change alongside renewed opportunity. Global investment activity remains resilient, supported by easing inflation dynamics, constructive capital market conditions, and incremental support to household consumption. Across key indicators—investment, spending, and corporate earnings—hard data continues to confirm underlying economic durability.

Business confidence remains broadly intact. A significant majority of corporate leaders anticipate ongoing economic expansion, with expectations of margin improvement reflecting moderating cost pressures and improving operating leverage. The accelerating adoption of advanced technologies, including artificial intelligence, together with early productivity gains, is contributing to a gradual reduction in the global cost of capital and supporting a measured recovery in strategic transactions and M&A activity.

At the same time, the operating environment remains complex. Recent years have underscored how quickly market narratives can diverge from fundamentals, driven by geopolitical developments, policy uncertainty, and rapid shifts in sentiment. Volatility is likely to remain a defining feature of markets, requiring continuous vigilance and disciplined judgment. Periodic dislocations should be expected—and, where appropriate, selectively addressed—through long-term capital, real-time intelligence, and a perspective grounded in market structure rather than short-term noise.

We also anticipate greater dispersion in performance across asset managers. In such an environment, the ability to identify change as it emerges—and to act ahead of consensus—will be a critical differentiator.

Private markets are particularly well positioned in this phase of the cycle, offering access to durable cash flows, operational value creation, and meaningful diversification as public markets become increasingly concentrated. Guided by long-term secular themes, disciplined underwriting standards, platform scale, and a data-driven investment framework, Aura is positioned to deploy capital with conviction in 2026 and to generate sustainable, long-term value by remaining ahead of what comes next.