OTPP 2024 THOUGHT LEADERSHIP

December 2024

ONTARIO TEACHERS' PENSION PLAN

Ipsos

Methodology

A total of 1200 responses were collected among dealmakers.

“Dealmakers” are defined as employees at director-level and above in private equity/venture capital funds, investment bank/M&A firms, accounting/legal advisory firms, or working as management consultants or as managers of pension plans, sovereign wealth funds, or other alternative assets.

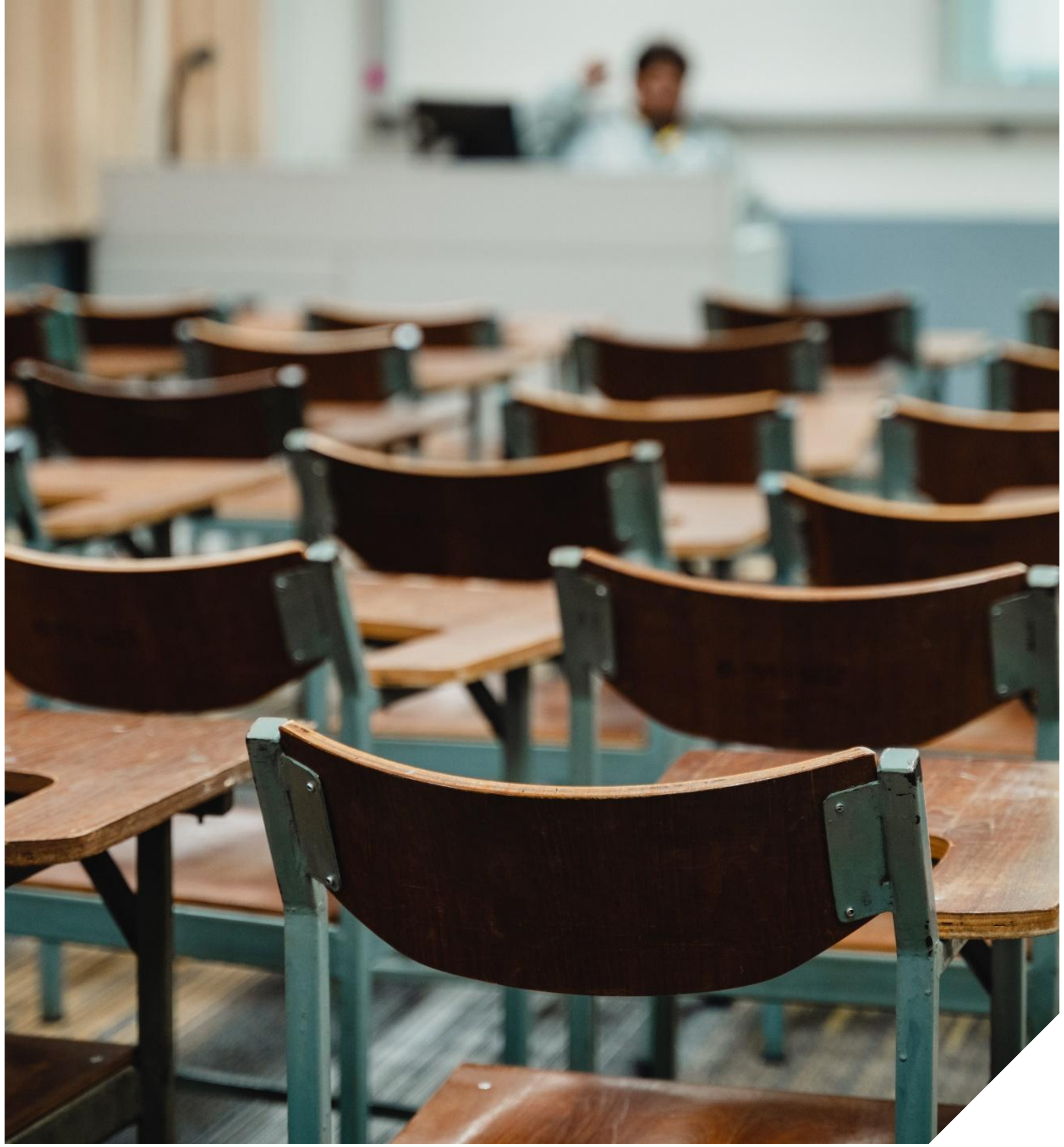
Number of respondents in each market are as follows:

Australia (n=100)
Brazil (n=100)
Canada (n=100)
Hong Kong (n=100)
France (n=100)
Germany (n=100)
India (n=150)
Japan (n=100)(newer market, excluded from aggregate reputation totals)
Singapore (n=100)
United Kingdom (n=100)
United States (n=150)

Fieldwork was carried out from October 8th to October 24th, 2024.

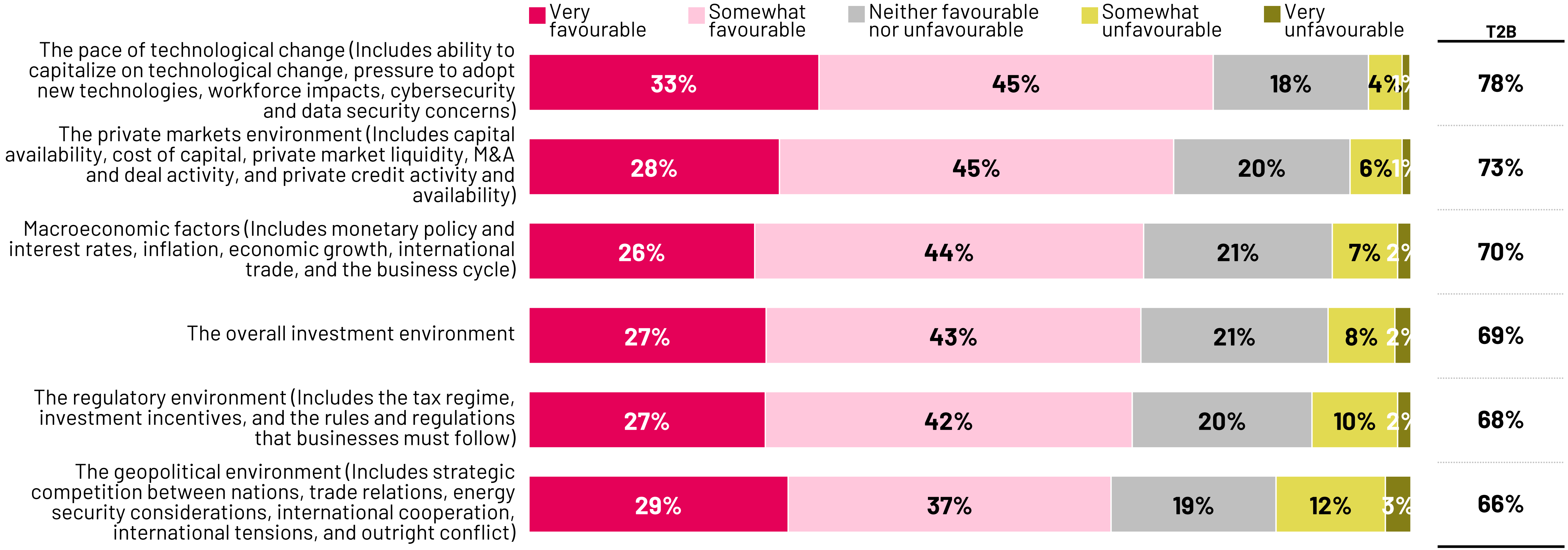
The aggregate results for OTPP are considered accurate to within +/- 3.2 percentage points, 19 times out of 20. For individual countries, the results are accurate to within +/- 11.2 points for n = 100, and +/- 9.1 for n=150.

Results are weighted to ensure consistency of aggregate sample composition year over year.



Favourable Factors Influencing Investor Outlook for 2025

The pace of technological change, the private markets environment, and macroeconomic factors are seen as the most favorable factors. On the other hand, the geopolitical environment and the regulatory environment are seen as the least favorable factors but still does not fall far behind the top factors.



Base: All respondents (n=1200)
Q12. As you look to the 2025 business environment, to what extent do you consider each of the following factors to be favourable for investors.

Favourable Factors Influencing Investor Outlook for 2025 (by Market)

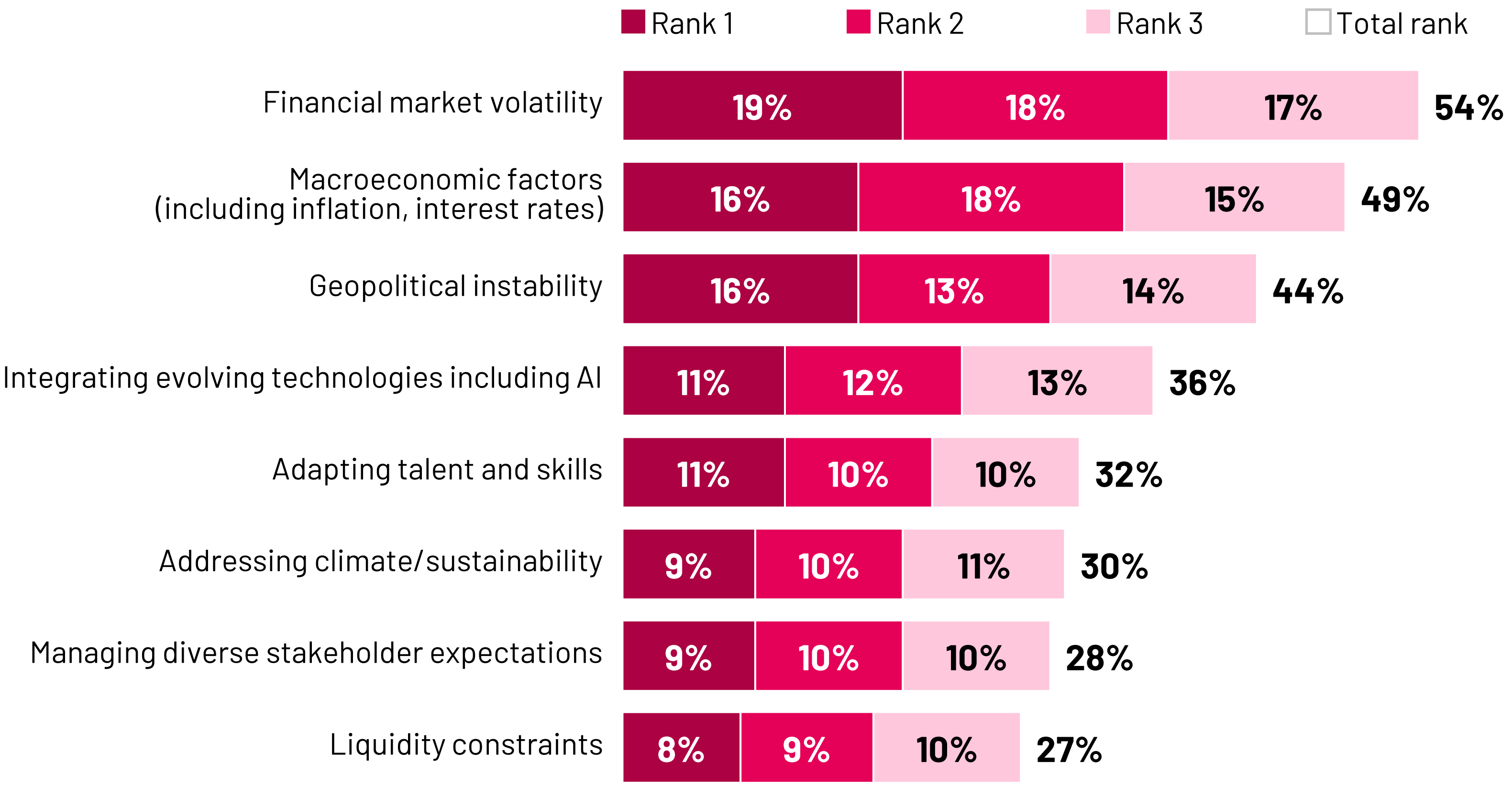
% T2B	GLOBAL	Australia	Brazil	Canada	Hong Kong	France	Germany	India	Japan	Singapore	United Kingdom	United States
The pace of technological change (Includes ability to capitalize on technological change, pressure to adopt new technologies, workforce impacts, cybersecurity and data security concerns)	78%	79%	87%	71%	76%	81%	76%	91%	49%	84%	82%	82%
The private markets environment (Includes capital availability, cost of capital, private market liquidity, M&A and deal activity, and private credit activity and availability)	73%	73%	83%	72%	75%	70%	81%	89%	37%	82%	79%	67%
Macroeconomic factors (Includes monetary policy and interest rates, inflation, economic growth, international trade, and the business cycle)	70%	75%	76%	64%	69%	67%	71%	84%	48%	81%	71%	68%
The overall investment environment	69%	69%	84%	64%	66%	59%	78%	81%	48%	82%	74%	64%
The regulatory environment (Includes the tax regime, investment incentives, and the rules and regulations that businesses must follow)	68%	68%	79%	68%	62%	62%	77%	87%	39%	84%	73%	61%
The geopolitical environment (Includes strategic competition between nations, trade relations, energy security considerations, international cooperation, international tensions, and outright conflict)	66%	70%	72%	62%	65%	55%	74%	87%	32%	82%	72%	65%

Top 3 Factors

Base: All respondents (n=1200)
Q12. As you look to the 2025 business environment, to what extent do you consider each of the following factors to be favourable for investors.

Top Issues for Investors

General optimism on the previous slide is somewhat mitigated by the presence of challenges: financial market volatility, macroeconomic factors, and geopolitical instability are the top three concerns. This highlights the significant impact that these factors are having on investors' decision-making processes, while factors such as managing diverse stakeholder expectations and liquidity constraints are less challenging at present.



Fall'23			
Rank 1	Rank 2	Rank 3	Total Rank
14%	18%	14%	**46%**
13%	12%	13%	**38%**
8%	10%	11%	**29%**
-	-	-	**-**
11%	10%	11%	**33%**
8%	9%	9%	**26%**
-	-	-	**-**
-	-	-	**-**

Base: All respondents (n=1200)
Q13. What is the largest challenge facing you as an investor today? Please rank your top 3 issues

Top Issues for Investors (by Market)

Total Rank Top 3	GLOBAL	Australia	Brazil	Canada	Hong Kong	France	Germany	India	Japan	Singapore	United Kingdom	United States
Financial market volatility	**54%**	**58%**	**55%**	**65%**	**55%**	**46%**	**39%**	**63%**	**41%**	**39%**	**57%**	**67%**
Macroeconomic factors (including inflation, interest rates)	**49%**	**52%**	**53%**	**56%**	**54%**	**47%**	**38%**	36%	**52%**	**46%**	**47%**	**54%**
Geopolitical instability	**44%**	**43%**	**54%**	**49%**	**45%**	**45%**	**48%**	36%	38%	**40%**	**41%**	**40%**
Integrating evolving technologies including AI	**36%**	32%	34%	24%	32%	39%	**43%**	**41%**	38%	38%	37%	37%
Adapting talent and skills	**32%**	26%	29%	27%	36%	34%	30%	32%	**42%**	35%	28%	27%
Addressing climate/sustainability	**30%**	19%	28%	28%	28%	36%	32%	32%	27%	35%	38%	21%
Managing diverse stakeholder expectations	**28%**	24%	25%	22%	21%	27%	32%	**37%**	29%	28%	27%	25%
Liquidity constraints	**27%**	35%	21%	28%	28%	24%	28%	23%	30%	38%	25%	25%

Top 3 Concerns

Base: All respondents: (n=1200)
Q13. What is the largest challenge facing you as an investor today? Please rank your top 3 issues

Key Areas of AI Integration in Business

Informing and enhancing investment decisions, better leveraging and analyzing proprietary data, and enhancing productivity are the top three areas of focus for AI integration. This indicates that businesses recognize the potential of AI to drive innovation, improve decision-making, and gain a competitive advantage. Interestingly, a quarter of Japanese dealmakers are not planning to invest in AI.

	GLOBAL	Australia	Brazil	Canada	Hong Kong	France	Germany	India	Japan	Singapore	United Kingdom	United States
Informing and enhancing investment decisions (including due diligence, portfolio rebalancing, etc)	**27%**	17%	22%	**31%**	**29%**	**36%**	23%	**34%**	17%	26%	**29%**	**30%**
Better leveraging and analyzing proprietary data (for value creation)	**25%**	**30%**	19%	24%	26%	28%	**32%**	30%	7%	**31%**	**29%**	24%
Enhancing productivity	**23%**	26%	**35%**	23%	27%	17%	17%	23%	23%	19%	22%	24%
Anticipating and mitigating investment risks	**19%**	16%	23%	12%	15%	17%	25%	13%	**28%**	23%	20%	16%
I'm not planning to invest in AI	**6%**	11%	1%	10%	3%	2%	3%	-	25%	1%	-	6%

Most focused

Base: All respondents (n=1200)
Q14. Where are you most focused on embedding AI capabilities into your business?